

Dr Tony Sherbon

Chief Executive Officer  
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19 February 2015

Dear Dr Sherbon

Mental Health Australia welcomes the opportunity to provide a submission to the first public consultation for the development of the Australian Mental Health Care Classification (AMHCC).

Mental Health Australia supports the development of a national classification to provide a consistent method of classification across all service types. If developed and applied in the right ways, the AMHCC will lead to better management, measurement and funding of high quality and efficient mental health care services.

Building a classification has a number of well recognised challenges, many of which are raised in our submission. A well-designed classification system will however assist in illustrating the complexity and diverse needs of mental health care consumers and provide a clearer picture of the wide range of factors, in addition to diagnosis, that may contribute to the cost of care.

In order to fully represent of all mental health care services it is essential that the classification reflects a system that treats people through less expensive community based care rather than costly hospital based care wherever possible.

To achieve this the classification must include the full range of mental health services currently being provided. I am concerned that the non-government mental health sector appears to be significantly unrepresented in the HealthConsult costing study, which may in turn result in the exclusion from the AMHCC services delivered in community based settings. Many of these services encompass programs that are consumer and carer focused, support personal recovery and avoid expensive in patient care.

The University of Queensland study, which forms the evidence base for the classification design, concluded that the required building blocks to develop a new Australian national mental health classification are not in place, and that only when these building blocks are in place will it be possible to both design and implement a new national mental health classification. IHPA's current work plan does not appear to allow sufficient time to execute



the steps required have the foundations in place for the proposed pricing of mental health care services from by 1 July 2016. I therefore urge you to review IHPA's current timeline for developing the classification to take into account changing circumstances.

I appreciate that the purpose of building the AMHCC has changed following the Federal Government's intention to move away from Activity Based Funding (ABF) and that building this classification framework is not dependent on the adoption of an ABF model of funding. The value of building a nationally consistent classification for mental health care services will endure regardless of any specific funding models applied.

In the current environment, however, many stakeholders are confused about the apparent haste with which the AMHCC is being developed.

I look forward to discussing these matters with you at your earliest convenience.

Sincerely

  
**Frank Quinlan**  
**CEO**

