AHHA Submission to the Consultation on the recommendations from the Productivity Commission (PC) Inquiry Report on Mental Health

Submission
17 December 2020

australian healthcare & hospitals association

the voice of public healthcare

OUR VISION

A healthy Australia, supported by the best possible healthcare system.

OUR MISSION

To conduct research, educate and influence the healthcare system to achieve better health outcomes, improved patient and provider experience, greater equity and sustainability.

OUR GUIDING PRINCIPLES

Healthcare in Australia should be:

Effective

Accessible

Equitable

Sustainable

Outcomes-focused.

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BACKGROUND

AHHA provided the following submission in response to the Australian Government Department of Health's Consultation on the recommendations from the Productivity Commission (PC) Inquiry Report on Mental Health.

Details of the consultation were made available at https://consultations.health.gov.au/mental-health-services/productivity-commission-report-on-mental-health/

The consultation closed on 10 February September 2021.

SHORT-TERM PRIORTIES

Of the recommendations made, which do you see as critical for the Government to address in the short term and why?

The development of a person-centred mental health system that is 'simple, unified and integrated' and allows people to access the right care, in the right place at the right time must be the priority of government (PC 2020). Government engagement with consumers, carers, families, and health professionals will to crucial to the adoption and implementation of reforms.

Short term priorities should include:

Governance and accountability–The finalisation of the proposed National Mental Health and Suicide Prevention Agreement, with funding, action plans and accountability structures, must be fast-tracked, and finalised before the current planned timeline of November 2021. To clarify the considerable sector wide confusion identified by the PC report a whole of government understanding of individual roles and responsibilities is essential to strengthen integration across sectors and between hospitals, primary and community care, and reduce preventable hospital admissions and presentations.

AHHA supports strengthening the capabilities and mechanisms of accountability within existing organisational structures, to create a cost-effective, value-driven mental health system focused on improving health outcomes. As such AHHA believes the establishment of the National Mental Health Commission (NMHC) as a statutory authority should be a short-term priority of Government (PC 2020). Delegating NMHC with enhanced responsibilities will help ensure increased accountability within the mental health system and provide a consistent and independent voice of authority.

Regional planning, decision making and commissioning - PHNs and LHNs or equivalent should be supported to establish consistent governance arrangements for regional needs assessments, priority setting and funding. This will enable flexible provision of a mix of mental health services appropriate to the context and needs of the local community. To ensure value, critical resources would be best placed to support current structures (LHNs and PHNs), not create new untested organisations (RCAs).

Pooling of Australian government, state, and territory funds at the local level, through PHN & LHN coordinating bodies, will be critical to embed cross discipline and cross sector collaboration and planning that facilitates service integration across a full cycle of care. By supporting a more cooperative approach to the funding and delivery of care across jurisdictions and between sectors, savings and other efficiencies can be internalised to the joint benefit of all governments, as well as patients, providers, and the broader community.

Monitoring, evaluation, and research – to enable planning and performance monitoring, the timely collection, analysis, and provision of data is vital. AHHA supports the PC recommendation that all services that receive public funding should be required to perform monitoring and reporting functions (e.g., report outcomes of their activities) in exchange for the taxpayer funding and

subsidies they receive. This requirement should be implemented in conjunction with further resourcing of AIHW to develop mental health outcome measures and publish mental health system data disaggregated at SA2 level to enable service gap analysis.

The establishment of agreed national, state, and territory government targets and timeframes should also be prioritised to facilitate benchmarking and performance monitoring. Early work in this area will enable comparisons and the identification of cost-effective models of care that can be scaled up to reach broader audiences and improve outcomes long term.

LONG-TERM PRIORITIES

Of the recommendations made, which do you see as critical for the Government to address in the longer term and why?

As outlined in the PC report, in the longer term the Government should prioritise the adoption of funding models that prioritise value. The focus of Australia's mental health system must shift from volume to value. Currently the activity-based nature of funding (both in primary care and the hospital sector) does not incentivise this, with reduced activity from prevention programs reducing the funding available to services and therefore unable to be reinvested in further preventive programs (Ponniah, Angus, & Babbage, 2020; PC 2020). Shared risk-reward funding models are needed to reinforce alignment of all entities with a common goal. The mental health workforce must also be enabled to work to the top of their scope of practice. This will require payments to reflect the outcomes achieved, rather than scaled as they currently are to reflect the higher fees of certain professions despite the same service being provided and outcome achieved. Payment structures must also reflect changing workforce models, including consideration of delinking payments for mental health nurses and nurse practitioners from payments for supervising medical practitioners.

