



Annual Report

Financial Year 2021 – 2022

health^{•••}*direct*
Australia



Our shareholders



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From the Chair

In FY22 we commenced the implementation of our new Strategic Plan which sets out five priority areas to help us achieve our vision for a healthier Australia. We help Australians actively manage and improve their health by providing trusted information and virtual services anywhere and anytime.

In a year when COVID-19 dominated health system resources, Healthdirect Australia needed to adapt and change its services quickly as new demands arose – while also delivering against our longer-term objectives. While remaining committed to the delivery of high quality services for the Commonwealth and jurisdictions, we have also evolved to facilitate better consumer pathways to drive further efficiencies and better outcomes across the health system.

During this time, a substantial program of work has been underway to transition the healthdirect helpline to a new operating model. This has been modelled off the National Coronavirus Helpline, applying learnings from the pandemic to other services and business operations and to drive further benefits for consumers and funders.

The National Health Services Directory, a core piece of national digital infrastructure, has played a critical role this year in enabling connections for consumers to key services, as and when they need it. As an integrated part of the health system, it now links with the most used online booking and health tools in Australia, including the Vaccine Clinic Finder. It helps connect COVID positive Australians with their GP via secure messaging and has been used in over 400 million search queries.

During FY22, Healthdirect Australia has also played an instrumental role in driving the use of video call in health settings. The technology platform is now leveraged in the emerging area of virtual emergency departments, to help consumers get the right urgent care and shift resources to where they are needed most.



In the delivery of our digital and telephony services, our systems are data-driven, resilient and secure, built to serve government needs, and to assist the health system by providing better healthcare connections for all Australians. Of callers who advise us they need to attend the emergency department, we are able to connect over 50 per cent with less urgent care in the community or self care advice. An independent audit undertaken by the University of Melbourne in 2021 confirmed that 82 per cent of people we advise attend an emergency are appropriately triaged, and of the remaining 18 per cent, 13 per cent is due to the unavailability of a GP to manage the caller's care.

We are in a strong position to deliver for our shareholders and the Australian public, with the capability to implement a rapid response plan when needed.

On behalf of the Board, I thank the Shareholder Committee for their continued support and guidance. The Board is committed to delivery of the mission and purpose as approved by our funders and to ensure strong corporate governance.

I am honoured to Chair the Board, and on their behalf, I acknowledge the enormous commitment and contributions of the Healthdirect team to deliver for consumers and government, as we look to a bright future ahead.



Jane Muirsmith
Chair, Board of Directors
Healthdirect Australia

From the CEO

Healthdirect Australia is having significant impact helping Australians actively manage their health, with increased usage of our trusted information and virtual services in FY22.

We received close to 10 million calls and serviced 117 million sessions on our website. The healthdirect app has been downloaded 380,000 times, which now allows consumers to view information in their My Health Record and save health advice – such as managing symptoms, taking medications, or when to seek care – for easy reference.

Over the past year we responded to urgent healthcare issues and consumer demands for information. We launched the Vaccine Clinic Finder in March 2021, and during FY22 we built digital connections with 15 commercial booking providers to allow consumers to find next available vaccine appointments and make bookings online. This digital support from Healthdirect in partnership with industry booking providers was essential to administering vaccines to the majority of Australians – approximately 350,000 vaccines were administered on 22 September 2021 alone, which would have been inconceivable to book through manual or phone channels.

Following approval by the Therapeutic Goods Administration of antiviral medications, Healthdirect worked with governments and medical peak associations to connect eligible consumers with their GP for a telehealth consultation and potential eprescription. We connected 18,000 patients with general practitioners from March to June 2022, with many receiving medications within hours of their positive test result.

Our Video Call service was used by healthcare providers to undertake over 1.6 million consultations in FY22, nearly twice as many as FY21. Our research also shows real benefits to consumers of video consultations; correct recall of health advice is 94 per cent via video compared with 76 per cent by phone, and consumer confidence to manage the issue is 85 per cent via video compared with 76 per cent by phone.



Healthdirect has also played its part in alleviating pressure from the health system by ensuring people are supported to access the most appropriate care for their condition. Of over 200,000 those who told us they intended to attend a hospital emergency department for care, we were able to connect over 50 per cent with less urgent care or information on how to manage their symptoms themselves. Independent audits continue to confirm that our services are safe and appropriately triage patients to the right care.

I'd like to thank the amazing team at Healthdirect who are dedicated to improving the health of Australians, and who continued to deliver with resilience and grace through lockdowns in 2021. With changing demand and circumstances, the team have built a strong understanding of governments' needs to deliver new and innovative solutions on a consistent basis.

I'd also like to thank the Healthdirect Australia Board, and Board Chair Jane Muirsmith in particular, for their support and faith in me as CEO to lead the organisation to an even stronger future. Thank you also to the governments of Australia who are increasingly working with Healthdirect on critical virtual care services; we are committed to delivering quality services on your behalf.

And finally, I'd like to thank the people of Australia for putting their trust in Healthdirect to provide them the advice they need to make informed decisions about their health and to receive the right care when they need it.




Bettina McMahon
CEO
Healthdirect Australia

National virtual health services


Healthdirect Australia develops and delivers high quality safe virtual health services that are scalable, stable, reliable, cost efficient and reusable national assets. These services provide real time data insights that inform optimisations for better health outcomes and customer experience.

Phone services




healthdirect
after hours GP helpline
My Aged Care
National Coronavirus Helpline
Pregnancy, Birth and Baby

National digital infrastructure




Healthdirect Video Call
National Health Services Directory

Digital self-help tools



Symptom Checker
Service Finder
Risk Checker
Restriction Checker
Vaccine Clinic Finder
COVID-19 Symptom and Antiviral Eligibility Checker
Opioid Risk Checker
Medicines Information Service

Optimum care pathways



COVID-19 GP secure messaging
Antiviral treatment eligibility pathway
Multicultural Health Connect service

Strategic Plan 2021-2024

To help Australians actively manage and improve their health by providing trusted information and virtual services anywhere and anytime.

Our strategic priorities

Values & outcome priorities

We improve the health of consumers

→

We will ensure easier and faster access to information and virtual services for all Australians so they can actively manage and improve their own health and understand how to access health services.

We provide value for governments

→

We will strengthen services that are cost-effective, help manage growing demand for health services and respond to government priorities.

We are connected to industry

→

We are working to increase the interconnection of our information, advice, referral and virtual services with other services in the health and aged care systems.

Enabling priorities

Our Capability

Enhance internal flexibility and scalability to enable a rapid response to emerging or urgent healthcare issues.

Our Operational Strength

Be an adaptive, innovative, and customer-focused organisation with efficient and well-governed operations.

Consumers are more active and engaged in understanding their health than ever before and want easy access to information whenever they need it. Their needs are being increasingly considered in health service design to improve health outcomes. Familiarity with digital health experiences is enabling more robust 2.0 versions of pandemic-built virtual health tools and pathways.





SMS reminders, follow ups and quick links



Video consultation with health professional



Online GP and vaccine booking



Seamless pathway to antiviral medication prescription

About Healthdirect Australia

Company overview

As the national government-funded provider of telephony and virtual health services, Healthdirect Australia helps Australians to actively manage and improve their health by providing trusted information and virtual services anywhere and anytime.

Healthdirect Australia partners with government, industry, peak bodies and local health providers to provide integrated customer-facing health information and services.

Helping those who use our services

Healthdirect Australia delivers multiple digital services that help Australians get faster, easier access to the health information and advice they need, over the phone, online or via an app.

Our services are designed to provide the information that will support people to manage and improve their own health. This includes by providing information on how to navigate the Australian health system and which health service is most appropriate for their situation.

A responsive, secure provider to government

With more than 16 years of experience designing and delivering digital health, we deliver services that are cost-effective, help to manage growing demand for health services and information and respond to government priorities.

Our robust digital infrastructure enables us to deliver nationally consistent, scalable and sustainable tools and services that meet the needs of the Australian public and the health policy objectives of our funders.

Every service managed by Healthdirect Australia plays an important role in the health system, increasing the interconnection of data and information between systems, as well as connecting users with advice and referring them to other parts of the health and aged-care systems.

Government shareholders

Healthdirect Australia is jointly funded by the Australian Government and the governments of the Australian Capital Territory, New South Wales, Northern Territory, South Australia, Tasmania, Victoria and Western Australia, which are shareholding jurisdictions. Queensland provides funding for limited services, but it is not a shareholder of Healthdirect Australia.

Governance structure

External and internal governance processes and committees ensure that Healthdirect Australia meets its legal, compliance and financial obligations while delivering high-quality, secure and clinically safe services.

The Australian Health Ministers' Advisory Council established the Healthdirect Australia Shareholder Committee to provide Healthdirect Australia with policy guidance.

The Shareholder Committee comprises delegates of the Health Minister from each participating jurisdiction, ensuring appropriate governance within Healthdirect Australia.

As a not-for-profit public company, regulated under the Corporations Act 2001 and limited by shares, Healthdirect Australia has a Board of Directors.

The Board is appointed by the Shareholder Committee to deliver our vision and purpose. The Board oversees to committees with assist in carrying out its responsibilities - the Finance, Risk Management and Audit Committee and Clinical Governance Advisory Group which consists of a cross-section of internal and external experts.

Clinical governance

Health information and advice provided by Healthdirect Australia's services adheres to Healthdirect Australia's Clinical Governance and Quality Framework, Australian health guidelines and best-practice health literacy principles to support people to make informed decisions about their health. The Clinical Governance team manages a rigorous feedback, complaints and incidents process, with low volumes to manage compared to other health services.

These principles are applied to online extensions of our helpline services, across social media channels and marketing collateral, ensuring health information is safe, evidence-based and high quality.

Human resources

Our people are highly skilled and engaged with purpose-driven work. To support our people to thrive we provide individually tailored development, holistic wellbeing programs and an always-on actionable listening strategy. Healthdirect has a diverse and inclusive working environment and we are committed to equitable remuneration practices and employment opportunities.

Service reliability

As a fully cloud-based digital health service provider, our robust technology stack enables scalable, fault-tolerant services. This maximises uptime and lowers the risk of failure. This enables us to continue to deliver information and advice seamlessly to the Australian public.

Privacy, risk and cybersecurity

In an increasingly digital world, stakeholder and public confidence in our data management and handling processes is paramount. To comply with our privacy obligations, Healthdirect Australia's Privacy Policy is publicly published, and our Privacy Officer is responsible for implementing a privacy-by-design approach across the business. This includes conducting impact assessments, company-wide privacy audits and ensuring adequate workforce training. In the past 12 months, there have been no notifiable data breaches.

Risk-management capabilities are aligned to the ISO31000:2018 standard (Risk Management Guideline and Principles) and adapted to meet the demands of our fast-changing environment on an ongoing basis. The further maturing and application of best-in-breed risk-management practices continue to embed good risk-management practices within and across the business. This has contributed to maintaining Healthdirect Australia's risk-positive culture at every level of the business. The Board, Executive, Management and staff continue to be positively engaged in risk management and oversight capabilities, underpinned by a robust Risk Management Framework.

Healthdirect Australia's security policies and standards align with the Australian Cyber Security Centre's Information Security Manual and the Personal Security Protection Framework. For services that host personally identifiable information, we have designed security policy and procedures to align with Level 2 of the Australian Cyber Security Centre Essential Eight maturity model.

Supply chain

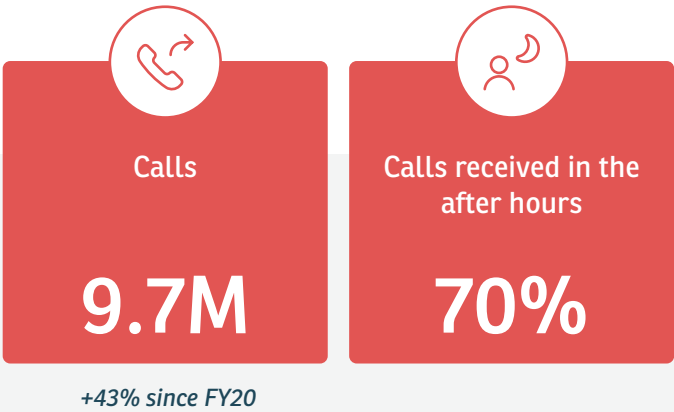
Healthdirect Australia has a responsibility to combat the risks of modern slavery in our business, large extended workforce and supply chain. During our modern slavery reporting period, we did not identify any incidence within our supply chain. We continue to review and implement a program to manage modern slavery risks in our supply chain and operations.

