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Community Sector Reform Council Secretariat
Level 11, 50 Lonsdale Street
MELBOURNE VIC 3000

Recommissioning processes for MHCS and AOD

The following submission is provided by cohealth, which began operations on 1 May as the merged entity of three community health services in Melbourne – Doutta Galla Community Health, North Yarra Community Health and Western Region Health Centre. The feedback provided was gathered from Directors, Managers and Staff of cohealth, as well as consumers and carers who are members of the various advisory groups of cohealth.

All three agencies had a proud history working with individuals and communities that experience a disproportionate burden of disease as well as the experience of poverty and exclusion. cohealth is a non-Government not-for-profit organisation and a registered community health service that delivers a broad range of primary health care services, including medical and dental, allied health, refugee health, child youth and family, homelessness and community mental health.

cohealth delivers Mental Health Community Support Services across the North Western Metropolitan Region and is delivering the Catchment Based Planning Function across the region. cohealth also delivers community based rehabilitation support services in the Alcohol and other drugs sector.

This submission outlines a response to the four questions posed

1 Commissioning approaches

- ***What elements of the recent recommissioning process worked well and should be built upon.***
- ***How can the voices of clients and carers be appropriately included in processes such as this***
- ***Are there alternative commissioning approaches that should be considered***

2 Focussing on people

- ***How can government and the non-government sector work together to ensure future reforms will meet people's needs?***
- **3 Taking account of the role of place and holistic approaches**
- ***How can government and the non-government sector work together in the future to ensure commissioning processes support integrated place based services?***

3 Taking account of the role of place and holistic approaches

- ***How can government and the non-government sector work together in the future to ensure commissioning processes support integrated place based services?***

4 Working together

- ***How can government, the non-government sector and clients work together in a way that promotes transparency and trust through future reform processes?***

cohealth Moonee Ponds
7 Chester Street
Moonee Ponds
Victoria 3039

Executive Summary

In summary cohealth considers that the direction and intent of the community mental health services (MHCS) reform agenda was consistent with improving the service system and recognition of the changing strategic environment, in particular the advent of the NDIS. We commend the Minister on the effort to reform the system. Cohealth also acknowledges the significant work required of the department in analysing and undertaking these directions.

As with many others across the sector we feel that the strict competitive tendering approach impeded the capacity for vital collaborations and partnerships, intra and inter sector that may have been helpful to assessing outcomes and managing impact. In particular we feel that timelines and probity requirements impacted adversely on the capacity to plan for transition, manage impact on end point consumers and carers and mitigate undesirable consequences. In particular insufficient attention was given to the relationship between the health and humans service funded sectors and the need to ensure alignment between these two.

In particular we are anxious about the specific needs of very complex clients, Aboriginal and Torres Strait Islander people. We are also concerned that there remains important work to be done in ensuring effective handling of clinical risk and in the safe and effective management of existing and new demand through the assessment and referral function.

In hindsight we think that a different approach might have produced a superior result and would strongly endorse a more collaborative approach to future commissioning processes. We would also like to see consumer engagement processes embedded in any future approach. We believe this intelligence is critical to the proper analysis of outcome and impact. Recognizing that it is neither reasonable or practical to expect consumers to engage in the same processes as large scale organisations.

Ultimately we think the recent process provides salutary lessons in the importance of adopting a flexible and nuanced approach, that responds to feedback as it is provided and amends course where required. We also believe that the process has exposed the pressing requirement for improved alignment between health funded and other human services sector agencies in the interests of those who use services.

We also believe that many of the adverse impacts might have been avoided had the input of those who held knowledge regarding, current practice and experience across the system been better integrated into the change process.

Design and development work

Recognition is due to the Department for the developmental work undertaken to detail the reforms across both AOD and MHCSS. This was required to deliver appropriately staged change resulting in improved alignment with implementation of the NDIS (in the case of MHCSS).

This was a significant and complex piece of work that occurred during a period of significant uncertainty in the development of service principles and policies associated with the NDIS. This period was arguably defined by a lack of clarity, and at times confusion, about the role the NDIS would play in supporting people experiencing mental illness as well and then subsequent considerations around eligibility for the NDIS and the range of service supports that may be appropriately funded. This required the policy, program and reform process to be designed in a way that it would support consumers, carers and service providers, advocacy organisations and key peak bodies onto and along the path to preparedness for the NDIS. All parties to the system will have improved understanding as to how supports may best be structured, allowing for innovation and piloting of different approaches that can be evaluated ensure the body of knowledge developed to support system transfer is as smooth as can possibly be.

