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Activity Based Funding and mental health – issues paper released

The Mental Health Council of Australia (MHCA) has today released an issues paper on the application of Activity Based Funding (ABF) to mental health in Australia.

ABF will be implemented on 1 July 2013 and the decisions and issues around how its implementation will impact on mental health services are discussed in the MHCA issues paper.

“Activity based funding is a reality for mental health in Australia. The mental health sector and mental health consumers and carers should join the debate about how implementation of ABF should occur,” said Frank Quinlan, CEO of the MHCA.

As the issues paper points out, one of the key challenges the mental health sector faces is concurrent policy development across several different fronts in mental health. Federal health reforms are building two new service delivery structures: Medicare Locals, and the Hospital and Health Networks. ABF is the method by which the Federal Government has committed to disburse \$175 billion of new funds for health over the period 2014–2030 and to fund growth in health services.

“Mental health cannot afford to ignore Activity Based Funding,” Mr Quinlan said.

“We must continue to invest in building community-based mental health services and avoiding continued over-reliance on acute hospital care. As our issues paper points out, Activity Based Funding may bring many potential benefits, but it could also threaten this trend if we do not manage its introduction carefully.”

Activity Based Funding and Mental Health – Issues Paper (March 2012) can be viewed at www.mhca.org.au

Media Contact: Simon Tatz on 0402 613 745 or 02 – 6285 3100