THE UNIVERSITY OF SYDNEY
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SYDNEY MENTAL HEALTH POLICY FORUM

Strategic, Systemic and Structural

Options for Mental Health Reform in Australia

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Contents

About this Paper

This paper has been prepared by the Brain and Mind Centre at the University of Sydney and supported by the Sydney Policy Lab. It reflects engagement with Australians for Mental Health and a group of almost 50 key stakeholders expressing provider, consumer, carer and other mental health perspectives. This group is known as the Sydney Mental Health Policy Forum.

The Forum's aim with this paper is to describe opportunities and priorities for strategic, systemic and structural changes mental health reform, starting now.

We acknowledge that mental reform will require a whole of government, community-wide response. There are vital issues not, or only peripherally discussed here, including intergenerational discrimination, housing, employment, education, climate change and so on. This paper focuses on health system reform and closely linked issues.

Our starting point is not some ideal or imaginary new system. The reforms described here start from the real, dysfunctional mental health system we have now.

Executive Summary

The Forum has provided advice regarding opportunities for the next Federal government to undertake impactful, strategic change in mental health. These opportunities are described throughout this paper.

Given the context of the 2022 Federal clection campaign, a more limited set of priority strategic changes are presented here. Table 1 presents five actions which could start now, at no or minimal cost. Table 2 presents five more actions which require realignment of committed funds or new funding.

Our key goals in presenting this set of reforms are to end the fragmentation which characterizes mental health in Australia, boost accountability and establish effective, regional control over planning, funding and implementation of community-focused mental health care.

More money in mental health does not inevitably lead to more coherent services, earlier intervention, better integration, easier service navigation, better outcomes, or inclusion of those who are most disadvantaged by geography, socio-economic status or culture. We also need to reach out to those who do not seek traditional clinical care. While resources for mental health care remain a vital issue, this paper does not focus on promoting individual programs or services.

Our focus is on the systemic, structural, and strategic changes mental health needs now.

Key Reforms – Summary Tables

Table 1 – Immediate Strategic Actions

Actions that are cost neutral or require minimal investment

Reform Name	Description
1. Establish an independent statutory authority	Better accountability and monitoring were part of the original intent of the national mental health commission. This body, armed with necessary legislative or other powers, is vital to ensure that mental health reform stays on track.
2. Review the head-to-health community hubs	The Morrison government has committed to national implementation of these hubs, which is in its early phases. There is an urgent requirement to assess the desirability of this initiative. Are these hubs fit for purpose? How well do they integrate with other state, regional and private services? Who will staff these services? Do they provide a serious addition to rapid and equitable access to specialist services? Does this approach just increase the degree of service fragmentation?
3. Decide the governance structure to support regionality	While the Productivity Commission recommended regional governance of mental health, no agreed model has emerged. Consequently, the extent to which existing Federal and State players cooperate, at the regional level, varies greatly. There is considerable confusion. This reform would clarify how regional governance of mental health will occur, the role of different players, how funding will be organised and, importantly, how the regional planning process will engage consumers, carers, professionals and the community and oversee effective regional implementation. The process for effective implementation in each of the 52 regions of Australia requires immediate clarification, so that committed Federal and state funds are expended appropriately.
4. National waiting lists, implemented regionally	Mental health needs a nationally supported, but regionally implemented consumer-focused waitlist system. Such a system can transparently triage and track people, from the moment they seek support to the moment they access the specialist assessment (typically by clinical psychologists, psychiatrists or specialist teams) or specialist interventions (e.g. for eating disorders, bipolar or psychotic disorders, trauma-focused care) they require. Such systems can not only track waiting times, but also out-of-pocket costs, and choices of services available.
5. Establish a National Observatory for real-time monitoring of programs	As in other countries, national mental health reform needs access to an independent Observatory to collate, analyse and present the health services data necessary to drive regional benchmarking and quality improvement, and to inform the public's understanding of the progress of implementation.

