Mental Health
Community Coalition ACT

Establishing a Vibrant Community Mental Health System in the ACT

Foundational Supports and Out of Hospital Care

Discussion Paper

Prepared for the ACT Government

March 2024

Contents

Recommendations

- That you note this paper.
- That the ACT Government pursue funding opportunities with the Federal government, using the ideas presented here about foundational and out-of-hospital supports.
- That the ACT Government pursue the goal of more Canberrans being able to access effective and timely psychosocial and other mental health support services.
- That you also note the 2024 Pre-Budget Submission made by the MHCCACT.
- That you consider arranging a meeting with representatives of the MHCCACT to discuss this work further.

> It is better for consumers and more efficient for the system if people can access the care they need outside an acute hospital.
>
> Rachel Stephen Smith
> Minister for Health
> *ACT Health Services Plan 2022-30*

Executive Summary

There are not yet clear definitions for either 'foundational supports' or 'out-of-hospital services' in relation to mental health. In this paper by **foundational supports** we mean those services which reduce a person's likelihood of needing lifelong access to public insurance such as provided by the National Disability Insurance Scheme (NDIS). **Out-of-hospital services** are those which should diminish the likelihood a person becomes a frequent, dependent user of expensive, often traumatic hospital-based mental health services.

Examples of effective, evidence-based foundational supports and out-of-hospital services are summarised in Table 1 below. Most of these services exist now, or have existed, or could be implemented in the ACT with some augmentation to existing services. Links are provided to relevant evaluations and supporting evidence.

Table 1

Foundational Support Service Examples	Out-of-Hospital Service Examples
Day to Day Living Program	Housing and Supported Accommodation Initiative (HASI)
Personal Helpers and Mentors	Hospital in the Home
Employ Your Mind	Mental Health Nursing Incentive Program
Individualised Placement and Support	Partners in Recovery
Family Mental Health Support Services	Primary Care Teams with Peers
Mental Health Respite and Carer Support	Step Up Step Down
Peer Support	Safe Haven
Vocational Rehabilitation	Housing and Support Program (HASP)
Early Intervention Psychosocial Support Response	Prevention and Recovery Care (PARC) Centres
Early Psychosis Youth Services Program's Functional Recovery and Group Programs	Tupu Ake - peer-led acute admission alternative
Act Belong Commit	Integrated Community Treatment
Mental Health Promotion and Self Care	Intensive Case Management
	Transition to Recovery Program

Funding services providing these kinds of care would help fill 'the missing middle' which largely describes an absence of secondary mental health care services in the community. They would contribute to reducing the unsustainable pressure facing ACT mental health services, particularly in the hospital. In many cases, people with mental ill-health will benefit from both foundational and out-of-hospital supports, depending on the extent to which they are impacted by their mental illness. Peer support would be a key example here.

The application of these services alone **will not** address the long reported, fundamental, structural problems inherent in Australia's mental health system. The estimated 'cap' of 64,000 people with psychosocial disability under the NDIS remains arbitrary. Simply funding a new range of disconnected services would perpetuate the fragmentation which characterizes mental health care, both nationally and here in the ACT. This would be undesirable.

Consideration of funding new mental health services aimed at providing foundational support or out-of-hospital care therefore requires broader consideration of links with existing health and community services, as part of holistic design of the ACT mental health system.

At the moment, public inpatient and outpatient, public community services, private, non-government, primary health care-funded, early intervention and self-care services operate more as silos than as part of a designed system. A better, more organised and efficient response to mental illness needs more than just new services. It needs fundamental system design to answer several key questions, including:

- Who needs what help and for how long, from whom and with what expected outcome?
- What happens next if the person's situation improves or deteriorates?

For many people with mental illness, some balance of clinical, medical, and psychosocial care will be necessary for positive effect. There is enough evidence already to guide the development and delivery of the right types of each support to most people with mental illness. Largely, we already know what to do.

The final key element of this broader design task are outcomes, aimed at checking to see if the services provided have met the person's needs and desired outcomes. Across all services currently, little or no such data exists, leaving the benefit of investment unevaluated. This must change. Greater accountability provides the capacity to identify opportunities for quality improvement and more effectively make the case for more funding. It should be remembered that in 2021-22, nationally mental health received 6.78% of the total government health budget but accounts for 15% of the burden of disease. This gap may not explain everything about the pressure on our mental health system, but it explains a lot.