The mental and physical health of individuals and communities is influenced significantly by social and ecological determinants of health – factors such as housing, income, education, conditions of employment, the natural environment, power distribution and social support (WHO 2020). To ensure effective long-term mental health reform, governments must prioritise the establishment of structures that break down the current portfolio-centric approaches to care. As recognised by the National Federation Reform Council, Governments (2020) must also plan now for an increased burden of mental illness related to the increased occurrence of natural disasters and other events such as the current Covid-19 pandemic which may have enduring impact on citizen wellbeing. There needs to be accountability and inclusion across all portfolios, including social services, policing and justice, family and domestic violence, education, environment, mental health, transport, infrastructure, energy, population, cities, agriculture and regional development.

Cultural determinants and addressing institutional racism must also be prioritised to enable long term reform. Governments should invest in strengthening community languages, relationships, cultures, identity, place and networks for rebuilding resilience and cultural sustainability (Lowitja Institute, 2014). A trauma-informed approach to supporting the mental health of First Nations peoples is urgently required across all levels of mental health service provision.

IMPLMENTATION ISSUES TO CONSIDER

Of the critical recommendations identified in the previous questions, are there any significant implementation issues or costs you believe would need to be considered and addressed?

AHHA supports strengthening the existing capabilities and accountability of PHNs and LHNs to facilitate joint local planning and commissioning. However, we diverge from the PC recommendations regarding the creation of Regional Commissioning Authorities (RCAs). Establishing RCAs risks creating an unnecessary costly additional layer of bureaucracy when structures already exist (LHNs and PHNs) that could be better supported to perform the same coordinating function.

The PC RCA recommendation is in opposition to intent expressed in the *2020-25 Addendum to National Health Reform Agreement* which outlines a commitment for the Australian Government, states and territories to 'work in partnership to implement arrangements for a nationally unified and locally controlled health system which will improve local accountability and responsiveness to the needs of communities, through continued cooperation and collaboration between Local Hospital Networks (LHNs) and Primary Health Networks (PHNs)' (Schedule E)(CFFR 2020). The introduction of levers and accountability structures that strengthen the role of existing organisational structures (PHNs and LHNs), is a cost-effective strategy that delivers on this intention of governments and recognises the interconnected nature of mental and physical health.

In recent years, the mental health system has experienced the introduction of PHNs and commissioning models, procurement of new mental health services, development of regional plans, and introduction of the NDIS. These structures must be allowed sufficient time to consolidate and become embedded before another major reform is embarked upon, such as RCAs. Not doing so risks disruption frustration and change fatigue, impeding the creation of durable governance, funding, and mental health service models.

Also of concern is the limited specificity around any objective performance criteria that would assess the viability and effectiveness of LHNs/PHN cooperation. The PC proposed National Mental Health and Suicide Prevention Agreement (NMHSPA) recommends all governments agree that 'any state/territory could, at any time, transition some or all of its PHN-LHN groupings to RCA.' The implementation of RCAs would also require the reallocation of funding currently the responsibility of PHNs to states and territories if they implement RCAs (Action 23.3). This provides significant power to states/territories with limited transparency and creates an incentive for states and territories to transition to RCAs. Without appropriate decision-making accountability structures, it cannot be ensured that costly RCA reform is not undertaken at the expense of existing well-functioning structures.

The proposed exclusion of PHNs from regional mental health commissioning is also of concern as it risks the loss of valuable skills, local relationships and institutional knowledge held within these organisations, highlighting an opportunity cost.

In addition, AHHA supports the PC and MBS taskforce recommended independent review of Better Access. We recognise the importance of listening to consumers and stakeholders calling for increases to MBS psychological-rebated services and support clinical need as the driver of decision making. However, consistent with the recommendations of the MBS Review Taskforce we are unclear if there is sufficient evidence that increasing the number of sessions would address need (Medicare Benefits Schedule Review Taskforce 2020). We suggest more evidence is needed before a decision is made.

PRACTICAL IMPLEMENTATION

What do you believe is required for practical implementation of these recommendations? What do you feel are the key barriers and enablers?