Strategic Plan

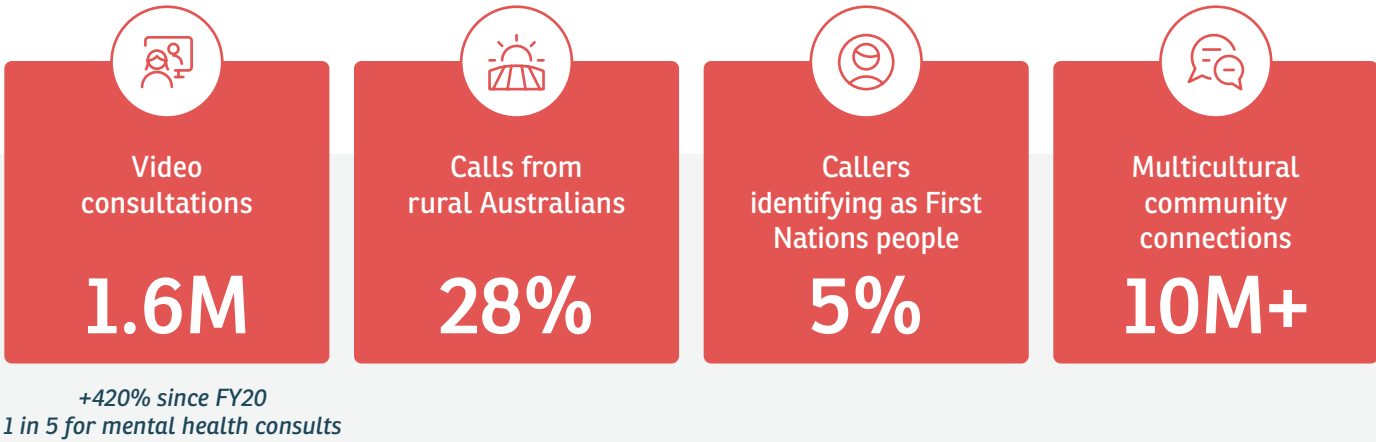
In FY22, Healthdirect Australia consulted with stakeholders and providers to prepare a four-year Strategic Plan, endorsed by the Board of Directors. The Plan sets out five measurable priority areas: three that provide a roadmap for demonstrating further value to consumers, governments and industry; and two enabling priority areas that will enhance our flexibility and scalability and strengthen our organisational capability.

Trusted health information and advice
for millions of Australians

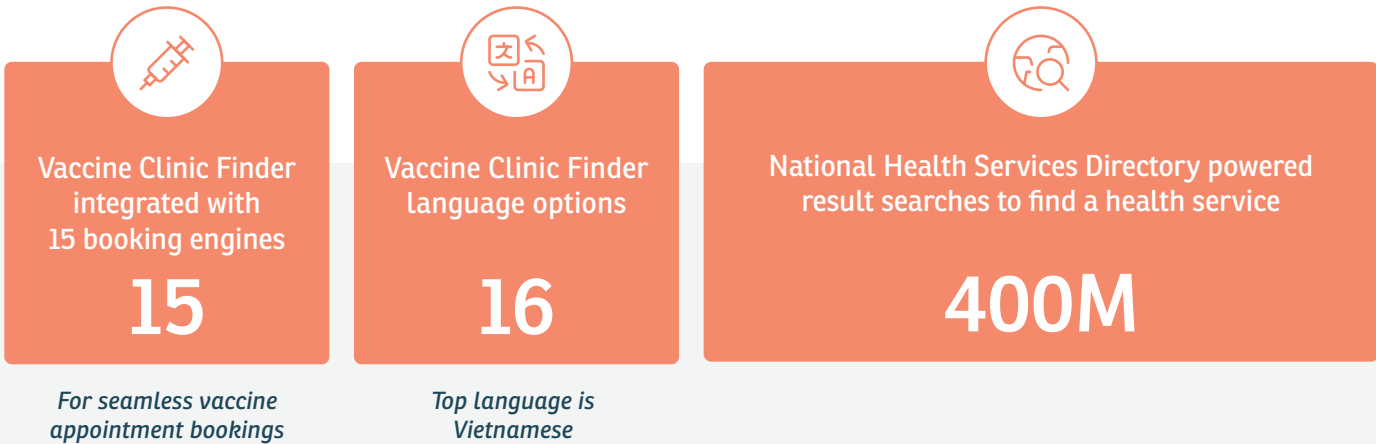
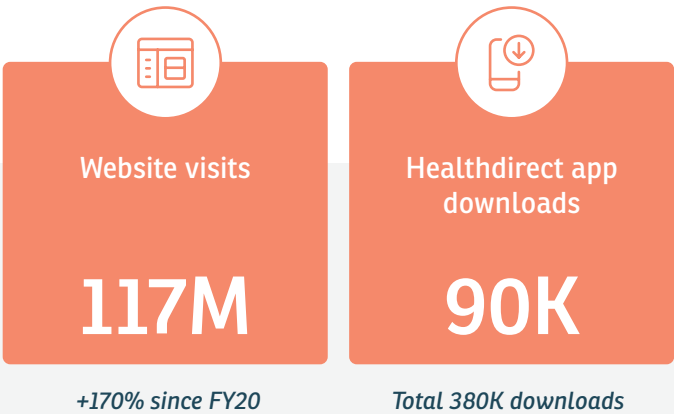
Healthdirect services were used by millions of Australians for health information and advice in FY22



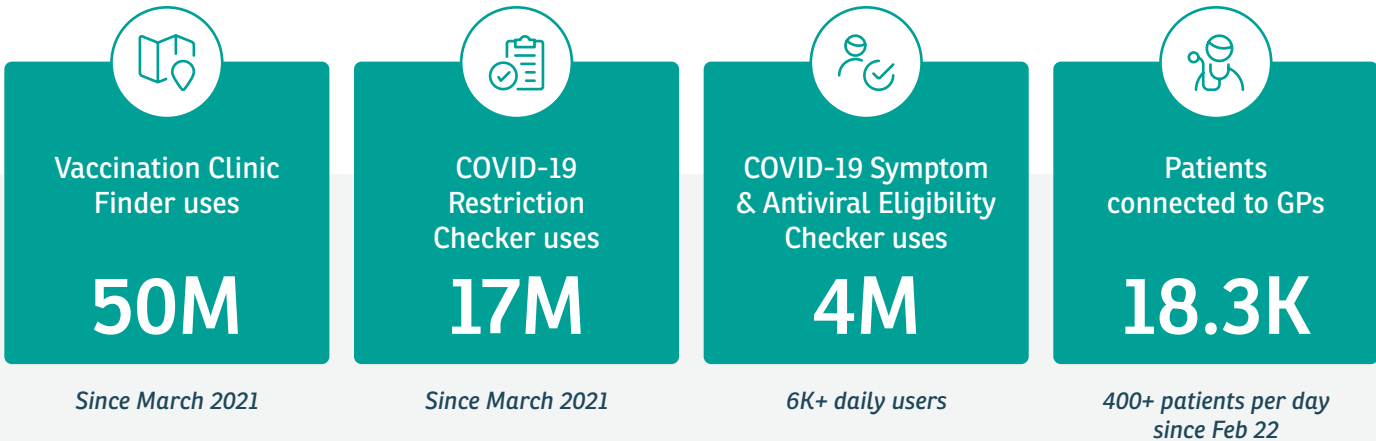
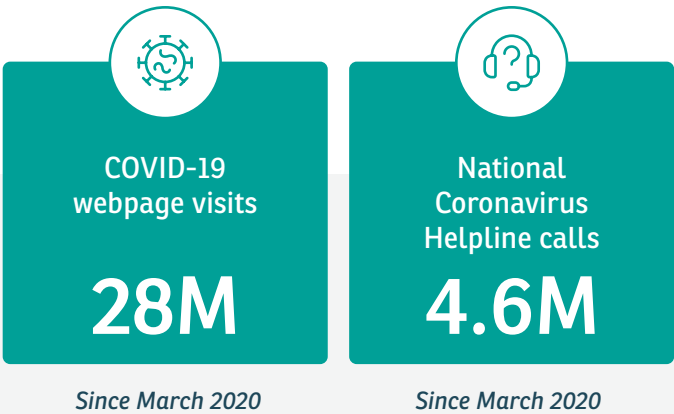
In FY22, services managed by Healthdirect Australia connected 130 million times with the Australian community, providing evidence-based information and advice over the phone, through digital self-help options and connecting people to appropriate care pathways in the health system. These services are secure, scalable and reliable, benefiting the health system and the Australians that use them.



The surge in demand for digital info and self-help tools also continued in FY22



The COVID-19 response provided essential support and pathways for the community across multiple services



Realising value from our impactful role in the pandemic

During the COVID-19 pandemic, Healthdirect Australia has played a pivotal role in supporting the governments of Australia to provide millions of people with easy access to health information and advice and to streamline access to vaccine bookings and other services. The tools, systems and learnings that have been fast-tracked will be repurposed, strengthened and improved to build the health system of the future.

Replicating a new operational model for call-centre management

In March 2020, at the request of the Australian Government, Healthdirect Australia needed to design, build and deliver the National Coronavirus Helpline which would handle up to 40,000 calls a day. Compared to the 2,500 calls a day on the healthdirect helpline, it was clear that a new model of contact-centre operations and management was needed.

Just six months in, the success of the National Coronavirus Helpline model— including its workforce scalability to meet the public’s demand for assistance during the pandemic- was evident. This triggered the development of a business case seeking to transform Healthdirect Australia’s other helpline operations to a similar model.

The National Coronavirus Helpline model

The National Coronavirus Helpline was established with multiple contact-centre workforce vendors since no single supplier had enough agents to meet the number of calls expected. This arrangement required a centralised contact-centre system under Healthdirect Australia’s management that could be shared across a range of vendors and accessed by hundreds of call handlers to ensure consistency in service delivery for every caller.

The customer-relationship-management (CRM) design for the National Coronavirus Helpline has provided agents with access to a single comprehensive online Knowledge Base, clinical-assessment system, incidents-management system and other centralised support tools.

It has also provided Healthdirect Australia with a unique national perspective through contact-centre activity reporting on the population’s evolving reaction to the pandemic.

Almost two years of operational data supported the business case that Healthdirect Australia’s management team and Board of Directors submitted to shareholders. The business case demonstrated the model’s operational efficiencies, commercial benefits and service improvement flexibility, while maintaining clinical, quality and safety standards.

The business case also set out the new contact-centre management model as the default arrangement for developing helplines, that are resilient, reliable, fit-for-purpose for future services.

Moving to a new model

The transition to a new model commenced in August 2021.

The first helpline to transition to the new contact centre operating model will be the healthdirect helpline (called NURSE-ON-CALL in Victoria) in November 2022.

An extensive procurement process has involved securing the necessary contact-centre technology systems, customer clinical-decision support systems, implementation partners, workforce providers and in-house skills to seamlessly transition to and operate services in the new model.

Consumer experience

A seamless transition of the healthdirect helpline from an outsourced model to an inhouse model will ensure callers do not notice a change in the same trusted service they know and expect. However, the health outcomes for callers are expected to improve with the new model. Triage nurses will discuss the caller’s symptoms and their situation to provide an accurate triage and tailored disposition advice.

The triage nurse will be able to help remove barriers and friction in the user journey, making it easier for callers to take the next step in their health journey, based on the advice provided. For example, via increased interconnectedness of the National Health Services Directory, the nurse will be able to see upcoming GP appointment availability with the caller’s preferred GP or one located conveniently. They will be able to immediately send the caller a link to book the appointment.

