

# Contribution to Department of Health consultation on the Productivity Commission recommendations about mental health

February 2021

The questions below are those asked by the Australian Government's consultation on the Productivity Commission Report on Mental Health:

<https://consultations.health.gov.au/mental-health-services/productivity-commission-report-on-mental-health/>

## Critical Recommendations

*The recommendations of the PC Inquiry Report on Mental Health propose to set Australia on a path for sustainable, generational reform of its mental health system. While some recommendations can be addressed in the shorter-term, a large number will require implementation over longer time periods.*

**Of the recommendations made, which do you see as critical for the Government to address in the short term and why?** (max. 500 words)

The Productivity Commission's report of its extensive investigation recognises that action on mental health needs to be across the spectrum of response, from prevention and early intervention, through to community-based support and acute care.

The recommendations span all these aspects that are critical to improving mental health. Some are identified as priorities and some are 'for further consideration'. cohealth, a large community health service focussed on supporting the health and wellbeing of people experiencing disadvantage and marginalisation, considers that to improve people's lives **all the recommendations** identified by the PC as priority actions are critical to be addressed in the short term. If the Government does not implement the full suite of Productivity Commission recommendation there is a real risk of replicating the piecemeal approach to reform that has been a feature of the mental health system for so long, entrenching system fragmentation and failing to deliver much needed improvements.

As a provider of physical and mental health care to people who experience disadvantage cohealth believes it is vital for immediate action be taken to ensure that appropriate supports are available to the people who experience the poorest mental health. The relationship between low economic status and elevated incidence and prevalence of mental illness is well recognised (for example, [Murali & Oyeboode 2004 'Poverty, social inequality and mental health'](#)). Despite this poorer mental health people who experience disadvantage are also less likely to be able to access mental health supports due to cost and other barriers. It is critical that providing accessible supports for people with the poorest mental health is prioritised.

cohealth also recommends early action to respond to the needs, clinical and psychosocial, of these who experience the most severe mental ill health.

We caution against focussing initial implementation only on those reforms the PC identified as having the highest 'net [financial] benefit' (Final Report p 16). This risks perpetuating and entrenching the disadvantage experienced by the people with the most serious mental illness.

In light of these considerations, the following recommendations are critical to implement with the greatest urgency:

- Recommendation 4 - create a person-centred mental health system. While creating such a system is a long-term goal that will require reforms over many years, this recommendation identifies key actions that governments should take now to begin to improve people's lives.
- Recommendation 17 - improve the availability of psychosocial supports. The delivery of psychosocial supports has been hampered by inefficient funding arrangements and service gaps, affecting the recovery of people with mental illness. Implementing Recommendation 17 is particularly critical to ensure continuity of funding after the National Psychosocial Support Program concludes post June 2021.
- Recommendation 20 - supportive housing and homelessness services. Stable and secure housing, accompanied by appropriate supports, is essential for recovery. It is critical that governments commit to the recommendation of a policy of no exits into homelessness for people with mental illness who are discharged from institutional care, such as hospitals and correctional institutions.

**Of the recommendations made, which do you see as critical for the Government to address in the longer term and why? (max. 500 words)**

In line with our response to the previous question cohealth believes that implementing **all** the Productivity Commission recommendations are essential to reform the way mental health services and supports are provided, and to improve Australia's mental health.

cohealth urges the Government to implement all the actions the Productivity Commission has identified as priorities, and that a timetable is developed to implement the actions identified as 'reforms that should be considered'. The Productivity Commission has recognised that Australia's mental health system is fragmented. If the Government does not implement the full suite of Productivity Commission recommendations there is a real risk of replicating the piecemeal approach to reform that has been a feature of the mental health system for so long, entrenching system fragmentation and failing to deliver on much needed improvements.

cohealth recognises that implementing such wide-ranging reform across multiple sectors will be challenging and will take time. To reassure the community about the progress of reform it is vital the Government makes a public commitment to implementing all the recommendations. This must be clearly and widely communicated, along with the timeline for when various recommendations will be implemented. This should be kept up to date and the community kept informed of progress given the impact mental health has on all Australians.