The ACT spent $137.3m on mental health in 2020-21 out of a total health budget of around $2bn – a 6.86% share. And of this expenditure, just $14.4m was directed to the psychosocial services provided by the ACT community-managed non-government sector. As in Australia generally, and despite the colossal funds now flowing through the NDIS, psychosocial services have failed to flourish here in the ACT, with the heavy funding emphasis directed towards public mental health and hospital services.

This leaves Canberrans with mental illness with few service alternatives. In the absence of alternatives, and as identified by the Productivity Commission, gaps in non-acute services in the community lead to hospital admissions. People with mental illness are getting stuck in emergency departments and in admitted hospital services.

The ACT Health Services Plan states that mental illness is a leading cause of burden of disease in the ACT. Multi-day bed-days for mental health are forecast to be 9,598 in 2031–32, or an average length of stay of 72 days per separation, up from 6473 in 2019-20. Psychiatry multi-day inpatient separations are forecast to increase substantially by 2031–32.

> *Without significant interventions to manage growth in inpatient demand, there will be an increase in separations per annum of 4.3 per cent at CHS and 4.6 per cent at CPHB* [now part of CHS] *between 2017–18 and 2031–32.*

In response to these estimates, the MHCC understands the Government may be considering significant new hospital-bed based investments in the ACT in coming years. There are myriad opportunities to invest in effective alternatives, providing earlier, safer, cheaper and more acceptable service options to Canberrans.

Introduction

Context for this Paper

Two key financial arrangements between the Federal and state/territory governments are under review currently. The review into the National Disability Insurance Scheme has elicited a decision in 2024 by the Federal government to invest $11.6 million over two years to develop and implement the Foundational Supports Strategy. The investment follows a decision of National Cabinet in December 2023 where all states and territories committed to funding Foundational Supports – jointly designed and with costs split 50-50 – to establish and strengthen the service ecosystem outside the NDIS.

A key tool here is The Applied Principles and Tables of Support to Determine the Responsibilities of the NDIS and other Service Systems (APTOS), which outlines the roles and responsibilities of different sectors that deliver supports to people with disability, particularly in the health and social services sector. The line of responsibility, covering both services and financial obligations between governments and agencies may need to be redrawn.

The other important context is that in December 2023, National Cabinet endorsed the Commonwealth increasing National Health Reform Agreement (NHRA) contributions to (eventually) 45 per cent beginning from 1 July 2025. Part of this agreement was a renegotiation of the NHRA, including the capacity to consider options to reduce unsustainable pressures facing hospital services.

These key financial agreements, the NDIS and the NHRA, constitute a platform from which to finally build a vibrant community mental health sector, here in the ACT and nationwide.

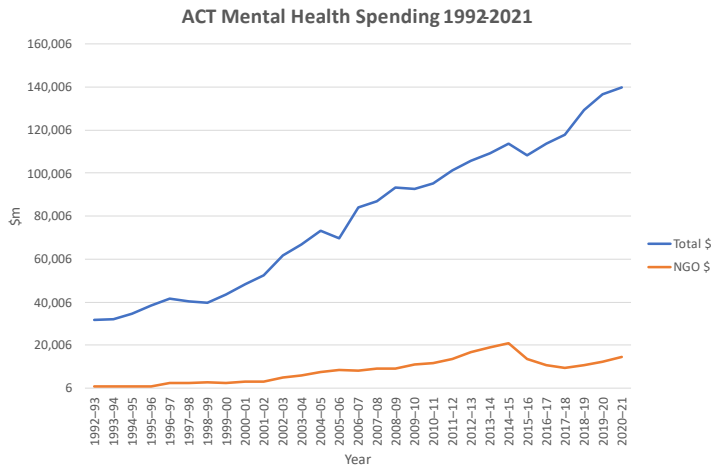
Another significant context for this paper is the ongoing work of the Mental Health Reform Advisory Committee, though their remit appears limited to responding to the recent evaluation of the misfiring Better Access Program, rather than broader mental health reform challenges. This evaluation suggested there was a need to consider how to better enable people with less significant problems to find appropriate care, outside of existing Medicare services. It also found an urgent need to better respond to the more complex, multidisciplinary needs of people with more significant mental health problems. Both groups may find benefit from some of the services listed above as ‘foundational’ or ‘out of hospital’.