With further work to develop a performance framework to monitor progress against the stated goals of the reforms, we will over time better understand the effectiveness of new approaches, systems and roles in service delivery. A focus in the framework on the interface between the elements of the MHCSS is required: intake and assessment, ICSP provision, the catchment based planning function, as well as demand management processes and the experience of consumers receiving services, being exited from services and those waiting for services. Also required is monitoring of the effectiveness of the interface with other parts of the mental health service system and the broader social services sector. This interface and alignment issue is, we consider, key to many of the concerns and issues that have been raised.

The development of the performance framework, the oversight of Funding and Service Agreements and the development of strong partnerships with consumers, carers and service providers could support an action learning process to monitor, reflect and improve service approaches, models of care and support workforce development to progress readiness for the transition to the NDIS. A key focus will be supporting MHCSS consumers and carers, service providers and Departmental officials through capacity building processes to minimise issues associated with this transfer. This process should be developed from 2015 to allow expertise and development within a variety of stakeholder forums, not the least of which is bringing all parties together so that relationships and role clarity is understood and shared at all stages of co-design processes.

1 Commissioning approaches

What elements of the recent recommissioning process worked well and should be built upon.

- Given the process was competitive tendering, the following worked well
    - Clarity of process and funding model
    - Page limited questions (for Stage 1 – would have been good to page-limit Stage 2 HLDP also)
    - Standard submission format
    - Maintenance of probity
    - Sufficient timelines to complete each stage of the process up to the announcement of the organisations to deliver services.

Further development of the work done to date might include:

- The development of a statewide performance management framework which utilises data collected from all parts of the service system as well as Departmental processes, including Individual Client Support Package providers, Intake and Assessment and catchment-based planning functions.
- Regular independent surveying of consumer experience with the new service system should also be undertaken and measures covering this should be included in the performance management framework.
- Transparency around the performance management framework is important and information from this framework should be published and available for consumers to inform their choice of service provider. This information should be published by catchment, service type and provider allowing the Department to intervene early should provider performance be of concern.
- Despite assurances provided in the *Reforming Community Support Services for People with a Mental Illness - Fact Sheet* that "If you are an existing client of a PDRSS program, you will continue to receive support.", changes to the eligibility criteria mean that service providers will be required to assess all clients against the new criteria and some clients may not be eligible. This creates a risk that consumers of services will enter the public arena with complaints about the service system. In this situation where contradictory information has been put into the public arena by the Department with the implementation responsibility and risk sitting with the service provider the Department / Government need to ensure that they are able to protect the integrity of the service system through transparent disclosures.
- Given the more stringent criteria for entry to the MHCSS than previous PDRSS criteria there is a need to monitor over time how many people who would have eligible for PDRSS no longer meet criteria and what happens to them, i.e. where do they receive a service as well as ongoing monitoring of clinical services demand and repeat admission into acute services. The need of these clients will remain an enduring responsibility of government.

How can the voices of clients and carers be appropriately included in processes such as this

- Significant reforms to service systems should be undertaken in partnership with consumers, carers and service providers. There is a growing body of evidence that co-design approaches result in more accessible, user friendly and effective services. An iterative process that includes wide consultation and a co-design working group based on MH Eco (Mental Health Experience based co-design) principles should be considered.
- Feedback from consumers and carers during a discussion group facilitated by cohealth indicated significant discomfort and resistance to a phone based intake and assessment process. Consumers in particular identified the importance of trust with a worker and service provider as vital and that having a phone line as the entry point to the service system was a significant barrier. One participant commented that "*It's a fearful thing calling up someone you don't know. I don't feel safe*", while another commented that "*People should be able to walk into their local community health centre and have a face-to-face discussion.*"
- Staff in agencies referring potential consumers to cohealth for mental health services, are reporting to staff at cohealth that consumers are expressing such discomfort about the initial contact with MHCSS being phone based, that referrals are instead made for programs such as PHaMS and D2DL which have office or community based intake processes. This is to prevent the (consumer) perceived barrier of the phone based initial contact being a deterrent from much needed service access.
- This is a reflection that while assessments by consultancy firms can develop cost effective approaches to service reforms and various functions within the service system, designing and implementing these without an understanding of the consumer perspective, particularly when dealing with vulnerable people experiencing poor health can lead to implementation of approaches which will lead to consumers and service providers developing work-arounds, which end up costing more than a co-designed approach would.
- Feedback from the consumers and carers during the discussion group reiterated the value of working together with the government and non-government sector in ways that promote transparency and trust. The need for processes that embed consumer participation from the commencement of any reform process were highlighted. Discussion participants comments included:
    - *If they genuinely want our input, why not have people like us on the board or whatever from the beginning of the process?*
    - *We want to participate. We want to know what services are in our community and how to access them. We want to be able to tell other community members about these services.*
- The carer and consumer discussion progressed to the need for stronger links and involvement of service users to be embedded in change processes that affect them. Attendees discussed their limited awareness of the changes that had happened in the MHCSS and AOD space. Furthermore, attendees reported they were not given

enough time to prepare an informed response for this submission. One attendee commented "We don't adjust to change very well. We should be supported, kept informed of anything that affects us."