## Implementation Issues

**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?** (max. 500 words)

Mental health has suffered from long term under-investment from all levels of government. Implementing the Productivity Commission reforms will require a commitment from all levels of government to significantly increase investment across the spectrum of mental health responses. This is particularly so for community-based mental health services – the very ones that are best placed to keep people well and reduce the need for costly hospital care – which have long suffered from serious under-investment.

However, hospital based clinical care will also need to be a focus of investment while the increased funding to community-based mental health services reduces the need for hospital services over the longer term.

Significant work will need to be undertaken to re-orient the system to one that provides care in the community and reduces the impacts on the person and the costs to the system from acute care. Articulating this as a clear vision for the mental health system, backed up with transparent sector engagement, plans and communications will be vital to achieve this system re-orientation.

Changes to the mental health system have too often been driven by influential interest groups, professional bodies and individuals. Not all of these have been based on evidence, and this has contributed to the piecemeal approach to change in the sector and the current state where the mental health sector has become separate from the broader health service environment. Implementing the Productivity Commission recommendations requires a clear vision for mental health in Australia is kept in focus, and resisting pressure from powerful interest groups. This will be critical to ensuring that the recommendations that will bring the most benefit to those who need them the most – often those who are most marginalised - are the ones that are implemented first. While receiving advice and input from mental health experts is vital to develop implementation approaches, it is important that change does not simply respond to the loudest voices with the most political weight.

Ensuring there is a workforce available to deliver reforms is essential. Developing the workforce, particularly through investing in skilled, community based mental health practitioners, including peer workers, is critical. Developing the mental health knowledge and skills of related workforces, such as in health, housing, education, will also be vital for the successful implementation of the recommendations.

**What do you believe is required for practical implementation of these recommendations? What do you feel are the key barriers and enablers?** (max. 500 words)

Collaboration across the mental health, health and non-health sectors is vital to implement the changes needed to improve the mental health system. This work requires time and other resources from organisations which too often is not included in funding arrangements. Investment in governance arrangements and partnership support is needed to enable collaborative practice.

Longer term funding arrangements that enable continuity of service provision, staff retention, development and support are essential. Short term funding cycles and a series of ever-changing pilot programs result in uncertainty and disruption for consumers, poorer care and affects recovery. They also result in higher service delivery costs such as the expenses associated with developing and shutting down programs and staff turnover on short, fixed term contracts. The Productivity Commission highlighted the impact of short-term funding contracts on staff turnover, efficiency and productivity for psychosocial support services and recommends increasing the length of psychosocial service provider funding contracts to five years. Funding certainty should be a principle applied across health and non-health programs supporting mental health and wellbeing.

Ensuring appropriate responses are developed to respond to the different needs of various population groups and locations is critical, rather than creating 'one size fits all' approaches. Co-designing responses with people with lived experience of mental ill health, including consumers and carers, is critical. Adequate investment is required to enable this work, including to properly compensate participants for their expertise and time.

**Are there clear steps you believe need to be taken to ensure the recommendations are successfully implemented?** (max. 500 words)

1. Governance arrangements

Disjointed responses have been the hallmark of the mental health system for too long. To ensure the recommendations are successfully implemented it is critical that clear governance arrangements are established to ensure that the various levels of government and portfolio areas collaborate effectively. The Productivity Commission's recommendations relate to a number of government portfolios. As such, a whole of government and a whole of health approach is required that recognises the impact mental health has across all of society, and also ensures that the impact on mental health is considered in all policy making.

cohealth supports the Productivity Commission recommendation that 'As a priority reform, a whole-of-government commitment to a new national mental health strategy. This strategy should comprehensively integrate the roles played by health and non-health sectors, identifying (in collaboration with consumer, carer and cultural diversity representatives) necessary action by not just health agencies, but

also by relevant non-health agencies in the Commonwealth and the States and Territories'.