About the ACT

Here in the ACT, the capacity to take advantage of the emerging 'platform' is affected by our own unique context.

Figure 1 below tracks mental health spending in the ACT since the National Mental Health Strategy began in 1992. Total spending has increased quite steeply. The share of this growth allocated to the NGOs providing psychosocial care has not.

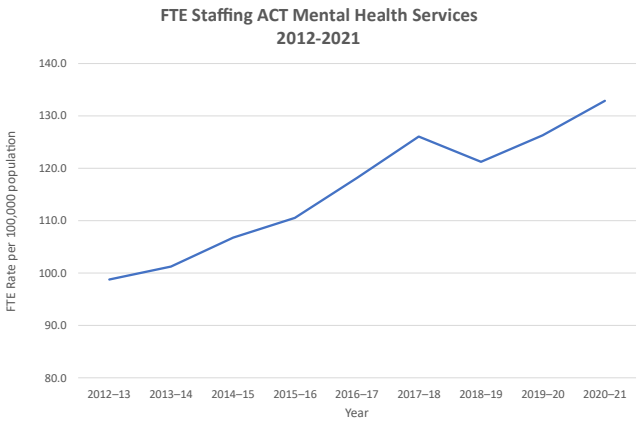
Figure 1



Source: https://www.aihw.gov.au/mental-health/topic-areas/expenditure

Figure 2 below shows a key factor driving the increase in spending in the ACT – an increase in public mental health service staffing.

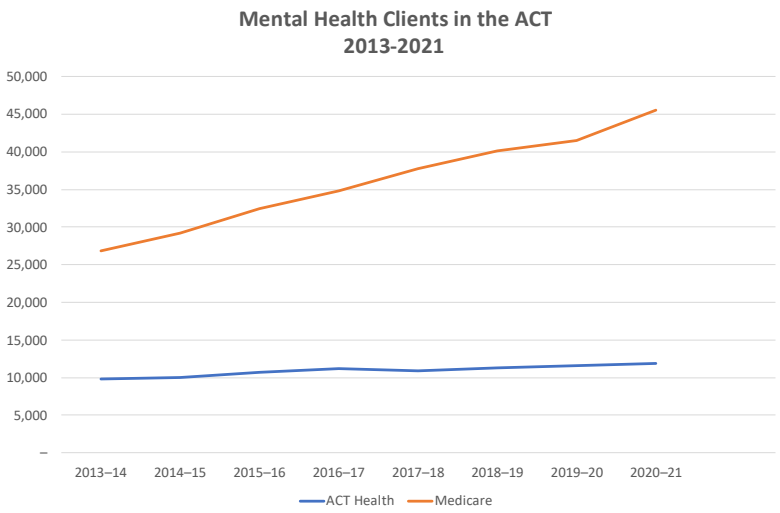
Figure 2



Source: https://www.pc.gov.au/ongoing/report-on-government-services/2024/health/services-for-mental-health

Figure 3 below shows that despite the increased staffing, it has been difficult to lift the overall number of people receiving care in ACT public mental health services.