Efficiency in operations

Over FY21 and FY22, the differences in the ability to flex workforce requirements and make iterative optimisations across the portfolio of coronavirus helplines operated by Healthdirect Australia have been distinctly noticeable.

Data insights are real time and actionable, which will enable the quicker deployment of service improvements.

The key benefit in transitioning other helpline services to the new model will be found in having a panel of workforce service providers. This will provide the flexibility to adjust capacity to meet demand, enabling service-level targets to be maintained and operating costs optimised.

Commercial benefits

The panel of workforce suppliers means performance between panel members can be compared, allowing Healthdirect Australia to achieve best value for the benefit of service funders.

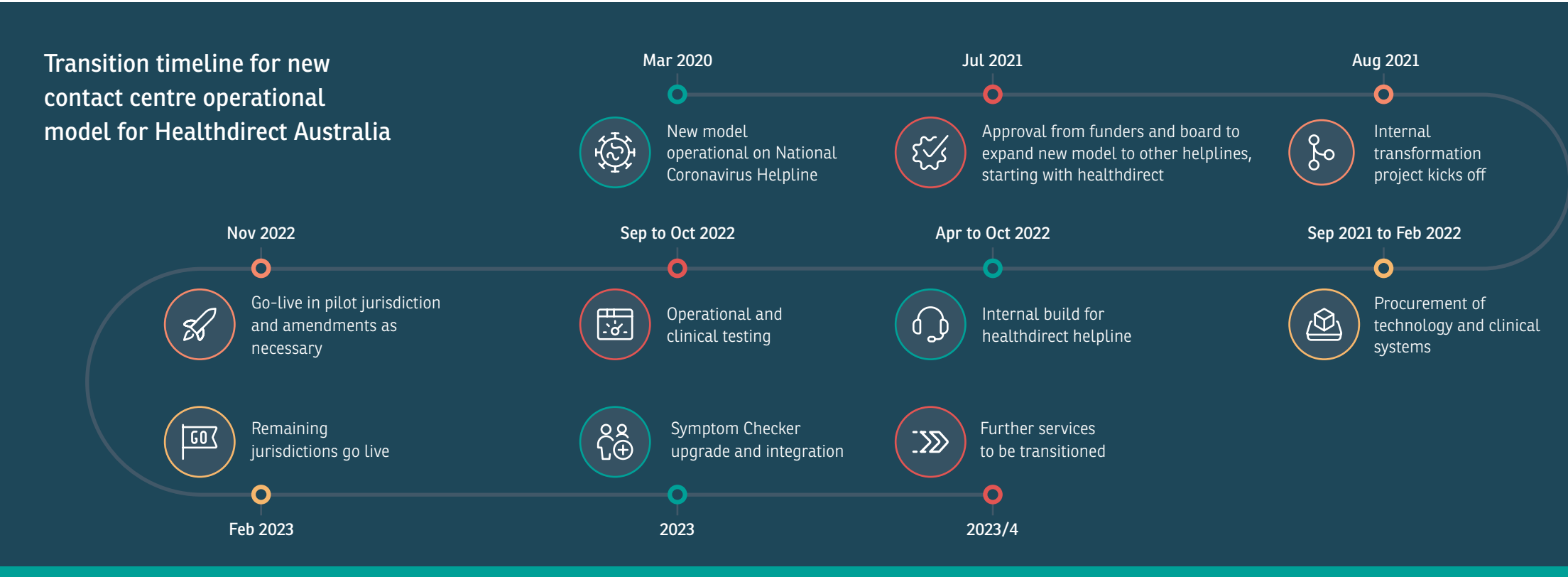
Responsive to the health system

Healthdirect Australia’s services are designed to help people get the right care at the right time. With closer operational management control over the end-to-end service, the service team can make adjustments that may reduce pressure on the health system while continuing to provide a safe, clinical advice service.

The new model will better embed the National Health Services Directory to help triage nurses to provide non-hospital care pathways to callers, in particular to refer callers to urgent care clinics.

Clinical enhancements

A key piece of the new operational model has been the selection and management of a new clinical decision support system to help clinical call handlers triage callers and provide the right advice and information. Our evaluation included a robust testing phase for safe triage outcomes.



**COVID-19 information:
A critical resource managed
by Healthdirect**

At the centre of the National Coronavirus Helpline is a Knowledge Base, an online database of questions and answers used by call handlers to provide up-to-date health information about COVID-19 to the millions who call. As at 30 June 2022, nearly 5 million calls have been received by the helpline, 2.6 million in this financial year.

The Knowledge Base covers information about COVID-19 that Australians need to know. This includes information about managing COVID-19, travel and community restrictions, disability access, aged care, vaccinations, isolation and close contacts.

It is set up as a simple user-friendly, searchable webpage so that any call handler across multiple call centres can access it to find the information the caller wants.

Data insights

The Knowledge Base provides valuable insights and data for managing the pandemic and public messaging. Trend information (such as a rise in questions about the Novovax vaccine or queries from parents about the Moderna vaccine for their children) is tracked and provided in a real-time dashboard that is provided to the health departments to inform their communications campaigns.

This enables ongoing management of the pandemic. For example, from January to June 2022, there was an increase in people searching online for long COVID and recovery information. However, when compared to the low number of people calling the National Coronavirus Helpline about long COVID symptoms, we could deduce that Australians were predominantly self-serving their information needs on this topic.

A prototype for the future

The Knowledge Base is used by more than 20 government agencies, jurisdictional COVID hotlines and approved non-government organisations handling COVID-19 queries. This collegiate approach to the sharing of information reduces effort, administration and minimises opportunities for out-of-date information to be provided to the public.

The content approval processes, particularly working with government to quickly confirm and clinically verify messaging, were honed over the course of the pandemic and are still in place today.

Importantly, the lasting value of the Knowledge Base lies in the principle of sharing information, working at both federal and state and territory levels. It is a model that can be applied to future pandemics or natural disasters.



**Vaccine Clinic Finder used 50 million
times for online COVID-19 vaccine
appointment booking**

Healthdirect Australia worked with the Australian Government, peak bodies and the medical software industry to establish, manage and maintain the Vaccine Clinic Finder. This is powered by the National Health Services Directory. The Vaccine Clinic Finder is the Australian Government's official vaccine clinic search and booking portal. It is the only platform to list all COVID-19 vaccination clinics in Australia.

The Vaccine Clinic Finder has made it easy for Australians to locate a suitable clinic and make a vaccination appointment. This has helped Australia to reach its vaccination targets and to ensure individuals are protected from the severity of COVID-19.

Seamless online experience

The Vaccine Clinic Finder, available in 16 languages, has been used more than 50 million times, demonstrating the adoption of digital pathways for booking health services over the past two years. One of the continuous improvements includes the ability to filter clinic searches by wheelchair accessibility, 'walk-in' availability and clinics that offer free vaccines to people without a Medicare card, improving equity of access and convenient access to vaccinations.

**A key delivery partner for the Government
and health system**

The Vaccine Clinic Finder started as the Vaccine Eligibility Checker and evolved under the Australian Government's phased COVID-19 vaccine rollout approach. The tool helped to ensure that all Australians could check their eligibility as eligibility requirements changed. It was a key tool in achieving high vaccination rates that could trigger the relaxation of restrictions and open borders, and to help Australia and the economy resume normal activity.

As vaccine availability improved and eligibility criteria relaxed, the Vaccine Eligibility Checker was simplified to become Vaccine Clinic Finder. It remains the national digital 'front door' to finding a clinic and making a vaccination booking.

Built for a specific purpose and bringing together existing assets in the digital health ecosystem, the Vaccine Clinic Finder has been thoroughly embedded as a piece of national digital infrastructure with enduring benefit beyond the COVID-19 pandemic.



Industry collaboration

The Vaccine Clinic Finder, shows the availability of vaccine appointments in one place for anyone wanting to get a COVID-19 vaccine.

Initially, there was a high number of vaccine clinics listed as 'phone only'. This broke the seamless digital journey to making a vaccine booking online, adding extra steps for consumers and creating administrative burden on clinics managing phone enquiries.

Healthdirect Australia worked with medical appointment booking providers, codesigning an interoperability solution for the Vaccine Clinic Finder. The National Health Services Directory team worked with booking providers to rapidly integrate their systems, enabling a federated approach to searching and booking appointments.

The success of the online booking integration program was measured by the proportion of vaccination clinics offering seamless online appointment booking through the Vaccine Clinic Finder, with available appointments displayed in real time. As at 30 June 2022, 6,510 clinics (65 per cent of all vaccination clinics) listed on the Vaccine Clinic Finder offered real-time appointment bookings, and all major booking platforms are integrated with the National Health Services Directory. This represents an increase of 4,360 vaccination clinics (a 203 per cent improvement) during the financial year as a result of the booking integration program.



"Getting the technology right for patient access will improve vaccination rates. Providing patients with integrated, easy access to book vaccine appointments with their GP online is a positive step forward and will help our hardworking GPs to get more vaccines in arms as soon as possible. It could not come at a more important time, as increased vaccination rates will protect individuals and the broader community and ultimately ease the pressure on GPs and hospital teams."

Dr Karen Price, President, Royal Australian College of General Practitioners

A major factor in the adoption of online booking by general practices and pharmacies came from our collaboration with peak bodies, including the Royal Australian College of General Practitioners, Australian Association of Practice Management, the Australian College of Rural and Remote Medicine, Pharmaceutical Society of Australia and Pharmacy Guild of Australia, and with support from the Medical Software Industry Association.

Powered by the National Health Services Directory

Underpinning the success of the Vaccine Clinic Finder has been the sourcing and provision of the data on vaccine clinics and the data model that has supported evolving eligibility requirements.

As states and territories ramped up vaccine clinic sites for the public, to increase appointment availability across the country, the National Health Services Directory team worked with each of them to collect and update data promptly, utilising the standardised approach previously established for primary-care vaccine clinics.

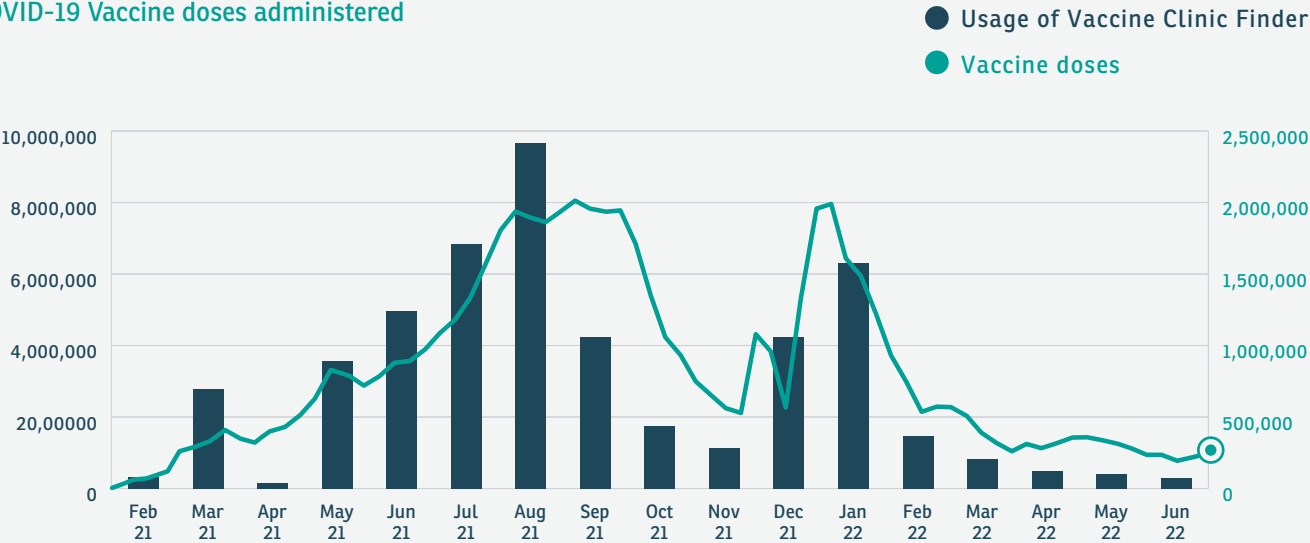
This provided a consistently high level of currency, accuracy and coverage of data across all clinics, ensuring that people could find a location to get their COVID-19 vaccination.