- The carer and consumer discussion group recommended that the CSRC and government be more aware of the time required to inform and involve consumers. They discussed how short timelines further excluded rather than involved consumer voice in the link between community and government. *"They need to give us time to put this feedback together. We're only just learning about the changes now. We don't have time to form our opinions."*

Are there alternative commissioning approaches that should be considered

- Alternative commissioning approaches should be consistent with and build upon recommendations of the Shergold report.
- Service reform may be more effective through the funding of innovations/pilots that, if assessed to be effective, from the basis of variations to existing funding and service agreements so that service reform can be gradual and avoid complete upheaval of the service system.
- Due to the organisational diversity within the sector there is likely to be a significant disparity between capacity to invest in consultants to support submission development processes and the ability to take Executives, Managers and staff off line for significant periods to participate in these development process. These factors alone mean that smaller organisations are at a significant disadvantage in participating in competitive processes with organisations that have significant budgets and diverse service and funding platforms, allowing reserves to be developed over time, to invest in such opportunities.
- It was clear that it was likely that there would be a number of agencies that previously delivered services under PDRSS that would not continue to deliver services under the new model. That this was going to have an impact and necessitate a comprehensive transition process was clear from the outset.
- There was a lack of clarity about which party (government, providers or consumers) were to be responsible for each element of the transition implementation process, although subsequent processes have been put in place to address shortcomings this might have been better planned for.
- Clear expectations need to be developed and included in funding agreements around management of staff and consumers should funding be withdrawn. It is likely that significant change processes such as this will continue to be rolled out in the coming years. Better planning and management of the period between announcement of successful service providers and the start of service delivery is required.
- This may mean additional resourcing, which could support improving change management approaches for staff of affected service and consumers.

2 Focussing on people

How can government and the non-government sector work together to ensure future reforms will meet people's needs?

- It is vital in undertaking any service reform and system change involving consumers and carers who face significant pressure in their day to day lives, that communications are clear, consistent and easily understood. They should be presented in a range of formats, languages and with support for people to understand implications. It is also vital that commitments and undertakings within this documentation are delivered upon.
- There are significant linkages between different elements of the health and human services service sectors. Current approaches deal with them as separate parts when there is a need to deal with them as a total entity.
- As also indicated above the best way to meet consumer needs is to utilise evidence based reform practices such as MH Eco in a consistent and systematic way. Peak bodies can represent well the interests of their constituents, and the engagement of consumer and carers will identify issues and opportunities for improvement that may be overlooked by providers, consultants and Departmental advisors.
- Siloed funding mitigates against effective work with those who have complex needs or require complex service responses. This recommissioning process appears to have not improved the service system responsiveness for this cohort. This requires a more extensive focus on a broader range of outcomes and encourage use of multiple sources of funding to support and provide responsive and appropriate services for this this cohort.
- The implementation of Services Connect will be an interesting opportunity to test whether improved service and care coordination for those who are also supported through the MHCSS achieves improved outcomes.
- There is a need to provide additional definition of 'demonstrable outcomes'. These should include measures of consumer self-efficacy, self-management, confidence and hope in addition to employment, education, training, participation and housing outcomes.
- Criteria for MHCSS services severely restricts responsiveness to Aboriginal and Torres Strait Islander communities. A broader entry criteria for these communities would support improved responsiveness.

3 Taking account of the role of place and holistic approaches

How can government and the non-government sector work together in the future to ensure commissioning processes support integrated place based services?

- A critical aspect of coordinated place based responses is the recognition of diverse needs and multi faced responses. The reform agendas of government need to proceed in a way that provides for analysis of this and promote multi sectorial responses.