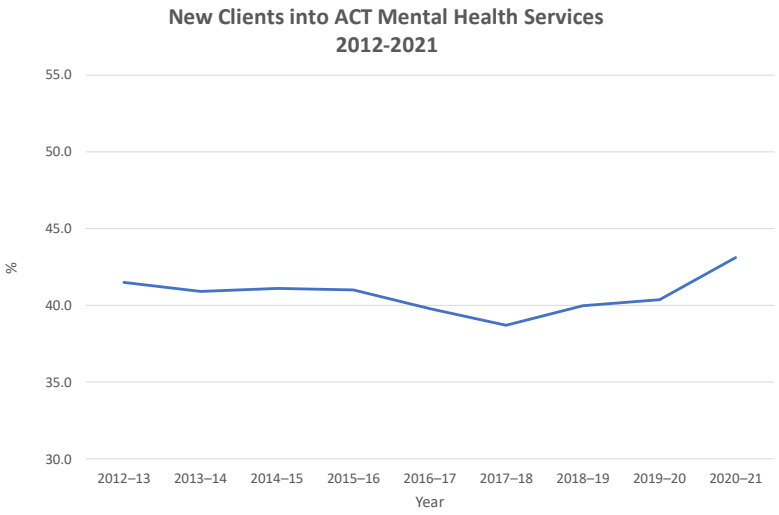
Figure 3



Source: *https://www.pc.gov.au/ongoing/report-on-government-services/2024/health/services-for-mental-health*

Figure 4 further indicates the challenge of lifting the rate of new clients into ACT public mental health services.

Figure 4

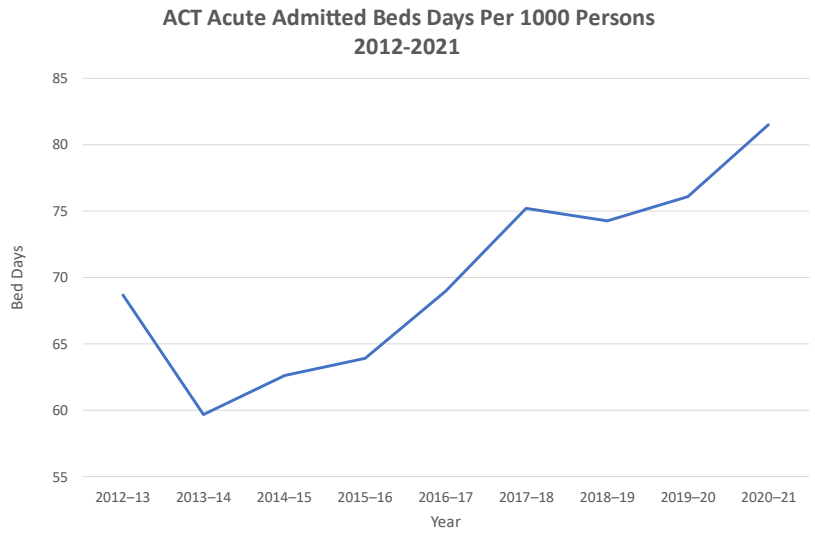


Source: *https://www.pc.gov.au/ongoing/report-on-government-services/2024/health/services-for-mental-health*

Arising from this data is the impression that our existing mental health services are rather stuck providing care to the same clients. This tallies with previous surveys of inpatient psychiatric ward managers in other jurisdictions who reported that a very high proportion of their total beds were occupied by people who would be better off in other settings.

Figure 5 below shows that overall, the number of admitted patient bed days in mental health continues to grow steeply, demonstrating the hospital-centric nature of the existing system. It is noteworthy that beds days were at their lowest precisely at the time programs such as Personal Helpers and Mentors and Partners in Recovery were operational. As the NDIS started and these programs folded, the need for bed days increased.

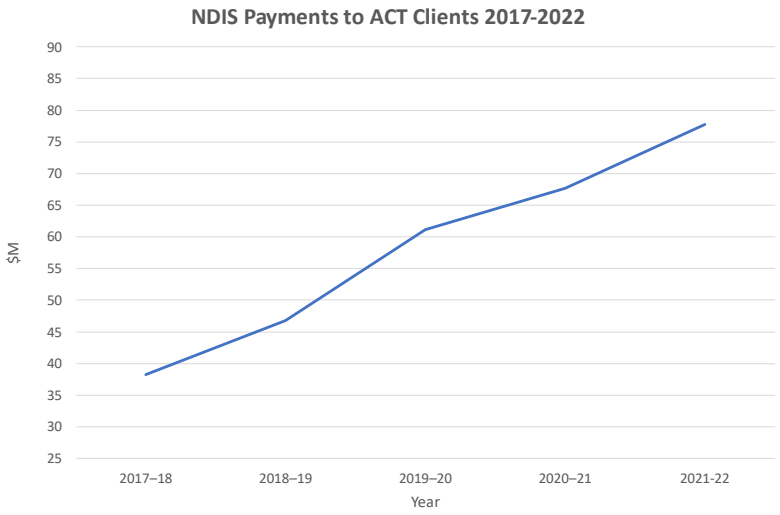
Figure 5



Source: *https://www.pc.gov.au/ongoing/report-on-government-services/2024/health/services-for-mental-health*

Figure 6 below shows the uninterrupted, steep growth in spending on NDIS clients in the ACT.