Data analytics and reporting in near real time supported governments to make decisions on demand capacity as Healthdirect Australia was able to provide information on appointment availability across Australia at any given location.



Vaccine Clinic Finder (previously Vaccine Eligibility Checker) is a critical tool in the national vaccine rollout

Usage of Vaccine Clinic Finder and COVID-19 Vaccine doses administered



"I am a former Enrolled Nurse and I'm triple vaccinated. I found your information extremely helpful, plain speaking and relevant."

healthdirect website visitor

A tool for the future

The development roadmaps for the Vaccine Clinic Finder includes broadening its use to locate and secure access to flu vaccines and other types of health appointments. The robust work done to enable a seamless user journey to make an appointment is convenient and has been a success for the public, industry, health system and government, and will continue to provide value as enduring national digital health infrastructure.



Increasing accessibility and use of digital health services

In an increasingly digital healthcare system, Australians are increasingly using our digital services alongside our long-standing phone services, with three quarters of our triages done by people themselves on the healthdirect Symptom Checker.

We ensure faster and easier access to information and virtual services for all Australians so they can actively manage their health. This applies to information provided directly to them, and to streamlining the data exchange via the systems that support access to care.

Providing inclusive and accessible services to all Australians

Healthdirect Australia has several new initiatives to better assist multicultural Australians to access health information and services. These initiatives are funded by the Australian Government Health and Aged Care Department, which has a commitment to providing health information in ways that remove barriers to people understanding their health.



Expanding National Coronavirus Helpline accessibility

Australians can text 'Hey EVA' to 0481 611 382 and receive a call back from the National Coronavirus Helpline team to help them make a vaccine appointment. In the text message, they provide their name, state, preferred time/date of call and, most importantly, their preferred language. The call back can include an interpreter from the Translating and Interpreting Service, and has provided a seamless and culturally inclusive vaccine booking. Nearly 2,000 contacts have used the service, with the greatest uptake among people aged 60 and over, people who are immunocompromised and Aboriginal or Torres Strait Islander peoples.

Additionally, the National Coronavirus Helpline prioritises messaging for culturally and linguistically diverse callers, prompting them to 'press 8' if they prefer to speak a language other than English, which has resulted in nearly 4,000 Australians getting the right COVID-19 information through using the Translating and Interpreting Service.

Piloting a Multicultural Health Connect helpline

Healthdirect Australia worked closely with the Victorian Department of Health to launch a pilot helpline designed to help culturally and linguistically diverse Victorians to access health information and advice.

The service offers a range of health support, including a triage of the caller's health symptoms by a registered nurse on the healthdirect helpline with the aid of an interpreter.

The pilot will be evaluated to determine its level of support to multicultural Australians, and will potentially be rolled out to other jurisdictions.

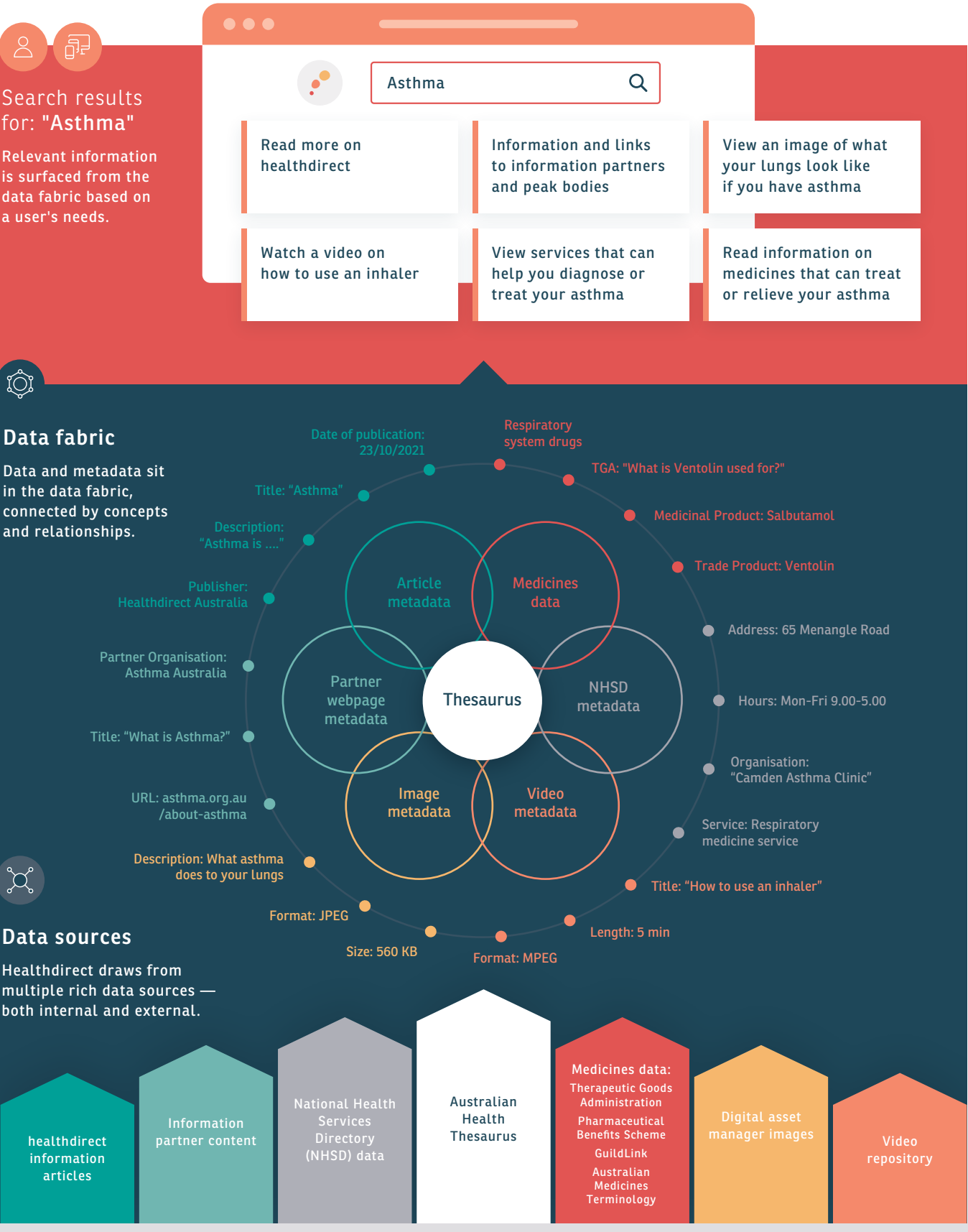
Helping Australians manage COVID-19 at home

The national consumer campaign, Get COVID Clarity, which is funded by the Australian Government and managed by Healthdirect Australia, aims to help Australians transition to managing their own symptoms and recovery if they have mild COVID-19 symptoms. A key pillar of the campaign is outreach to culturally diverse Australians via community leaders and publications, reaching 8.5 million people in these communities.

Increased access for hearing-impaired people

Healthdirect Australia manages both the My Aged Care contact centre and healthdirect Video Call services. A recent service enhancement aims to enable hearing-impaired callers to manage their My Aged Care journey by offering a three-way video call interaction between an Auslan Interpreter, contact-centre agent and the caller. Through this collaboration, more Australians can better manage their own health, reducing the need for reliance on family and friends to arrange aged-care services on their behalf.

Healthdirect Australia's consumer information and content management model



Optimising the National Health Services Directory for interoperability

Through ongoing work to enhance the National Health Services Directory's integration with other agencies via agreed security standards for secure Fast Healthcare Interoperability Resources (FHIR)-based connections, Healthdirect Australia supports the required national upgrade for current and future FHIR-based initiatives.

This work has involved adopting FHIR-based application programming interfaces (APIs), which improves the digital health ecosystem and continues to position the National Health Services Directory as a critical part of national digital healthcare infrastructure.

Standards such as Health Level 7 International's (HL7) FHIR are key to advancing more seamless and efficient ways to exchange healthcare information across the health ecosystem.

Healthdirect Australia plays an important role in supporting the National Digital Health Strategy and Framework for Action by utilising FHIR data standards to facilitate interoperability, enabling a secure, consistent and automated exchange of vital health services information electronically.

The National Health Services Directory (the Directory)'s FHIR services now align to the latest FHIR standard approved version (R4), which is increasingly being adopted nationally to support digital integrations across the healthcare sector.

The onboarding of new integration partners provided positive feedback on the Directory's capability to reduce manual data handling and improve efficiency and accuracy of the data shared.

These enhancements enable the Directory to both publish to and ingest data from partner organisations in a FHIR standard format.

This allows:

- integration partners to keep local databases/ systems in sync with the latest National Health Services Directory data updates
- large organisations such as Australian Digital Health Agency, Services Australia, Telstra Health and state and territory health departments to share large data sets with the Directory and publish their data directly from their local systems and applications.

The Directory's FHIR services are already being used to support integrations with other FHIR-based digital platforms, including later this year with the Australian Digital Health Agency's Provider Connect Australia service.

Healthdirect Australia is working closely with the Australian Digital Health Agency to build a FHIR-based integration pathway between Provider Connect Australia and the National Health Services Directory so that data updates made via the Provider Connect Australia portal are automatically ingested into National Health Services Directory.

The onboarding of new integration partners provided positive feedback on the Directory's capability to reduce manual data handling and improve efficiency and accuracy of the data shared.

As the Directory continues to provide value as core national digital infrastructural, the benefit of this work is widespread. Adopting FHIR-based APIs not only improves the digital health ecosystem but also promotes better patient outcomes and increased satisfaction.

→ When people use any of Healthdirect Australia's service channels they are provided with relevant information that is drawn from a data fabric of interconnected ideas, concepts, terms and formats. This provides an informative experience where the user benefits from rich and up-to-date sources of internal and external data to better understand their health.

Our role in the health system

Most Australians who contact Healthdirect are given appropriate information on how to manage their own care or to seek care in the community. Of callers who advise us they intend to present to an emergency department, we are able to connect over 50 per cent with less urgent care options.

Through innovation, collaboration and continuous improvement, Healthdirect Australia has piloted and established new tools and expanded platforms to meet the growing demand for telehealth pathways that further alleviate pressure on the health system at many levels.

Virtual ED rises from the pandemic to help patients and the health system

Over the past 12 months, Video Call has become widely adopted as the video platform supporting the rise of virtual emergency department (ED) services in Victoria and South Australia.

Ongoing pressure on state and territory health systems from the pandemic, combined with a worse-than-expected 2022 winter flu season, has seen hospitals using telehealth to triage patients with non-life-threatening symptoms before they are transported to the ED via ambulance.

These virtual ED services aim to reduce the pressure on ED and to optimise the use of limited ambulance resources for urgent and life-threatening situations.

In areas where virtual ED programs are underway, up to 80 per cent of people who call 000 for an ambulance and who are supported by a paramedic to speak with an ED triage nurse via video, are determined to not need ambulance transport.¹ These people are directed to lower acuity service options or are completely discharged.

The flexible workflows, provided by the Video Call platform, meet the needs of the complex model of care required by emergency services. The Video Call platform includes end-to-end secure video technology, a dashboard view for administrators to manage patients waiting to be triaged and the facilitation of improved connectivity with patients through real-time notifications.

A replicable virtual ED model

A hospital district in Victoria, Northern Health, has more than 110 clinics already using Video Call, so when setting out to pioneer its virtual ED service for its catchment area in 2020, the digital health team at Northern Health was already familiar with the workflows and capabilities of the platform.

The service initially supported Northern Health's catchment area of the northern suburbs in Victoria. In 2022, this successful service was expanded statewide.