- New MHCSS ICSP funding allows for innovative, flexible and responsive service delivery with little proscribed about how services will deliver client centred packages
- There is felt to be a risk that catchment based intake and assessment will prove a barrier to access for people with multiple and complex needs, whose access to the system is often opportunistic
- Provision for more comprehensive transition period from one service system to another would minimise impact on services and consumers. Feedback from consumers and Managers indicated that the transition period was too short and under-resourced.
- The client information sessions set up for clients to help decide their new provider were poorly planned and thought out. In some cases they were rushed, meeting facilities were inappropriate and too much information was presented. Consumers and carers indicated that they were overwhelming for clients to the point where on one occasion a consumer described the experience as "cruel"
- The transition coordination was considered relatively poor. While the Department have been involved it has been unclear exactly how transition of clients was to occur, the monitoring process for transitioning clients was under-described and this presents risks to clients in the system.
- There may be lessons to be learned through the recent Service Connect process around making the funding pool available by catchment or region and encouraging service providers to make submissions which account for a broader range of outcomes. These would include improved mental and physical health, engagement in community, participation in employment, education and training, volunteering. It would encourage partnerships across the sector which allow for a holistic approach to service delivery.
- There is significant expense and resources required of the sector in building and maintaining the required partnerships for consortia to operate. This should be recognised as it can act as a significant barrier for smaller agencies with specialist knowledge and skills from engaging in processes and system activities which would benefit from their expertise or approach.
- The sequencing of significant reform agendas and recommissioning processes placed great pressures on service providers. It also challenged the capacity of agencies to look across the various agendas and processes and look for creative ways to develop appropriate place based and holistic responses for the client groups who would benefit most from wrap around services available through simplified service processes.

4 Working together

How can government, the non-government sector and clients work together in a way that promotes transparency and trust through future reform processes?

- The process for recommissioning of the AOD and MHCSS services required a year once the work entered the public domain.
- During this time dialogue between service providers and the Department was severely limited for probity reasons. Probity and ethical management processes are

obviously important to ensuring confidence and oversight of the administration and decision making process that can and did have significant impacts on the operational viability of service delivery agencies. Consideration could be given however to the separation of the provision of probity and ethical oversight of the recommissioning processes from the policy and program advice and day to day administration of the recommissioning processes. A Senior Manager from the Department of Health would be best placed to manage the policy / program / day to day functions, while an Independent Statutory Officer or Senior Manager with experience in probity oversight could be appointed to ensure the integrity of the process. As with all such processes a pre-agreed dispute resolution process would be required to ensure that any disparity in advice or approach could be appropriately resolved by a skilled adjudicator (for example a retired Supreme Court Judge)

- It became apparent during the year-long public process that communications between service providers also reduced significantly. In some ways this is an unavoidable consequence of a competitive process involving significant organisational risk, however it has significant potential to undermine the stated goals of the reform process: to deliver stronger partnerships and holistic approaches.
- An assessment is required to better understand the trade-offs that occur between the sort or purity of the competitive tendering process that is designed and used, and the differential impacts that alternate approaches may have on relationships, trust and partnership capacity with the sector / service system. At some point it could be reasonably expected that principles upon which the reform process was based will be impaired should interventions not occur or resources be applied to protect the consumers from adverse impacts resulting from reduced communication, loss of trust and damaged relationships. While these are complicating factors, they would not be considered novel or unexpected.
- There are significant hidden or masked costs within these recommissioning and transition processes, many of which have been moved to the service sector. Inadequate resourcing was provided for the transition process which has a real impact on the capacity of the sector to deliver consumer choice as smaller or specialist agencies are less likely to be able to afford the investment. For example for the MHCSS process the new contracts are for a maximum of four years before transition to NDIS.
- For this period the recommissioning process:
    - required significant investment in consultancies to manage submission process (with some projections across the sector extending into the millions of dollars),
    - required reallocation of work to staff and, possibly a reduction in service effort, to allow managers to focus on submissions and the developmental work required,
    - resulted in expensive redundancy processes and recruitment processes,
    - require the restructure of service delivery, support processes and workforce,
    - necessitates development and delivery of whole of workforce training, and changed information collection, management and reporting

- With a detailed assessment of the benefits accruing to consumers and carers from MHCSS, should improve outcomes eventuate, (particularly as compared to those outcomes expected under an 'as-is' PDRSS) consideration can be given to different elements of these processes. This would allow better management of those things which may undermine reform principles being achieved and encourage investment in aspects which justify both the government and non-government sector investment.
- Building transparency and trust within and across service systems is a long term cultural change process requiring all parties (sector and Government) to adapt to new expectations and demonstrate commitment.
- The infrastructure to support this needs to be developed well in advance of any change process or system redesign.
- A diverse range of opportunities for consumer and carer participation need to be developed and embedded across the system now. This is at catchment, region and statewide levels. Investment is required in capacity building across these opportunities. The Department and service providers need to be clear and transparent about the scope of authority of the consumer and carer feedback in making changes to the system. The greater the authority, the more benefit that can be realized from the experience of service users.
- Feedback from referring agencies and Area Mental Health Services indicates that there is a lack of information being provided into these vital parts of the service system with workers indicating that they have received no information on changed referral processes or the impact of changed service approaches to AMHS.
- The need for improved, broader system wide communication materials, for consumers, referring agencies and other parts of the mental health services has been a consistent theme of feedback from all parts of the service system. That this was an expectation of the Department is clear.

Lyn Morgain
Chief Executive