In *Healthy People, Healthy Systems: A Blueprint for outcome focused, value-based health care*, AHHA outlines pillars of reform, and associated practical actions, that need to be addressed to facilitate an integrated efficient patient-centred health system.

Mental health patients are increasingly required to navigate a complex web of services to treat interconnected biological, lifestyle, socioeconomic, societal, and environmental needs. As outlined in the PC report, integrated ways of working need to become embedded within health systems with structures implemented to bolster the delivery of a suite of multidisciplinary, cross sector services centred around the unique needs and circumstances of individuals. Consumer engagement and codesign will be critical to develop new models of care and workforce structures centred around the needs of patients. AHHA's blueprint for *Enabling Person-centred, team-based care* outlines key focus areas and actions that if implemented could enable quality, integrated, safe mental health care across a full cycle of care.

Enhancing digital capability should also be both a short and long-term aim of governments, with the capacity to enabled enhanced provision of care, particularly in rural communities. The announcements in the wake of COVID-19 of MBS funding for telehealth is a great first step but further improvements are needed to ensure systematic integration of virtual technologies and capabilities long term. Provisions for allied health professionals and specialists to charge out of pocket costs for MBS funded telehealth have a negative impact on equity for mental health consumers. Likewise the requirements related to an existing GP relationship (and potentially voluntary patient registration) may serve as a significant barrier to care for some mental health consumers. AHHA has developed a blueprint for '*the effective sustainable adoption of virtual care'* that outlines the need for a focus on funding, governance and other policy issues to enable digital system transformation.

Clinical training and experience, particularly clinical placements, are a critical component in preparing health professionals for practice. The quality of, and time in pre-registration placements has been recognised as one of the main influencing factors in determining career destinations for health professionals (Universities Australia 2017). With drivers to prioritise the 'missing middle' and shift mental health care from hospital to primary and community care sectors, there needs to be similar drivers supporting clinical training/ placements in the latter settings, including primary healthcare, disability care, social services aged care, and mental health. Without sufficient exposure to healthcare settings outside of public hospitals, the choice to practise in other settings (and their readiness to do so) is reduced. Classification and consideration of, and responsibility for, placements beyond the hospital environment is an existing barrier that needs attention.

Standardised accountability and data collection mechanisms should also be prioritised as a crucial enabler for the creation of a mental health system that is focused on continuous improvement. AHHA supports the PC proposal of an evaluation framework and the inclusion of a broad range of measures, including a nationally consistent and coordinated approach to the collection and use of patient-reported experience and outcome measures (PREMs and PROMs). Coordinated funding would enable the development of evidence-based patient-reported measures (PRMs), to support outcome-based payments which incentivise gains in equity, quality, safety, and patient centredness across the mental health system.

STEPS FOR SUCESSFUL IMPLEMENTATION

Are there clear steps you believe need to be taken to ensure the recommendations are successfully implemented?

In *'Healthy People, Healthy Systems: A Blueprint for outcome focused, value-based health care',* AHHA outlines four pillars of reform, and associated practical actions, and that if addressed would facilitate an integrated efficient patient centred health system.

The pillars of reform include:

1. A nationally unified and regionally controlled health system that puts patients at the centre
2. Performance information and reporting that is fit for purpose
3. A health workforce that exists to serve and meet population health needs
4. Funding that is sustainable and appropriate to support a high-quality health system

The blueprint outlines the areas that AHHA believes should be targeted as crucial first steps to lay a strong structural foundation that can be built upon through long term mental health reform.

In line with this AHHA supports the recommended steps and prioritisation criteria outlined in the PC report:

- Potential to improve lives at the individual and/or community level
- Benefits to the economy and expenditure required to achieve these
- Ease of implementation
- Sequencing

We support a value-based approach to mental health reform decision-making and believe the PC recommendations are in line with this agenda.

CRITICAL GAPS

Do you believe there are any critical gaps or areas of concern in what is recommended by the PC?

While it is noted the PC has chosen to not advance reform options in some areas e.g., climate change, trauma and job insecurity (PC 2020), due to concerns it would undermine the focus of the inquiry, we believe the choice not to highlight is a significant gap.