In Victoria, the hospitals providing virtual ED pre-triage via healthdirect Video Call include Monash, Peninsula, Alfred and Northern Health. When combined, this supports 300 daily consultations of triages with hospital EDs.



"We collaborated with the Video Call team at Healthdirect Australia across a number of programs of work. The Virtual ED is a fantastic example of how we are driving outcomes for patients through ensuring they are able to receive great quality care with reduced wait times."

Dr Loren Sher, Clinical Director, Victorian Virtual Emergency Department at Northern Health



Award-winning virtual ED program

In South Australia, the Women's and Children's Hospital set up the Child and Adolescent Virtual Urgent Care Service with Video Call as the video consult platform, and works collaboratively with SA Ambulance Service, Priority Care Centres and specialist services to ensure children and adolescents get timely access to the right care. This program was the joint winner of the Premier's Excellence Award for Excellence in Service Delivery in 2022.



"The Women's and Children's Hospital in Adelaide is home to a number of highly skilled specialists, and through Video Call and our Virtual ED, our specialists have been able to work with clinicians across the state, making this expertise more broadly available."

Jeanette Tininczky, Telemedicine Project Manager, Women's and Children's Health Network, South Australia

1. McDonald, K 2022, 'Northern Health rolls out virtual emergency department statewide', Pulse+IT, 2 June, accessed 27 June 2022, <<https://www.pulseitmagazine.com.au/news/australian-ehealth/6618-northern-health-rolls-out-virtual-emergency-department-statewide>>.



Manage my health

Recognising the important role that the healthdirect service can play in helping Australians to manage their health in the area of preventative care, a significant program of work was undertaken in FY22 to launch personalised user accounts and link them to My Health Record.

The user-accounts feature allows Australians to save their Symptom Checker searches, health articles of interest and information about the medicines they have been prescribed.

This gives Australians with a greater opportunity to better understand and manage their health.

My Health Record is accessible via the healthdirect application and provides increased access to information, including pathology results, vaccination certificates and any recent Medicare claims.

Connecting COVID positive Australians with the right care pathways

With COVID-19 cases on the rise as restrictions have eased, and with the more contagious Omicron strain becoming dominant in early 2022, the need to provide clear advice to Australians about what to do if they are concerned about their symptoms has become a critical priority for Australian governments.

Building on services to manage the pandemic

Leveraging the central infrastructure of the National Coronavirus Helpline, the Australian Government worked with Healthdirect Australia and state and territory governments to co-design a clinical support pathway for people with COVID-19.

The National Coronavirus Support Service is live in Queensland, South Australia and New South Wales, delivering a nationally consistent approach to clinical assessment and triaging of COVID-positive people in the community.

Based on the risk stratification defined by the National COVID-19 Clinical Evidence Taskforce guidelines, callers are triaged as high, medium or low risk. Callers are given guidance and care advice, including existing social services and community welfare pathways. A secure, electronic notification is sent to their regular general practitioner (GP) or a GP Respiratory Clinic, and/or they are provided with information and advice on how they can manage their symptoms and recovery at home.

Objectives of the service are to:

- provide appropriate care advice to Australians who have tested positive to COVID-19
- connect COVID-positive callers with their GP (or local primary care provider), maintaining consumer continuity of care with their care being provided in the community (out of hospital) where possible
- improve utilisation of primary care in managing COVID-positive consumers
- provide support to Primary Health Units and Local Health Networks to manage COVID-positive people in the community, leveraging existing systems where they are working
- create system capacity by supporting low risk consumers to confidently manage their own care at home

Access to antiviral treatment

The service differs slightly for New South Wales, which is focused on connecting eligible consumers with a pathway for accessing COVID-19 antiviral treatment. A notification for further eligibility assessment is sent to the consumer's GP or a GP Respiratory Clinic via secure message.

Secure messaging for GP referrals

A key element of the service success is the ability of Healthdirect Australia to send to a general practice or GP Respiratory Clinic a secure digital notification that their patient has COVID-19, in addition to other sensitive information about the patient.

This service is designed to utilise clinics' electronic secure messaging solutions rather than traditional and less secure communication methods such as facsimile.

Not all practices have secure messaging enabled, so Healthdirect Australia, in conjunction with Primary Health Networks and the Australian Government Department of Health and Aged Care, works with practice managers to enable them to receive notifications to their practice management software.

This activity includes ensuring practice information is accurate and up to date in their secure messaging vendor's directory and in the National Health Services Directory, which plays a critical part in the end-to-end secure messaging service.

COVID-19 positive callers get the right care at the right time

Callers to the National Coronavirus Helpline are triaged to help them understand what medical assistance they need or if they can manage COVID-19 at home.

Of callers from participating states who were risk stratified, the majority were supported to recover at home using Healthdirect Australia's self-care information and COVID-19 Symptom and Antiviral Eligibility Checker.

Since commencing operations in February 2022, the service has supported 29,000 COVID positive Queenslanders and 42,000 COVID positive South Australians seeking health advice, and it has connected them to appropriate care. More than 6,000 New South Wales residents eligible for COVID-19 antivirals have also been connected to general-practice treatment pathways since the antiviral service commenced in May 2022.



"I would like to thank you so much for all your contact, phone calls, and the prompt delivery of the antiviral medication to assist my husband, which gave me a lot of confidence in being able to be at home dealing with this horrible virus."

Caller to the National Coronavirus Helpline



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These financial statements are the financial statements of Healthdirect Australia Limited as an individual entity. The financial statements are presented in Australian dollars.

The financial statements were authorised for issue by the Directors on 31 October 2022. The Directors have the power to amend and reissue the financial statements.

Financial statements

Directors' report

Your Directors present their report on Healthdirect Australia Limited trading as Healthdirect Australia (referred to hereafter as the Company) for the year ended 30 June 2022.

Directors

The following persons were Directors of the Company during the whole of the financial year and up to the date of this report:

J Muirsmith
D Ashbridge
G Ginnane
H Nott
L McElvogue
P Jurd

Information on Directors as at the date of this report

Mrs Jane Muirsmith, Chair

Appointed Director January 2016 – December 2019
Reappointed Director January 2020 – December 2022
Term extended January 2023 – December 2023
Appointed Chair February 2020

Mrs Muirsmith is an accomplished digital and marketing strategist, having held several executive positions in Sydney, New York, Melbourne, Singapore and Perth. Mrs Muirsmith is Managing Director of Lenox Hill, a digital strategy and advisory firm, and is a Non-Executive Director of Cedar Woods Properties Ltd, the Australian Finance Group (AFG) and the Telethon Kids Institute.

Mrs Muirsmith is the WA representative on the Business Advisory Committee at Chartered Accountants in Australia and New Zealand, a member of the UWA Business School's Ambassadorial Council and a former President of the Western Australian Women's Advisory Council to the Minister for Women's Interests.

Qualifications

Bachelor of Commerce with Honours (BCom (Hons))
Fellow of Chartered Accountants Australia and New Zealand (FCA)
Graduate of the Australian Institute of Company Directors (GAICD)

Special responsibilities

Chair of the Board of Directors (appointed February 2020)

Professor David Ashbridge, Director

Appointed July 2018 – June 2021
Reappointed July 2021 – June 2024

Professor Ashbridge has held senior roles in health in both State and Commonwealth governments. Professor Ashbridge was CEO of Barwon Health and previously worked for 22 years in the Northern Territory, where he practised initially as a remote area medical officer in Aboriginal communities.

Professor Ashbridge moved into health administration and was CEO of the Northern Territory Department of Health from 2006 to 2010. Most recently, Professor Ashbridge was an advisor to the National Disability Insurance Agency. Professor Ashbridge is a Member of the Royal College of General Practitioners (MRCGP).

Qualifications

Bachelor of Medicine, Bachelor of Surgery (MBBS)
Diploma in Child Health (DipChildHealth)
Diploma in Tropical Medicine (DipTropMed)
Master of Public Health (MPH)
Graduate of the Australian Institute of Company Directors (GAICD)

Special responsibilities

Chair of the Clinical Governance Advisory Group
(appointed Member July 2018, appointed Chair February 2020)

Ms Gayle Ginnane, Director

Appointed January 2020 – December 2022

Ms Ginnane has considerable experience on boards, spanning commercial and not-for-profit, voluntary, government and private sectors. She is currently an Independent Director on the Board of Police Health and was Chair of the National Blood Authority for eight years. Ms Ginnane also serves as a member of the audit and risk committee for the Department of Veterans' Affairs and as Chair of audit and risk committees for the Organ and Tissue Authority, the National Health and Medical Research Council, and Cancer Australia.

Ms Ginnane was CEO of the Private Health Insurance Administration Council (PHIAC), reporting to the Minister for Health and Ageing, with financial and regulatory responsibility for the private health insurance industry. Ms Ginnane has an in-depth understanding of governance, risk management and finance. Ms Ginnane has previous government experience in the Departments of Health and Defence, including the Defence Intelligence Organisation.

Qualifications

Bachelor of Arts (BA)
Bachelor of Economics (BEC)
Master of Defence Studies (MDS)
Graduate Diploma Strategic Studies (GradDipStratStudies)
Fellow of the Australian Institute of Company Directors (FAICD)
Affiliate Member of the Actuaries Institute

Special responsibilities

Chair of the Finance, Risk Management and Audit Committee
(appointed Member and Chair February 2020)

Financial statements

Dr Helen Nott, Director

Appointed January 2020 – December 2022

Dr Nott is currently a Non-Executive Director of QBE Australia Pacific and a Board Member of NZ Accident Compensation Corporation. Dr Nott was previously Vice-President (Vice-Chair) of the Paralympics Australia Board and Chair of the Audit Committee.

Dr Nott has previously held senior leadership roles at Insurance Australia Group (IAG) and QBE Australia and New Zealand. Dr Nott has created InsureTech businesses and supported new investment to meet emerging customer needs. Prior to this, Dr Nott spent many years in leading advisory roles, such as with Booz Allen Hamilton (now Strategy&), PwC Corporate Finance and with CSIRO Mathematics and Information Sciences (now Data61).

Qualifications

Bachelor of Science (BSc Hons I, Mathematics)
Doctor of Philosophy (PhD Engineering)
Fellow of the Australian Institute of Company Directors (FAICD)

Special responsibilities

Member of the Finance, Risk Management and Audit Committee (appointed February 2020)

Ms Louise McElvogue, Director

Appointed January 2020 – December 2022

Reappointed January 2022 – June 2024

Louise McElvogue is an experienced board director and advisor in strategy, marketing and digital technology. Ms McElvogue is currently on the board of Cluey Learning and is a NSW Councillor of the Australian Institute of Company Directors. Ms McElvogue was Industry Professor, UTS Business School where she co-curated the faculty's first online-only degree – the Master of Digital Marketing. She is an Adjunct Professor, UTS Business School.

Ms McElvogue brings expertise in product and user experience from leading more than 30 digital projects for companies including Fairfax Media, the ABC, McDonald's and the first video streaming services for the BBC and Channel 4. Ms McElvogue started her career as a business journalist working in Australia, the US and UK.

Ms McElvogue served on the Federal Government's Convergence Review Committee, which assessed media and technology regulation. Previous board roles include US cybersecurity platform WhiteHawk; NSW Government's Sydney Living Museums; Nominet (UK) Specialist Domain Name Board.

Qualifications

Bachelor of Arts (BA)
Master of Arts (MA)
Fellow of the Australian Institute of Company Directors (FAICD)

Special responsibilities

Member of the Clinical Governance Advisory Group (appointed February 2020)

Ms Peta Jurd, Director

Appointed July 2018 – June 2021

Reappointed July 2021 – June 2024

Ms Jurd is the Chief Commercial Officer and Company Secretary of digital health technology company Smartz Limited. Prior to this, Ms Jurd was Executive Director at Technology Enabling Healthcare and Head of Hills Health Solutions at Hills Limited.

Ms Jurd has also held senior management positions at Telstra, Veolia Environmental Services and Mayne Nickless Health Care. Ms Jurd has more than 18 years' experience in healthcare and has substantial board experience in a variety of roles, including nine years as a Board Director for the National Breast Cancer Foundation.

