



# National Health and Hospital Networks, COAG and Mental Health Reform

## **Sub-acute Care Initiative Position Paper**

*The Commonwealth will provide \$1.62 billion to fund fully the capital and recurrent costs of an estimated 1,316 real, new, sub-acute care beds by 2013-14. These real, new beds in the public hospital system will improve access to sub-acute care for patients needing these services, while reducing pressure on public hospitals. By improving the capacity of the public hospital system to provide appropriate care for people with sub-acute care needs (including those requiring palliative care), health outcomes and quality of life will improve for many vulnerable patients who would otherwise be inappropriately cared for in an acute care facility or discharged prematurely to residential care or into the community.*

**COAG Communiqué, 20 April 2010**

## Introduction

The Mental Health Council of Australia (MHCA) is the peak, national non-government organisation representing and promoting the interests of the Australian mental health sector, committed to achieving better mental health for all Australians. The membership of the MHCA includes national organisations of mental health service consumers, carers, special needs groups, clinical service providers, community and private mental health service providers, national research institutions and state/territory peak bodies.

In April 2010 at the Council of Australian Governments (COAG) meeting, the Federal Government won the support of all states/territories (with the exception of WA) for the National Health and Hospitals Network (NHHN) Agreement.

This Agreement has three primary objectives:

- Reforming the fundamentals of our health and hospital system, including funding and governance, to provide a sustainable foundation for providing better services now and in the future.
- Changing the way health services are delivered, through better access to high quality integrated care designed around the needs of patients, and a greater focus on prevention, early intervention and the provision of care outside of hospitals.
- Providing better care and better access to services for patients right now, through increased investments to provide better hospitals, better infrastructure, and more doctors and nurses.

A key outcome of the COAG meeting was the commitment to invest \$1.6 billion over four years in building and providing additional capacity in sub-acute facilities. The commitment provides funds for the construction and recurrent costs for 1,316 sub-acute beds by 2013-14 for aged care, respite, mental health and palliative care clients.<sup>1</sup>

In February 2011, concerns from a number of state governments relating to the proposed Commonwealth take over of funding resulted in a new Agreement between all state and territory governments. Despite this new Agreement, the situation for mental health remains unchanged. Moreover, changes in government at the state and territory level continue to threaten commitments enshrined in these two Agreements and further perpetuates a state of unease and uncertainty within the Australian health and mental health sectors in relation to these reforms.

This paper aims to summarise the commitments made by governments on the investment in sub-acute care, the evidence to support various models of sub-acute care and the key issues relating to these commitments as they pertain to the Australian mental health sector. The paper is one of a series of papers published by the MHCA to be considered by members as part of a sector-wide response in the lead up to the 2011 Federal Budget and the next COAG meetings.

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<sup>1</sup> Note in a press release from Minister Roxon on 1 July 2010, the Minister referred to a different range of priorities for the sub-acute initiative – notably a broader term “rehabilitation” was used without qualification. Mental health was not listed in that press release.

## Commitments made in relation to sub-acute care and mental health.

The commitment to build “an estimated” 1,316 beds and provide sub-acute care packages (1,200 care packages for four years) was a major component of the COAG Agreement. All the sub-acute beds will be provided by 2013-14. The sub-acute beds will be available for “patients” with palliative care, mental health, respite and aged care needs, and will be situated in a “range of settings, including in hospitals or outside, such as in residential and community based settings.”<sup>2</sup> Moreover, the \$1.6 billion initiative will also “support the provision of additional ‘step up, step down’ sub-acute services for people with mental health needs, easing their transition from acute care to the community.”<sup>3</sup>

No detail on the breakdown of the numbers of beds for different needs has been made since the April 2010 COAG meeting, however during the Federal Election campaign sub-acute beds were “opened” or announced by Minister Roxon and/or Prime Minister Julia Gillard in a large number of locations across Australia including but not limited to Western Sydney, West Melbourne, rural and regional NSW, Adelaide, Townsville, Darwin, Hobart and Cairns.