The World Health Organization has declared 'Climate Change the greatest threat to global health in the 21st century' (WHO 2020). There is a growing body of evidence demonstrating the intrinsic link between mental health, the environment, and our changing climate. The rising prevalence of eco anxiety and the mental health impacts of climate related hazards and disasters (e.g., bushfires, pandemics, drought, heat stress) is of significant short and long term concern (Armstrong 2020; Ingle & Mikulewicz 2020). Climate change is having direct and indirect impacts on health outcomes and the economic and structural sustainability of the Australian overall health system (Duckett et al. 2020; Zhang et al. 2020; Horsburgh, Armstrong, & Mulvenna 2017).

If Australia's mental health system is to be prepared to respond to unprecedented current and future challenges presented by climate change, we must begin taking action now and apply a climate and health lens over all elements of mental health reform adopted by the government in response to the PC report (Armstrong & Capon 2020).

Further, the COVID-19 pandemic has exacerbated the impact of job insecurity and social isolation on mental health which will have long term impacts on the mental health system (Purtill, 2020). Mental health provides have seen a significant increase in the number of people accessing their services and best-case scenario modelling is predicting 13.7 percent increase in suicides because of the pandemic (Atkinson, Skinner, Lawson, Song & Hickie 2020). While we note the Australian government has taken emergency action to address the immediate mental health on the community we believe job insecurity and its impacts (including current low rates and compliance requirements for the Job Seeker allowance) must be recognised as a priority in the short- and long-term priorities for projected outcomes to improve (O'Sullivan, Rahamathulla, & Pawar 2020).

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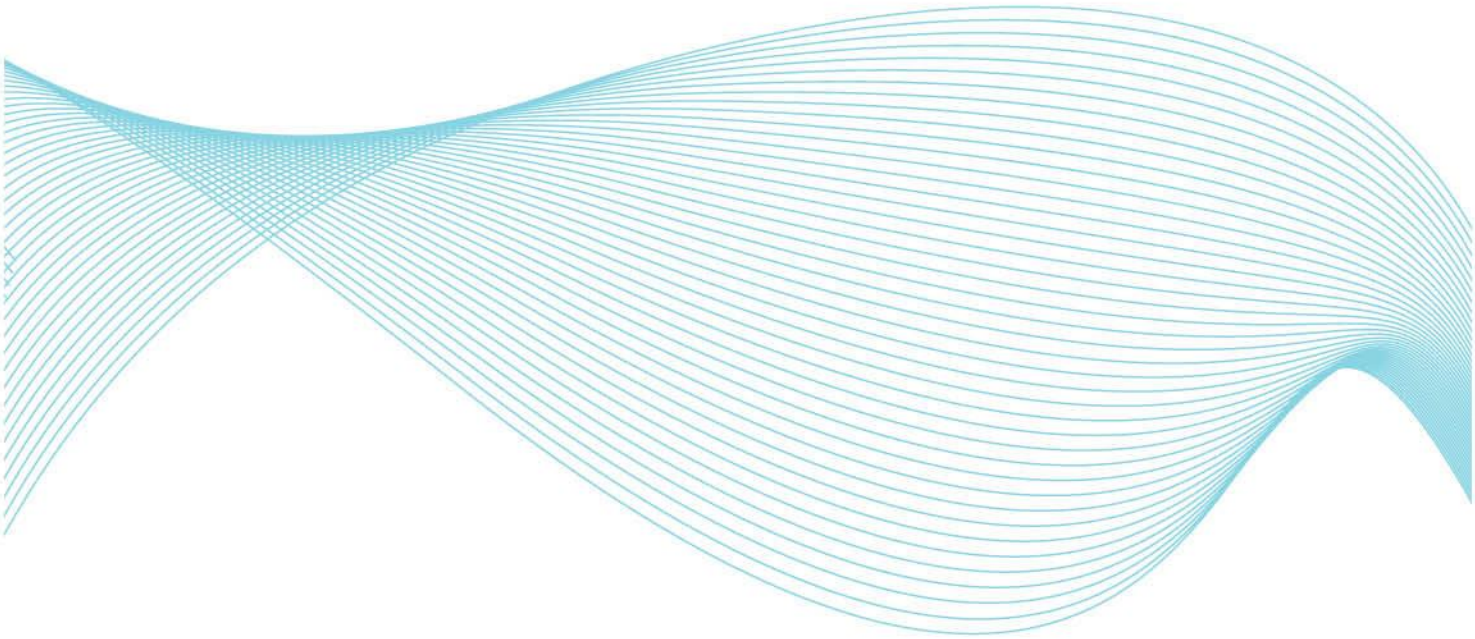

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