Qualifications

Bachelor of Commerce (BCom)
Diploma in Law (Legal Practitioners Admission Board)
Diploma in Corporate Management (Institute of Corp. Managers, Secretaries & Administrators)
Stanford University Executive Program in Strategy and Organisation
Fellow of the Australian Institute of Company Directors (FAICD)
Member of Certified Practising Accountants Australia (CPA)

Special responsibilities

Member of the Finance, Risk Management and Audit Committee (appointed February 2020)

Financial statements

Information on Chief Executive Officer and Company Secretary

Ms Bettina McMahon, Chief Executive Officer

Appointed March 2021

Ms McMahon has considerable experience in digital transformation in the health sector and an extensive record of accomplishment in delivering major reforms in complex regulatory and stakeholder environments. Prior to joining Healthdirect Australia, Bettina was the Interim Chief Executive Officer at the Australian Digital Health Agency, where she had also held roles as the Chief Operating Officer and Executive General Manager for Industry and Government. She is the Chair of the Board of the Australasian Institute of Digital Health.

Qualifications

Master of Business Administration (IT Management)
Master of Public Policy
Graduate Diploma in Applied Finance
Graduate of the Australian Institute of Company Directors
Fellow of the Australian Institute of Digital Health

Ms Judith Maude, Company Secretary

Appointed September 2020

Resigned July 2022

Ms Maude is an experienced corporate governance professional. She has worked with Boards and managed governance responsibilities for organisations in the government and not-for-profit sector for over 10 years. Ms Maude is a director of Aquilo Pty Limited which provides governance consulting services.

Qualifications

Bachelor of Arts
Bachelor of Law
Graduate of the Australian Institute of Company Directors
Fellow of the Governance Institute of Australia

Mr Brendan Egan, Company Secretary

Appointed July 2022

Mr Egan has more than 20 years' experience in senior corporate leadership, corporate governance and accounting. He has worked in large multinational corporations, publicly listed companies, national and community based not-for-profit organisations, and within government departments and agencies. Mr Egan has extensive experience as a Company Secretary and advisor to Boards on strategy and corporate governance. Brendan is currently the Chair of The Indigenous Reading Project and a member of the ACT Reconciliation Council.

Qualifications

Master of Public Policy (ANU)
Bachelor of Business (UTS)
Fellow of The Governance Institute Australia
Fellow of The Chartered Governance Institute
Fellow of CPA Australia
Graduate of the Australian Institute of Company Directors

Meetings of Directors

The number of meetings of the Company's Board of Directors and of each board committee held during the financial year ended 30 June 2022, and the number of meetings attended by each Director, are detailed in the table below.

The Project Review and WHS Advisory Committee (PROWAC) is a committee of the Board and meets on an ad hoc basis as required by the Board. PROWAC did not meet this financial year

	Full meetings of Directors		Finance, Risk Management and Audit Committee		Clinical Governance Advisory Group	
	A	B	A	B	A	B
J Muirsmith	19	19	5*	n/a	3*	n/a
D Ashbridge	19	19	n/a	n/a	5	5
P Jurd	19	19	5	5	n/a	n/a
H Nott	19	19	5	5	4*	n/a
L McElvogue	17	19	n/a	n/a	5	5
G Ginnane	19	19	5	5	2*	n/a

A = Number of meetings attended.
B = Number of meetings held during the time the Director held office.
* = Meeting attended in ex-officio capacity, i.e. not required to attend

Principal activities

The principal activities of the Company during the period are outlined below:

- a. Establish and manage virtual health services on behalf of the governments of Australia.
- b. Provide the Australian public access to the right health advice and the most appropriate health services for their needs, when and where they need it.

Multiple new COVID-19 support services were quickly and efficiently established on behalf of government health departments. These are in addition to existing and ongoing services such as the National Coronavirus Helpline and are often integrated with or leveraged off that service. In particular, a pathway for connecting COVID positive people to a GP or other health service via secure messaging was established in multiple jurisdictions.

The Company continued to maintain the accuracy of information in the Vaccine Eligibility Checker and Clinic Finder and optimise the experience for users.

New and existing COVID services focused on enhancing accessibility of information to culturally and linguistically diverse Australians.

healthdirect Video Call continued to experience growth in number of consultations and in new modalities, such as virtual ED services.

The National Health Services Directory finalised optimisation for interoperability through the Fast Healthcare Interoperability Standard, enabling seamless and efficient ways to exchange healthcare information across the health ecosystem.

Operations

A summary of the Company's operations is contained on pages 4-25.

Operating results

The Company continued to operate its two core services, the Health Information and Advice Service and the My Aged Care service, which have maintained or grown in activity in the financial year. Renewal periods for both services are currently in renegotiation.

Significant work across the Company progressed the new operational model for managing call centres, which involved service design, procurement, and technology functions.

The Company's recorded operating loss before tax is \$53,254. This reflects the depreciation of assets funded in prior years exceeding the funding received for assets purchased this year. The application of AASB 16 Leases, adopted from 1 July 2018, also increased the charges of interest and depreciation during the year relative to the lease cashflow expenditure in the current year.

The balance of the operating result is effectively nil as the bulk of grants received by the Company are recognised as revenue in the period when the terms and conditions of the grants have been met. If those funds are not fully expended before the financial year end, the unexpended amounts are recognised as unearned revenue in accordance with the revenue recognition standard, AASB 15.

Government grants – economic dependence

The Company has been negotiating the renewal of the Umbrella Funding Agreement (UFA) over the last year. Effective 15 October 2022 the Company has a new Governance Agreement for a four-year period to 30 June 2026.

Dividends and distributions

The Company did not pay any dividends or distributions to shareholders during the year.

Insurance of Officers

The Company entered into deeds of access, insurance and indemnity with Directors. Under these deeds, the Company indemnifies, to the extent permissible by law and subject to the prohibitions in section 199A of the *Corporations Act 2001 (Cth)*, each of the Directors who have entered into deeds, against any and all liabilities incurred by the Directors as officers of the Company, and against any and all reasonable legal costs incurred by the Directors in defending action for a liability incurred, or allegedly incurred, by the Directors as officers of the Company. During the financial year, the Company paid a premium of \$60,802 (2021: \$36,359) to insure the Directors and Officers of the Company.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001 (Cth)* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001 (Cth)*.

Matters subsequent to the end of the financial year

With the exception of the items disclosed below, the Directors are not aware of any matters that have arisen subsequent to the end of the financial year that may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

- a. **Impact of COVID-19**
The COVID-19 pandemic continues to impact communities and business in Australia where the Company operates. During the pandemic the Company has experienced a growth in funding for multiple new support services. A potential reduction and phasing out of the Covid related services is expected throughout the next year. The Company is in discussions with the funders on the appropriate phase out period in line with health policy objectives. At the date of this report no final decision has been made.
- b. **Funding Agreements**
Effective from 15 October 2022 the Company has a new Governance Agreement and a renewed Health Information and Advice Service Agreement for a four-year period ended 30 June 2026. These agreements provide greater certainty on the long-term funding available to the Company.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001 (Cth)* is set out on page 32.

Auditor

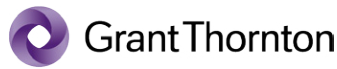
Grant Thornton continues in office in accordance with section 327 of the *Corporations Act 2001 (Cth)*.

This report is made and signed in accordance with a resolution of the Board of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001 (Cth)*.



J Muirsmith
Chair
Perth
31 October 2022

Auditor's independence declaration



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Auditor's Independence Declaration

To the Directors of Healthdirect Australia Ltd

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Healthdirect Australia Ltd for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A G Rigele
Partner - Audit & Assurance

Sydney, 31 October 2022

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Independent auditor's report to the members



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Independent Auditor's Report

To the Members of Healthdirect Australia Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of Healthdirect Australia Ltd (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Emphasis of matter related to going concern

We draw attention to Note 1q in the financial statements, which indicates that the Umbrella Funding Agreement (UFA) was on a 12 month term, expiring on 30 June 2023. As a result we have included an emphasis of matter which is not a qualification but highlights the potential uncertainty in relation to a significant matter within the financial statement of the Company's ability to continue as a going concern. Subsequent to year end (Note 28), we note effective from 15th October 2022 the company has a new Governance Agreement and a renewed Health Information and Advice Service Agreement for a four year period ended 30 June 2026. Our opinion is not modified in respect of this matter.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors' for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standard – *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Corporations Act 2001*. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

Grant Thornton Audit Pty Ltd

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A G Rigele

Partner - Audit & Assurance

Sydney, 31 October 2022

Grant Thornton Audit Pty Ltd

Directors' declaration

In the Directors' opinion:

- A. The financial statements and notes set out on pages 37 to 54 are in accordance with the *Corporations Act 2001 (Cth)*, including:
- i. Complying with Accounting Standards – Simplified Disclosure Requirements, the *Corporations Regulations 2001 (Cth)* and other mandatory professional reporting requirements.
 - ii. Giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance, as represented by the results of the Company's operations, changes in equity and its cash flows, for the financial year ended on that date.
- B. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



J Muirsmith
Chair
Perth
31 October 2022

Statement of comprehensive income

	Notes	2022 (\$)	2021 (\$)
Revenue from contracts with customers	3	260,809,661	172,273,163
Other income	4	6,000,000	6,000,000
Expenses			
Call centre costs		(199,975,587)	(128,172,278)
Employee benefit expenses	5	(40,626,473)	(31,978,684)
Consultancy fees		(1,413,313)	(635,665)
Outsourcing fees		(1,825,288)	(771,270)
Legal, risk management and audit fees		(637,166)	(770,151)
Website management		(286,703)	(373,041)
Design, develop and build		(4,231,274)	(1,392,021)
Technology support		(10,298,474)	(10,937,078)
Travel		(74,584)	(76,897)
Marketing and advertising		(3,259,449)	(441,268)
Office cost		(662,766)	(665,505)
Insurance		(418,339)	(257,303)
Interest expense		(216,433)	(252,349)
Other expenses		(486,837)	(3,335)
Depreciation and amortisation expense	5	(2,450,229)	(2,522,183)
Total expenses		(266,862,915)	(179,249,028)
(Loss) before income tax		(53,254)	(975,865)
Income tax benefit	6	15,975	266,709
(Loss) from continuing operations		(37,279)	(709,156)
(Loss) for the year and total comprehensive (loss) for the year		(37,279)	(709,156)
(Loss) is attributable to:			
Shareholders of Healthdirect Australia Ltd		(37,279)	(709,156)
		(37,279)	(709,156)
Total comprehensive (loss) for the year is attributable to:			
Shareholders of Healthdirect Australia Ltd		(37,279)	(709,156)
		(37,279)	(709,156)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

	Notes	2022 (\$)	2021 (\$)
ASSETS			
Current assets			
Cash and cash equivalents	7	85,453,987	105,833,275
Trade and other receivables	8	17,576,395	14,439,221
Prepayments		1,434,990	1,017,461
Financial assets at amortised cost	9	862,000	976,796
Other current assets	10	7,030	7,030
Total current assets		105,334,402	122,273,783
Non-current assets			
Financial assets at amortised cost	11	4,325,447	4,725,522
Property, plant and equipment	12	2,096,804	2,297,285
Right-of-use assets	13	7,594,648	9,289,545
Intangible assets	14	-	1,855
Deferred tax assets	20	1,291,797	1,074,307
Prepayments		1,897	24,664
Total non-current assets		15,310,593	17,413,178
Total assets		120,644,995	139,686,961
LIABILITIES			
Current liabilities			
Trade and other payables	15	26,525,350	23,021,829
Unearned revenue	16	78,536,012	99,686,074
Provision	17	470,943	590,507
Employee benefits obligation	18	1,862,952	1,564,345
Lease liability	13	1,975,218	1,858,869
Other current liabilities	19	-	113
Total current liabilities		109,370,475	126,721,737
Non-current liabilities			
Deferred tax liabilities	20	1,033,006	831,491
Employee benefits obligation	21	708,288	602,896
Provision for lease make good	13	752,378	737,492
Lease liability	13	7,826,490	9,801,708
Total non-current liabilities		10,320,162	11,973,587
Total liabilities		119,690,637	138,695,324
Net assets		954,358	991,637
EQUITY			
Contributed equity	22	448	448
Retained surplus		953,910	991,189
Total equity		954,358	991,637

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in equity

	Notes	Contributed equity (\$)	Retained earnings (\$)	Total equity (\$)
Balance at 1 July 2020		392	1,700,345	1,700,737
Shares		56	-	56
(Loss) for the year		-	(709,156)	(709,156)
Balance at 30 June 2021		448	991,189	991,637
Balance at 1 July 2021		448	991,189	991,637
(Loss) for the year		-	(37,279)	(37,279)
Balance at 30 June 2022		448	953,910	954,358

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

	Notes	2022 (\$)	2021 (\$)
Cash flows from operating activities			
Receipts from funding agreements and Lease incentive		243,188,354	246,935,232
Payments to suppliers and employees		(263,734,199)	(177,279,407)
Interest received		189,793	186,612
Net cash (outflow)/inflow from operating activities		(20,356,052)	69,842,437
Cash flows from investing activities			
Payments for property, plant and equipment	12	(538,107)	(55,577)
Proceeds from financial assets at amortised cost		514,871	431,263
Net cash (outflow)/inflow from investing activities		(23,236)	375,686
Net (decrease)/increase in cash and cash equivalents		(20,379,288)	70,218,123
Cash and cash equivalents at the beginning of the financial year		105,833,275	35,615,152
Cash and cash equivalents at the end of the financial year	7	85,453,987	105,833,275

The above statement of cash flows should be read in conjunction with the accompanying notes.