Figure 6



Source: *https://www.pc.gov.au/ongoing/report-on-government-services/2024/health/services-for-mental-health*

Nationwide, as at June 2023, the NDIS reported just over 62,000 participants with psychosocial disability receiving average support packages of $71,600 each. Total psychosocial support payments under the NDIS increased sharply that year to $4.25bn, up from $3.11bn the previous year. By way of comparison, and bearing in mind NDIS users can of course access hospital services, states and territories reported (in 2021-22) spending just under $7.4bn on 457,000 mental health clients.

The NDIS has to date been unable to report that this expenditure has resulted in long term positive outcomes for NDIS clients in areas like employment. There is some concern about the merit of this spending. The lack of transparency about what clients buy with their packages inhibits accountability and systemic quality improvement.

About the Psychosocial Sector

Psychosocial services typically include:

- Helpline and Counselling Services – such as provided by Menslink
- Accommodation Support and Outreach – such as the Reach Home program run by Communities@Work
- Self-help and Peer Support – such as provided by ACT Mental Health Consumer Network
- Employment and Education Support – such as provided by Nexus
- Family and Carer Support – such as provided by Carers ACT
- Information, Advocacy and Promotion – such as provided by ADACAS
- Leisure and Recreation such as provided by Woden Community Services.

They attempt to provide these services as part of an integrated approach, mindful of the social determinants of good mental health and working with others across the mental health service ecosystem.

Figure 2 Integrated Approach

Source: Taking Our Place 2012

Despite good evidence supporting its role as part of an organised response to mental illness, and despite many organisations operating in Australia for decades, the psychosocial sector has failed to flourish. Unlike in New Zealand, where the sector now delivers more than one third of all government funded services in mental health. Australia's psychosocial sector, with some temporary exceptions, has always been a peripheral player. The sector currently garners less than 7% of total mental health spending by the states and territories. In the ACT it is just over 10%.

The expectation the NDIS would pump prime the sector has failed to materialise. Traditional community mental health services have shrunk, not grown.

Despite this neglect, the sector has attempted to assert its role on several occasions and this work has been drawn on in this paper. Most recently, Mental Health Australia has teamed with the National Mental Health and Consumer Carer Forum to provide advice to governments about the shape of psychosocial reform. While not referring specifically to foundational or out of hospital services, this material is also useful and available here. It refers to several (additional) examples of effective psychosocial service models, in areas such as care coordination, recovery, housing, vocational training, education, social connection, social and emotional wellbeing and family support.

The sector has also attempted to work with the NDIS on reform opportunities but this has not resulted in significant, positive change.

The overall impact of this situation has been to make rare psychosocial skills even more rare and to increase the community's unsustainable reliance on clinical services.

Conclusion - The Need for Broader Reform

We are starting with a system that has not holistically addressed people's multi-faceted mental health and addiction needs and has not integrated these with responses to physical health and wider social, cultural and economic needs. Addressing this will not be achieved by simply by adding more fragmented services to an already disjointed mental health system.

Overcoming the silos separating the different service strands remains a key challenge. It should be noted that several of the services listed in Table 1 did/do not operate as standalone psychosocial services. They often provided blended solutions, bringing together clinical and psychosocial elements for better mental health care. Psychosocial organisations can deliver this combination in a way that is acceptable and preferable to consumers.

Former Prime Minister John Howard referred to their being "no quick fix" to mental health reform. It's a long-term pathway, not a race to jam new programs or funding streams into an already fractured service landscape. Historic systemic issues and resource constraints need to be addressed.

We begin this journey from a baseline of high unmet need, with services stretched beyond capacity and a limited range of supports, through a limited range of access points. Addressing this involves working with consumers at a new level of systemic planning and design, expanding existing services, growing new types of services and supports, and developing a diverse and resilient workforce.