

**Mental Health
Australia**

Response to the Department of Health survey on the final recommendations in the Productivity Commission Inquiry into Mental Health



4 February 2021

**Mentally healthy people,
mentally healthy communities**

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This document is Mental Health Australia's response to the Australian Government's Department of Health survey seeking views on the final recommendations in the Productivity Commission Inquiry into Mental Health Final Report (PC Report), particularly with respect to priorities and implementation issues. The questions below are those included in the survey.

Mental Health Australia's top three priorities are:

- The development of an implementation plan for the Productivity Commission's recommendations including any identified gaps which is well informed by the mental health sector including consumers and carers.
- The provision of an accompanying budgetary plan that identifies the key components of the future mental health system, clarifies which level/s of government will be responsible for delivering each of the components, and articulates the Commonwealth, state and territory governments' commitments to fund these recommendations over a number of funding cycles.
- An immediate investment in this current budget to fund PC Report recommendations that can be implemented immediately, and to ensure continuity of funding for the psychosocial service sector.

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

Mental Health Australia has welcomed the PC Report and the recommendations it contains. It is the largest review undertaken by the Commission and is informed by extensive and rigorous consultation with the sector over a two-year timeframe and should therefore not be taken lightly.

Mental Health Australia is on the public record through submissions to the Productivity Commission Inquiry into Mental Health and in response to the Commission's draft and final reports on the key priorities. In anticipation of efforts to simplify a whole-of-government response to what are chronic and complex systemic issues in the delivery of mental health services in Australia, the Productivity Commission itself has warned against "cherry picking" individual recommendations for action. Mental Health Australia supports efforts for broad, comprehensive, and long-term reform. An immediate priority therefore will be the development of a comprehensive implementation plan that sets out the prioritisation of all recommendations across a timescale with allocated funding that ensures accountability across all governments and the mental health sector.

Mental Health Australia has developed a **Pre-Budget submission** with members that identifies a number of initiatives and funding imperatives that both seed reform and ensure ongoing service delivery while consultations, negotiations and planning is undertaken on the implementation of all the PC Report's recommendations.

Mental Health Australia acknowledges that reform will need to occur across a number of budget cycles and be driven by the National Agreement currently in development and due for delivery in November 2021. Ensuring appropriate sector engagement with and input to the National Agreement, and expediting its delivery should be seen as a critical short term priority.



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

Mental Health Australia supports the Productivity Commission's recommendations for priority and longer term implementation based on its extensive consultations and economic analysis. Seeking opinions of stakeholders, while of value, should not become the driving rationale for the delivery of systemic reform when such a comprehensive analysis that is devoid of sector conflicts of interest is already available.

Such an approach may effectively undermine the legitimacy of the PC Report by instigating processes that are subject to lobbying that could further entrench current dysfunction within the mental health sector. A good example is the complexity of addressing current hospital incentives that continue to drive the provision of medicalised hospital bed service delivery. Evidence shows that community-based alternatives such as 'hospital in the home' or strengthened community mental health service options are more effective and cost effective. This has been known for some time, yet reform in this area has been incremental at best.

3. 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?

The PC Report already identifies anticipated costs and economic benefits for its recommendations. It is acknowledged that there will need to be significant consultation with state and territory governments to negotiate the resulting cost burden. These will need to be considered as part of the new Mental Health and Suicide Prevention National Agreement.

Mental Health Australia anticipates that Vision 2030 and the Suicide Prevention Plan will provide the lens through which the PC Report's recommendations will be strategically implemented. Ideally, there will be a seamless integration of the PC Report recommendations and actions as outlined in Vision 2030 and the Suicide Prevention Plan.

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

The breadth of recommendations contained within the PC Report will require extensive consultation with consumers and carers, mental health sector stakeholders, and broader social determinants of health stakeholders to determine and address implementation issues, including co-design. The mental health sector's support of the PC Report remains one of the most powerful enablers governments can build on. Any attempt to undertake a revisionist exercise to rewrite the PC Report will only undermine this support and create barriers to future reform.

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

The first step is to develop a clearly defined, structured implementation plan that covers all the Productivity Commission's recommendations and any identified gaps. This must be done



in consultation with the mental health sector including with consumers and carers, and with other cross sector stakeholders.

While this implementation plan is being developed, and in this current budget cycle, it is important to fund those recommendations and initiatives that can be implemented immediately and ensure continuity of funding for the psychosocial service sector.

Another important step is to develop a budgetary plan that commits the Commonwealth and state and territory governments to funding the implementation plan that is consistent with the new Mental Health and Suicide Prevention Agreement.

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

The most significant gap identified within the PC Report is the lack of a community-based mental health framework for service delivery within which the PC Report's recommendations can be delivered. Mental Health Australia believes that the driving principle for reform must be to build mental health supports in the community and reduce hospital-based care where possible.

Aged care is also a massive gap as the Productivity Commission excluded it from its investigations, instead deferring to the work of the Royal Commission into Aged Care Quality and Safety. The work of the Royal Commission and its recommendations will need to be integrated into the Government's overall implementation plan for reform.

Mental Health Australia's Analysis of the Productivity Commission Inquiry into Mental Health: final report contains a range of issues that can be referred to in relation to this question.



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Mental Health Australia is the peak independent national representative body of the mental health sector in Australia.

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