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1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. New Accounting Standards and Interpretations adopted

The Company has adopted all of the new Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory in the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

b. Basis of preparation

This financial report is a general purpose financial report and has been prepared in accordance with Australian Accounting Standards – Simplified Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the *Corporations Act 2001 (Cth)*.

The Company is a not-for-profit entity for the purpose of preparing the financial statements.

i. Historical cost convention

These financial statements have been prepared under the historical cost convention.

ii. Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

c. Statement of compliance

This financial report has been prepared in accordance with and is compliant with the Australian Accounting Standards – Simplified Disclosure Requirements.

d. Revenue recognition

The Company recognises revenue as follows:

i. Revenue from contracts with customers and contracts liabilities

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised. Any consideration received over the expected entitlement is recognised as contracts liabilities owed to jurisdictions. This amounted to \$75.1 million (2021: \$95.4 million) as disclosed in Note 16.

ii. Funding from governments

Funding from governments is accounted in accordance with AASB 15 if the promises to be delivered are sufficiently specific.

iii. Funding from government grants

Funding from government grants that are within the scope of AASB 1058 are recognised as income when the Company has contractual rights to receive the funding. All invoices are issued in accordance with a predetermined schedule detailed in the specific funding agreement.

iv. Unearned revenue – funding received in advance

Amounts received in advance when the Company has not met all the conditions to obtain the control of the funding are accounted for as unearned revenue. Six invoices (2021: five invoices) to the sum of \$3.7 million were invoiced during June 2022 (2021: \$4.5 million), however as they relate to the next financial year, they have been recorded as unearned revenue and are classified in the statement of financial position as a current liability. A total of \$3.4 million remains unspent at 30 June 2022 (2021: \$4.3 million) from invoices issued during the financial year.

e. Income tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the notional income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Unexpended grant income is excluded from taxable income in accordance with the Australian Taxation Office's tax ruling 2006/3. Grant income is only considered to be taxable when all requirements stipulated within the funding agreement have been met and expenses are recognised for tax purposes.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered, or liabilities are settled. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

f. Leases

The Company leases an office and equipment. Lease contracts are made for four to eight years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use assets and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Assets and liabilities arising from a lease are initially measured on a net present value basis. The right-of-use assets include an estimated costs of make good and net lease incentives received.

g. Cash and cash equivalents

Cash and cash equivalents in both the statement of financial position and statement of cash flows include cash at bank and cash on hand.

h. Trade receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days. The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

i. Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided. Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off. Financial instruments are initially measured at cost.

i. Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

ii. Financial assets at amortised cost

Held-to-maturity investments are held with the objective to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

j. Property, plant and equipment assets

Plant and equipment is stated at cost less accumulated depreciation and any impairment losses. Plant and equipment assets are depreciated over their estimated useful lives using the straight-line or diminishing value method as considered appropriate. Estimates of remaining useful lives are made on a regular basis for all assets. New assets are depreciated from the date of acquisition. The expected useful lives are as follows:

IT hardware	1–4 years
Furniture and fittings	3–5 years
Office equipment	1–5 years
Fitout	1–20 years

At each reporting date, the Company reviews the carrying value of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and its value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

k. Lease right-of-use assets

The lease right-of-use assets are associated with the costs to be incurred in obtaining the rights to use premises and office equipment, under lease, in line with AASB 16. The right-of-use assets are depreciated over the shorter of the assets' useful life and the lease term on the straight-line basis. At each reporting date, the Company reviews the carrying values of its right-of-use assets to determine whether there is any indication that those assets have been impaired.

l. Intangible assets

i. Website and software development

Website costs related to the initial development of applications and infrastructure, graphical design and content development are capitalised to the extent that the cost is directly attributed to preparing the website to operate in the manner intended by management. Software development costs include only those costs directly attributable to the development phase and are only recognised following determination of technical feasibility and where the Company has an intention and ability to use the asset. Internal labour costs are capitalised when labour costs directly attributable to the website and software development during its development phase can be measured reliably. Website and software development costs are stated at cost less accumulated amortisation and impairment losses. Website and software developments costs are amortised over their useful life of two and a half years.

ii. IT software

IT software costs related to costs incurred in acquiring externally developed software programs and associated costs incurred in bringing them into intended use are amortised over their useful lives ranging from one to four years.

iii. Impairment of intangible assets

At each reporting date, the Company reviews the carrying values of its intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and its value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

m. Trade and other payables

Trade and other payables are carried at amortised costs. They represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are paid within 30 days of recognition.

n. Employee benefits

i. Short-term obligations

Liabilities for wages and salaries, including annual and long service leave expected to be settled within 12 months of the reporting date are recognised as a current liability in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

ii. Other long-term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the reporting period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

o. Contributed equity

Ordinary shares are classified as equity.

p. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. If the amount of GST is not recoverable from the taxation authority it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of GST where appropriate. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

The Company is designated as a Government Related Entity (GRE) for GST purposes. This means that no GST is added to invoices if the customer is a government department or another GRE. Invoices raised on any other type of customer will still need to have GST added.

q. Government grants – economic dependence

The Company's main source of income is from grants received from the Commonwealth and various state and territory governments. As such, the Company is dependent on the receipt of these grants. The Company has agreed the level of funding from the Commonwealth and state and territory governments up to at least June 2023 for all major contracts.

The Company had a working capital deficit of \$4.0 million at 30 June 2022 (2021: \$4.4 million). This deficit is due to setting aside a term deposit of \$4.3 million as required by our lease and this results in it being classified as a non-current asset.

The majority of the available funds have been provided to fund various Service Definition Management Orders (SDMOs) made as separate contracts under the Umbrella Funding Agreement (UFA) dated 13 June 2013, which are continuing until replaced. The UFA has a clause that the fund providers may, at their sole discretion, require the Company to repay the funds on the expiry or any earlier termination of the UFA or if the funds have been spent, or committed, not in accordance with the UFA.

The UFA expires upon the execution of the new replacement Governance Agreement which is effective 15 October 2022 for the period ended 30 June 2026.

There will be a separate services Agreement, also effective 15 October, under which new SDMOs will be issued as they come up for renewal. Under this arrangement the Company has contracted funding for the Health Information and Advice Service (HIAS) for the four year period ending 30 June 2026. The new Governance Agreement provides that the Company does not have a contractual obligation to repay the funds under the previous UFA and may carry forward these unspent funds to the new Governance Agreement.

The Company nonetheless has economic dependence on the support of the shareholders to continue its operations and manage its working capital.

The Company is carrying a \$1.1 million exposure from South Australia Health which relates to the HIAS service for the period 2015-18 financial years. The Company conducted a further review of this exposure during the year and provided an updated report to the shareholders for their consideration and advice.

r. Auditors

Audit services for this financial year were provided by Grant Thornton, appointed auditor in the 2021 financial year.

2. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

a. Critical accounting estimates and assumptions

i. Income taxes

The Company is subject to income taxes in Australia. There are certain transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company estimates its tax liabilities based on the Company's understanding of the tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

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Healthdirect Australia Ltd
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Notes to the financial statements (continued)
30 June 2022

ii. Estimation of useful lives of assets

The Company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

iii. Lease break clause

The Company has entered into an eight-year premises lease for 477 Pitt Street, Sydney, NSW 2000. This lease has a four-year break clause option. In December 2021, the Company has assessed its business requirements and did not exercise the four-year break clause in the lease.

iv. Lease make good provision

The Company has estimated a value of make good for the current premises lease. This estimate was based on market rates. The make good estimate has been discounted to provide a present value cost and has been added to the right-of-use asset.

v. Employee benefits obligation provision

The Company has estimated the liability for employee benefits expected to be settled more than 12 months from the reporting date. This estimate is recognised and measured at the present value of the estimated future cash flows, to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been considered.

3. Revenue

	2022 (\$)	2021 (\$)
Revenue from contracts with customers	260,809,661	172,273,163
<i>Disaggregation of revenue</i>		
The disaggregation of revenue from contracts with customers is as follows:		
<i>Major Lines of Business</i>		
Contact centre activities (including service management)	204,656,795	135,577,017
Digital activities	20,778,222	18,581,103
Other	35,374,644	18,115,043
	260,809,661	172,273,163

Revenue is recognised over time when the services are delivered.

b. Critical judgements in applying the Company's accounting policies

i. Impairment of intangible assets

In the 2022 financial statements, the Company made a judgement about the impairment of its intangible assets. The Company follows the guidance of AASB 138 Intangible Assets and AASB 136 Impairment of Assets to determine when an intangible asset is impaired. In making this judgement, the Company evaluates, among other factors, any decline in the asset's market value, significant changes in the market, economy or legal environment in which the Company operates, obsolescence or physical damage to the assets, whether the assets have become idle, plans to discontinue or restructure operations, and any evidence from internal reporting that an asset's economic performance is worse than expected.

The Company has concluded that there is no impairment, on the basis that there are no indicators of impairment as at 30 June 2022. Furthermore, the appropriate recoverable amount is depreciated costs, which is the method by which these assets are recognised in these financial statements.

ii. Unearned revenue

The Company made a significant judgement on whether the terms and conditions of the grants have been met, therefore the respective revenue can be recognised in the current financial year.

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Healthdirect Australia Ltd
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Notes to the financial statements (continued)
30 June 2022

4. Other income

	2022 (\$)	2021 (\$)
Income from government grants	6,000,000	6,000,000

Revenue is recognised when contractually enforceable.