A number of points can be made about this commitment and the statements made by the Government since COAG:

- It remains unclear as to the numbers of sub-acute beds for each illness category. The Government has not at any time committed to a specific number of beds or packages for mental health.
- It is understood that the push for the sub-acute beds within the COAG agreement came predominately from the Queensland and previous NSW Premiers. It would appear from the statements since the COAG meeting that the distribution is on a per capita basis.
- Discussions at the time of the COAG Agreement indicated that some states/territories were providing the land for this infrastructure – which would mean that they would most probably be built on or near existing public hospitals. This was certainly the case with a number of the announcements made during the 2010 Federal Election campaign.
- The timeframe for building infrastructure and full rollout is ambitious. This may limit the time available for consultation and development of appropriate models of care. Evidence-based approaches to step up/step down community based facilities in mental health care need to be promoted to ensure this investment is well targeted.
- A variety of descriptions and settings are evident in the announcements on the sub-acute initiative to date. For example:
  - “24 sub-acute beds” for Westmead Hospital, Sydney – no details on the mix was provided
  - “4 sub-acute beds” on the Ryde Hospital site as part of a 60-bed Rehabilitation Centre
  - “30 sub-acute beds” at the Mercy Hospital, Werribee
  - “6 extra short-stay beds” at Sunshine Hospital, Melbourne
  - “80 supported accommodation beds” for South Australia.

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<sup>2</sup> Minister for Health and Ageing, *Australian Government to Invest \$1.6B in 1300 Sub-acute Beds*, 20 April 2011. See <http://www.health.gov.au/internet/ministers/publishing.nsf/Content/mr-yr10-nnr074.htm?OpenDocument&yr=2010&mth=04>

<sup>3</sup> See [http://www.coag.gov.au/coag\\_meeting\\_outcomes/2010-04-19/index.cfm](http://www.coag.gov.au/coag_meeting_outcomes/2010-04-19/index.cfm)

The Government's statements reveal that under the sub-acute bed initiative a total of \$527 million will be allocated to NSW, \$327 million to Queensland, \$119.7 million to South Australia and \$31.9 million to Tasmania. This is for both capital and recurrent (or operating) costs. This appears to be based on the Australian Health Minister Council agreed funding formula.

## Issues for the Mental Health Sector

### Key Issues for the Mental Health Sector in relation to the sub-acute care initiative.

1. Sub-acute mental health care refers to care for a person who is either becoming acutely psychiatrically unwell (whether or not they have previously been acutely mentally ill) or who is recovering from an episode of acute psychiatric illness. Several different types of services already provide this type of care across Australia. This includes home-based treatment and support, short-term emergency respite and community-based residential 'step-up/step-down services such as Victoria's Prevention and Recovery Care (PARC) Services,<sup>4</sup> of which there are now around sixteen in operation.
2. This document supports the inclusion of all of these options under the umbrella of 'sub-acute mental health care' in recognition of the need to provide a number of options outside acute hospital beds.
3. The Australian evidence base for sub-acute mental health care is limited. There have been few resources allocated to answer questions such as 'does sub-acute care relieve the pressure on acute care services and result in good outcomes for people with a mental illness?' There has been a review of services which indicated some promising outcomes for step-up/step-down services, such as the evaluation of the first PARC services in Victoria<sup>5</sup> but more research is required. There is substantive evidence to support models of supported accommodation.
4. Understanding sub-acute care in terms of beds allocated is inconsistent with the language, tenets and values of recovery. In relation to the mental health component of the sub-acute care initiative, it is more appropriate to refer to and plan for "places" or "packages of care" that are available in a variety of locations (i.e. hospital *and* community places) for mental health consumers who require such support. Not all mental health consumers leaving acute inpatient facilities, for example, will require access to sub-acute places or packages of care in order to maintain their mental health and wellness.
5. It is likely that these new beds will fall under the auspices of the new Local Hospital Networks (LHNs) and be directly linked to hospitals.
6. Given the range of settings and descriptions used by the Government to date in announcements, there would appear to be an opportunity to influence future allocations for sub-acute funding for mental health consumers. Programs such as the NSW Housing and Support Initiative (HASI), the Queensland Project 300 and Housing and Support Program (HASP), Common Ground in South Australia, and PARCS and the Housing and Support Program (HASP) in Victoria are all appropriate and proven models of care to support recovery for people with severe mental illness. None of these models are based on hospital campuses.

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<sup>4</sup> Victorian Department of Human Services (2005) *Expanding support and treatment options within mental health services: Prevention and recovery services - Service guidelines*; Melbourne, Mental Health Branch

<sup>5</sup> One of the few evaluations to date is the evaluation of Victoria's PARC services (Dench, McClean, Carlson (2008) *Evaluation of the Prevention and Recovery Care (PARC) Project*; Melbourne, Mental Health & Drugs Division, Victorian Department of Human Services