## 2. Intergovernmental agreement

Clear agreement between the State, Territory and Federal Governments about responsibility and funding is essential. Mental health has a history of people falling through the cracks between areas of responsibility. There must be clear processes established to address any identified service gaps in a timely manner to ensure that the mental health of consumers is not affected.

## 3. Implementation roadmap

A comprehensive implementation roadmap developed in partnership with people with lived experience, the mental health sector and related sectors is critical to ensure the recommendations are successfully implemented. This plan should include all of the Productivity Commission's recommendations and any gaps identified, and include:

- A clear vision for person-centred reform, with a focus on outcomes and quantified improvements in care pathways for all people who experience mental ill health
- Timelines which are realistic and include adequate time for planning of reforms and collaboration with partners
- Actions and responsibilities
- Funding arrangements
- Consistent reporting and data requirements that provide sound basis for evaluation. Reporting needs to be consistent across jurisdictions to reduce the burden of reporting activities encountered by services, best utilise worker time and enable consistent evaluation.

## 4. Budgetary plan

An accompanying budgetary plan that includes Australian, state and territory governments' commitments to fund the Productivity Commission's recommendations over a number of funding cycles is required. It must provide for increased investment in mental health services, prevention and early intervention. It should include investment in the 2021-22 Commonwealth budget to fund immediately implementable recommendations from the Productivity Commission, including ensuring continuity of funding for the psychosocial service sector.

These plans must support services to implement change, through providing establishment funding to plan, scope and deliver services, develop capacity, and provide support for the collaboration that will be so critical to the success of the change process.

## Critical Gaps

**Do you believe there are any critical gaps or areas of concern in what is recommended by the PC?** (max. 500 words).

The Productivity Commission highlights the fragmentation in the mental health system and related sectors, including physical health care, social support and housing. However, it does not articulate a model where all these services **operate together as an integrated whole**. Such models of integrated mental health, physical health and social support services already exist, in community health services in Victoria, and in Aboriginal Controlled Community Health Organisations across Australia. These services are embedded in, and managed by, their local communities and able to respond to the specific needs of the community, and would provide an ideal platform to provide holistic integrated health care.

While the PC makes many welcome recommendations concerning the 'missing middle' it does not address the **lack of multidisciplinary care** available in the community. People experiencing more complex mental ill-health, multiple mental and physical health challenges or who require community support after discharge from acute care, need access to coordinated care that includes team-based multidisciplinary support. These teams would include mental health workers - psychologists, mental health nurses, social workers, and alcohol and other drug workers – along with peer workers and other allied health professionals including dietitians, physiotherapists and occupational therapists to provide comprehensive support. The **community health model** is an ideal platform for this team-based multidisciplinary care, and could be adopted to deliver more integrated, locally-based mental health, physical health and social supports to marginalised populations who are at greater risk of mental ill-health due to social circumstances.

The PC also fails to provide recommendations **to address the fundamental causes of poor mental health** – poverty, racism, inequality, unemployment. Any serious attempt to focus on prevention, and reduce the personal, family, community and economic costs of poor mental health must address the root causes of mental health issues. Governments control major social and economic levers which can impact people's mental health. It is critical that policy decisions support good mental health, such as reducing poverty by raising JobSeeker payments, increasing social and affordable housing, investing in anti-racism programs and acting on climate change. All government policy decisions should be assessed for their impact on mental health and wellbeing.

The PC rightly states that reforms need to '**focus on prevention and early help**: early in life and early in illness', and makes welcome recommendations about prevention and early intervention, such as support for new families and children, improving mental health in schools and higher education and reducing stigma. However, a broader approach to prevention and early intervention would deliver better mental health. In particular, a stronger focus on providing help as soon as possible in a child's life is required. Specialist child mental health services are chronically under-resourced,

meaning children miss the opportunity for early intervention. An integrated model of child and family supports is needed, spanning the continuum from prevention and early intervention through to crisis responses and therapeutic interventions for people with serious conditions. Strong connections with social programs are also required such as those that assist children into secure and appropriate housing and parenting programs.