5. Other expenses

	2022 (\$)	2021 (\$)
Loss before income tax includes the following specific expenses:		
<i>Employee benefit expenses</i>		
Defined contribution superannuation expense	2,574,941	2,099,774
Other employee benefit expenses	38,051,532	29,878,910
Total employee benefit expenses	40,626,473	31,978,684
<i>Depreciation and amortisation expenses</i>		
Depreciation expenses	2,449,449	2,520,820
Amortisation expenses	780	1,363
Total depreciation and amortisation expenses	2,450,229	2,522,183

6. Income tax expense/(benefit)

	2022 (\$)	2021 (\$)
a. Income tax expense/(benefit)		
Current tax	-	-
Deferred tax	(15,975)	(291,477)
Prior period adjustment to deferred tax	-	24,768
	(15,975)	(266,709)
The major components of income tax (benefit)/expense are:		
Current income tax charge	-	-
Prior period adjustment to deferred tax	-	-
(Increase)/Decrease in deferred tax assets	(217,490)	(281,221)
(Decrease)/Increase in deferred tax liabilities	201,515	14,512
	(15,975)	(266,709)

b. Reconciliation of income tax expense to prima facie tax payable

(Loss) from continuing operations before income tax expense	(53,254)	(975,865)
Tax at the Australian tax rate of 30% (2021 – 30%)	(15,975)	(292,760)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Entertainment	2,084	1,283
Tax Loss utilised against prior period tax loss	(2,084)	(1,283)
Prior period adjustment to deferred tax	-	26,051
Income tax (benefit)	(15,975)	(266,709)

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Notes to the financial statements (continued)
30 June 2022

7. Current assets – Cash and cash equivalents

	2022 (\$)	2021 (\$)
Petty cash	200	200
Cash at bank	85,453,787	105,833,075
	<u>85,453,987</u>	<u>105,833,275</u>

Cash at bank is bearing variable interest rates. The weighted average interest rate is 0.17% (2021: 0.24%) at the end of the period.

8. Current assets – Trade and other receivables

	2022 (\$)	2021 (\$)
Trade receivables	15,209,164	12,834,115
GST receivable	2,334,570	1,556,032
Interest receivable	32,269	48,682
Sundry receivable	392	392
	<u>17,576,395</u>	<u>14,439,221</u>

9. Current assets – Financial assets at amortised cost

	2022 (\$)	2021 (\$)
Term deposits for investment	-	114,270
Term deposits held as security for bank guarantee	862,000	862,526
	<u>862,000</u>	<u>976,796</u>

10. Current assets – Other current assets

	2022 (\$)	2021 (\$)
Accrued income (AASB 1058)	7,030	7,030

11. Non-current assets – Financial assets at amortised cost

	2022 (\$)	2021 (\$)
Term deposits held as security for bank guarantee	4,325,447	4,725,522

Financial statements

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Notes to the financial statements (continued)
30 June 2022

12. Non-current assets – Property, plant and equipment

	IT hardware (\$)	Office equipment (\$)	Furniture and fittings (\$)	Fitout new premises (\$)	Fitout (\$)	Total (\$)
At 1 July 2021						
Cost or fair value	1,488,733	201,747	62,088	3,001,830	-	4,754,398
Accumulated depreciation	(1,300,408)	(150,564)	(54,191)	(951,950)	-	(2,457,113)
Net book amount	<u>188,325</u>	<u>51,183</u>	<u>7,897</u>	<u>2,049,880</u>	<u>-</u>	<u>2,297,285</u>

Year ended 30 June 2022						
Opening net book amount	188,325	51,183	7,897	2,049,880	-	2,297,285
Additions	371,005	45,424	-	-	121,678	538,107
Disposals	(3,458)	(156)	(23)	-	-	(3,637)
Depreciation charge	(278,856)	(55,911)	(1,138)	(375,229)	(23,817)	(734,952)
Closing net book amount	<u>277,016</u>	<u>40,540</u>	<u>6,736</u>	<u>1,674,651</u>	<u>97,861</u>	<u>2,096,804</u>

At 30 June 2022						
Cost or fair value	1,329,578	213,288	60,126	3,001,830	121,678	4,726,500
Accumulated depreciation	(1,052,562)	(172,748)	(53,390)	(1,327,179)	(23,817)	(2,629,696)
Net book amount	<u>277,016</u>	<u>40,540</u>	<u>6,736</u>	<u>1,674,651</u>	<u>97,861</u>	<u>2,096,804</u>

13. Non-current assets – Right-of-use assets

a. Non-current assets – Right-of-use assets		
	2022 (\$)	2021 (\$)
Right of use assets	<u>7,594,648</u>	<u>9,289,545</u>

	Make good (\$)	Office space (\$)	Office equipment (\$)	Total (\$)
At 1 July 2021				
Cost or fair value	737,492	12,848,237	32,623	13,618,352
Accumulated depreciation	(230,570)	(4,077,530)	(20,707)	(4,328,807)
Net book amount	<u>506,922</u>	<u>8,770,707</u>	<u>11,916</u>	<u>9,289,545</u>

Year ended 30 June 2022				
Opening net book amount	506,922	8,770,707	11,916	9,289,545
Addition to provision	14,886	-	-	14,886
Depreciation	(95,599)	(1,606,029)	(8,155)	(1,709,783)
Closing net book amount	<u>426,209</u>	<u>7,164,678</u>	<u>3,761</u>	<u>7,594,648</u>

At 30 June 2022				
Cost or fair value	752,378	12,848,237	32,623	13,633,238
Accumulated depreciation	(326,169)	(5,683,559)	(28,862)	(6,038,590)
Net book amount	<u>426,209</u>	<u>7,164,678</u>	<u>3,761</u>	<u>7,594,648</u>

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30 June 2022

13. Non-current assets – Right-of-use assets (continued)

b. Current and Non-current liabilities – Lease liabilities and provision make good		
	2022 (\$)	2021 (\$)
Current - Lease liabilities	1,975,218	1,858,869
Non-current - Lease liabilities	7,826,490	9,801,708
	9,801,708	11,660,577
Non-current - Provision make good	752,378	737,492

	Provision Make good (\$)	Office space (\$)	Office equipment (\$)	Total (\$)
At 1 July 2021				
Cost or fair value	702,723	15,850,065	32,623	16,585,411
Accumulated addition to provision	34,769	-	-	34,769
Accumulated interest expense	-	704,513	1,160	705,673
Accumulated lease payments	-	(4,906,221)	(21,563)	(4,927,784)
Net book amount	737,492	11,648,357	12,220	12,398,069

Year ended 30 June 2022				
Opening net book amount	737,492	11,648,357	12,220	12,398,069
Addition to provision	14,886	-	-	14,886
Interest expense	-	216,265	168	216,433
Lease payments	-	(2,066,808)	(8,493)	(2,075,301)
Closing net book amount	752,378	9,797,814	3,895	10,554,087

At 30 June 2022				
Cost or fair value	702,723	15,850,065	32,623	16,585,411
Accumulated addition to provision	49,655	-	-	49,655
Accumulated interest expense	-	920,778	1,328	922,106
Accumulated depreciation	-	(6,973,029)	(30,056)	(7,003,085)
Net book amount	752,378	9,797,814	3,895	10,554,087

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14. Non-current assets – Intangible assets

	IT software (\$)	Intangible right of use assets (\$)	Website (\$)	Software development (\$)	Total (\$)
At 1 July 2021					
Cost	217,195	4,125,871	8,141,178	7,168,214	19,652,458
Accumulated amortisation	(215,340)	(4,125,871)	(8,141,178)	(7,168,214)	(19,650,603)
Net book amount	1,855	-	-	-	1,855

Year ended 30 June 2022					
Opening net book amount	1,855	-	-	-	1,855
Additions	-	-	-	-	-
Disposals	(1,075)	-	-	-	(1,075)
Amortisation charge	(780)	-	-	-	(780)
Closing net book amount	-	-	-	-	-

At 30 June 2022					
Cost	1,069	4,125,871	8,141,178	7,168,214	19,436,332
Accumulated amortisation	(1,069)	(4,125,871)	(8,141,178)	(7,168,214)	(19,436,332)
Net book amount	-	-	-	-	-

15. Current liabilities – Trade and other payables

	2022 (\$)	2021 (\$)
Unsecured		
Trade payables	4,211,661	6,704,145
Accrued expenses	21,425,897	15,697,293
Other payables	887,792	620,391
	26,525,350	23,021,829

16. Current liabilities – unearned revenue

	2022 (\$)	2021 (\$)
Unearned revenue - funding received in advance	3,427,177	4,293,768
Contract liabilities owed to jurisdictions (AASB 15)	75,108,835	95,392,306
	78,536,012	99,686,074

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17. Current liabilities – Provisions

	2022 (\$)	2021 (\$)
Provision for funding owed to jurisdictions (AASB 1058)	<u>470,943</u>	<u>590,507</u>

18. Current liabilities – Employee benefits obligation

	2022 (\$)	2021 (\$)
Employee benefits - annual leave (see Note 1(n))	<u>1,800,713</u>	<u>1,538,685</u>
Employee benefits - long service leave	<u>62,239</u>	<u>25,660</u>
	<u>1,862,952</u>	<u>1,564,345</u>

19. Current liabilities – Other current liabilities

	2022 (\$)	2021 (\$)
Others	<u>-</u>	<u>113</u>

20. Non-current liabilities – Deferred tax assets/(liabilities)

	2022 (\$)	2021 (\$)
Deferred tax assets		
The balance comprises temporary differences attributable to:		
Property, plant and equipment	<u>8,310</u>	<u>6,158</u>
Superannuation payable	<u>106,579</u>	<u>81,933</u>
Lease	<u>385,436</u>	<u>317,594</u>
Provision for employee entitlements	<u>540,214</u>	<u>461,605</u>
Provision for long service leave	<u>231,158</u>	<u>188,567</u>
Audit accrual	<u>20,100</u>	<u>18,450</u>
	<u>1,291,797</u>	<u>1,074,307</u>
Deferred tax liabilities		
The balance comprises temporary differences attributable to:		
Deferred Revenue from contracts with customers	<u>1,033,006</u>	<u>831,491</u>
	<u>1,033,006</u>	<u>831,491</u>
Total deferred tax assets/(liabilities)	<u>258,791</u>	<u>242,816</u>

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30 June 2022

21. Non-current liabilities – Employee benefits obligation

	2022 (\$)	2021 (\$)
Employee benefits - long service leave	<u>708,288</u>	<u>602,896</u>

22. Contributed equity

	2022 Shares	2021 Shares	2022 (\$)	2021 (\$)
Ordinary shares				
Uncalled shares	<u>448</u>	<u>488</u>	<u>448</u>	<u>488</u>

23. Key management personnel disclosures

	2022 (\$)	2021 (\$)
Key management personnel compensation	<u>3,251,956</u>	<u>3,284,242</u>

The above amount includes compensation paid to Directors and Senior Executives.

24. Remuneration of auditors

	2022 (\$)	2021 (\$)
Audit and other assurance services		
Audit services	<u>59,000</u>	<u>54,000</u>
Other assurance services	<u>8,000</u>	<u>7,500</u>
Total remuneration for audit and other services	<u>67,000</u>	<u>61,500</u>

25. Contingencies

The Company has a contingent liabilities on the lease of current premises of \$4,517,914 at 30 June 2022 (2021: \$4,930,230.) as a result of the landlord holding a term deposit of the same amount.

26. Commitments

a. Non-cancellable operating leases

The Company current premises is leased since December 2018. Other lease commitments include office equipment. These leases are non-cancellable operating leases expiring within five years.

	2022 (\$)	2021 (\$)
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	2,153,397	2,075,302
Later than one year but not later than five years	8,113,252	10,266,649
Later than five years	-	-
	10,266,649	12,341,951

27. Related party transactions

a. Key management personnel

Disclosures relating to key management personnel are set out in Note 23.

b. Transactions with related parties

Directors may hold positions with organisations that trade with the Company. Any contracts and transactions between these organisations and the Company are based on normal commercial terms and conditions. The Company transacted \$11,466 in this financial year (2021: nil).

28. Events occurring after the reporting period

With the exception of the items disclosed below, the Directors are not aware of any matters that have arisen subsequent to the end of the financial year that may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

a. Impact of COVID-19

The COVID-19 pandemic continues to impact communities and business in Australia where the Company operates. During the pandemic the Company has experienced a growth in funding for multiple new support services. A potential reduction and phasing out of the Covid related services is expected throughout the next year. The Company is in discussions with the funders on the appropriate phase out period in line with Government Health policy objectives. At the date of this report no final decision has been made.

b. Funding Agreements

Effective from 15 October 2022 the Company has a new Governance Agreement and a renewed Health Information and Advice Service Agreement for a four year period ended 30 June 2026. These agreements provide greater certainty on the long-term funding available to the Company.

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