7. It is important to understand the national interest in sub-acute mental health care. The issue of 'bed-blockage' in hospitals has been a recurring theme in recent years with states/ territories publicly professing their desire to address the issue. There has been regular public commentary about the extent to which acute hospital beds are being inappropriately occupied by aged people and people requiring rehabilitation or palliative care services, which could be provided in other settings if services were available. To avoid confusion with these forms of care, it is essential that a proportion of sub-acute 'beds' are specifically designated as mental health "beds".
8. A 2006 snapshot survey<sup>6</sup> of acute psychiatric wards across Australia indicated that, nationally, 43% of all acute beds were occupied by people who could otherwise be cared for in other settings if suitable services were available. The NSW Government did not provide data for this survey. In Victoria the reported rate of inappropriate bed occupancy was 27%. Given other data, it is reasonable to assume the NSW data would have been on par or worse than the national average.
9. In most jurisdictions across Australia, people with an acute mental illness have few alternatives to seek care apart from admission to an acute psychiatric inpatient unit. Community and home-based treatment options have become very rare. Victoria, and to a lesser extent the ACT, are something of an exception to this national position. Access to adequate and appropriate community mental health services avoids the 'revolving door' phenomenon many mental health consumers find they are part of when an acute inpatient admission is all that is on offer.
10. The context for increased political support for some kind of sub-acute care has become clear. In their final report, the National Health and Hospitals Reform Commission<sup>7</sup> also made the following recommendation (Recommendation 74):

*We recommend that every hospital-based mental health service should be linked with a multi-disciplinary community-based sub-acute service that supports 'stepped' prevention and recovery care.*

## **A Mental Health Sector-wide Position on the Sub-Acute Care Initiative**

These issues or principles are proposed to underpin a whole of sector advocacy position in relation to the NHHN Reforms relating to sub-acute beds.

**Position: *Providing funds for beds alone is inappropriate to support and promote recovery-oriented mental health service delivery. Packages of care that address both clinical and non-clinical needs of individuals moving into sub-acute care 'beds' must be available in both hospital and community settings.***

- Multiple evaluations in Australia, and some overseas, show the value of investing in this type of packaged care. Stable and secure housing, access to timely and appropriate care based on need, and access to employment support can dramatically improve the health, social and economic outcomes for people with severe and persistent mental illness.

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<sup>6</sup> This is reported in papers tabled at the (National) Mental Health Standing Committee but never publicly released. There is reference to these reports in the Queensland Mental Health Plan.

<sup>7</sup> *A Healthier Future for all Australians*, National Health and Hospitals Reform Commission Final Report, June 2009.

- Such approaches are cost effective when compared with either acute or sub-acute hospital based services.

**Position: No less than 25% of the \$1.6 billion allocation under the sub-acute initiative must be allocated to mental health and the total number of 'beds' allocated to mental health must not be less than 25% of the total 1,316 beds made available.**

- It has been estimated that over the past two decades, the number of non-acute beds available for mental health consumers has declined by nearly 2,000. If the 1,316 beds allocated under this initiative were directed specifically to mental health alone,<sup>8</sup> this would only restore 80% of the 1993 capacity of non-acute beds.<sup>9</sup>
- The reduction in non-acute beds in mental health has increased pressure on acute services, significantly diminished service options, and negatively impacted on the quality of care and the ability of people with severe and persistent mental illness to recover.

**Position: Models of care for the sub-acute 'beds' allocated to mental health should be based on evidence and agreed to with the mental health sector.**

- A significant allocation of beds under this initiative has already been announced by the Federal Government. This has occurred with little scrutiny or consultation with the mental health sector.
- A number of the announcements, indeed all of those in NSW and Queensland, appear to place the sub-acute beds within the campuses of hospitals. The evidence to support the building of sub-acute beds for mental health within institutional settings does not exist.
- Both the international and Australian evidence is strong to support investment in supported accommodation for the prevention of acute care admission and recovery following acute care stays.
- More research is required into varying models of sub-acute mental health care to demonstrate good practice.
- Flexible care packages with both transitional and stable accommodation would represent a best buy in mental health for the sub-acute bed initiative. On the available evidence from existing programs in several Australian states, an allocation of \$400 million would provide between 5,000-6,000 places. This is a compelling case for Government to consider.

#### Acknowledgements

This position paper has been prepared by the Mental Health Council of Australia with input from MHCA members and Board members, and in consultation with ConNetica Consulting. The MHCA thanks those members who contributed to the development of the paper.

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<sup>8</sup> See <http://www.yourhealth.gov.au/internet/yourhealth/publishing.nsf/Content/ImplementationPlan-Stream1>

<sup>9</sup> Department of Health and Ageing (2010). *National Mental Health Report 2010: Summary of 15 years of reform in Australia's Mental Health Services under the National Mental Health Strategy 1993-2008*. Canberra: Commonwealth of Australia. p6.