Table 2 – Strategic Actions for Next Term of Parliament

Strategic Actions requiring realignment of existing funds and/or new funds

Reform Name	Description
1. Support staged care model for youth services	75% of all mental illness manifests before the age of 25. Unlike the rest of health care, lack of access to high-quality and early-intervention focused mental health is primarily an issue affecting young people. Australia's best investment is to ensure its young people get 'the right care, first time, where you live'. This challenge extends well beyond the current primary-care and limited intervention headspace model of services and must consider a range of other more complex health and psychosocial needs. This reform would set out an organised model of staged care specifically to address the mental health needs of young people in each of the 52 regions of Australia.
2. Innovation Pool for psychosocial services for 150,000 Australians	This reform can fill a long overdue gap in Australia's mental health service landscape, using a national, competitive funding pool to establish and evaluate new psychosocial support services, enabling psychosocial organisations to properly partner with clinical services in addressing community mental health needs, including for those clients in the 'missing middle'. This would build on the National Psychosocial Support Measure, for clients not qualifying for, or not wanting to engage with the NDIS. States and territories providing an additional 25% of their own new funding would qualify for access to this innovation pool.
3. Innovation Pool for multidisciplinary teams	We have modelled the major deficit in specialist, professional, community mental health services. This recommendation addresses the ongoing care needs of the 'missing middle' in each region through a set of three national, competitive funding pools to establish and evaluate local multidisciplinary mental health teams for adults, youth and children. States and territories that provide an additional 25% of their own new funding would qualify for access to this innovation pool.
4. Support for digital transformation	Regional control of mental health planning and service delivery requires multidisciplinary collaboration across services and settings at scale, for the better delivery of coordinated care and integration of digital mental services with other services and face to face care. There are examples of the early phases of this integration already provided in some Australian regions. The Productivity Commission highlighted this as the best example of return on new investments.
5. Implementation of the Child Mental Health and Wellbeing Strategy	This reform would provide full funding for implementation of this Strategy, to enable new and effective child mental health care to be provided regionally.

Introduction

We have previously articulated the key principles which should guide systemic mental health reform:

- Sophisticated health, data, telecommunications, digital and corporate infrastructure to support regionally-based systems of mental health care. Regions represent those social, cultural, geographic and economic communities in which people live their lives. The composite of those regions captures the collective 'mental wealth' of Australia;
- Counting (by service and by region) the number of people who recover from mental ill-health as a result of receiving optimised care; time to recovery; the experience of care; and the cost of that care to the individual and the community. This incorporates the key concepts of highly personalised and measurement-based care being delivered in real time. We note that recovery from mental ill-health is not simply a reduction in the number of symptoms and/or their intensity. Rather it is a personal journey that focuses on enabling self-agency, articulating and supporting the maximal social and economic participation of the individual and their nominated family and carers;
- Funding models that support the provision of appropriate and evidence-informed multidisciplinary and properly integrated team-based care for those with complex conditions (including multi-morbidity) and directly reward those activities that promote functional recovery. This is about organising an intelligent response to 'cumulative complexity'. As complexity increases, team-based care must be the norm. The workforce should be built upon a generalist base, organised to work well with specialist care appropriate to the needs of people, families and location. A key idea here is the person-centred healthcare home; and
- Effective, affordable, accessible, acceptable, evidence-based and accountable early intervention services for both the mental and physical health problems that are experienced by those with mental ill-health at any stage of life. From a lifespan perspective, the needs of children, young people, First Nations People and older persons are the most neglected historically.

Confusion pervades mental health. People are unsure where to go for help. There is overlap and duplication in professional roles and across different services and programs. There are multiple helplines and new community mental health hubs being established by both state and federal governments. At the same time, we know there are vast service gaps.

This is not a result of our mental health system being 'broken'. Rather, it reflects the fact that a modern, fit for purpose mental health system has never been planned, funded or implemented in Australia.

The strategic, systemic and structural reforms presented here are designed to address this, starting now.

Regionality

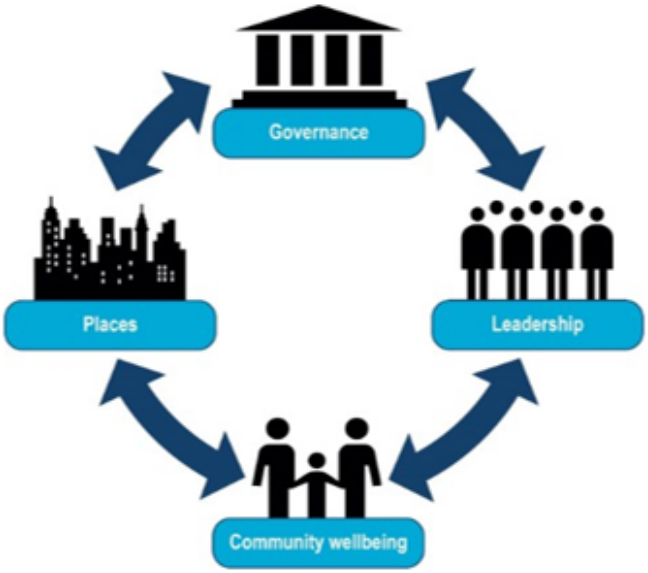
One of the most significant reforms proposed by the Productivity Commission was that the focus of mental health planning, funding and service delivery should be regional rather than centralised.

This is not a new idea. Australia already has 31 Primary Health Networks, established by the Federal government with a mandate to better understand regional mental health needs. Regional Development Australia has in fact identified 53 distinct regions across Australia (see map below), defined by their economic, geographic or other characteristics. Effective mental health solutions must reflect this regionality rather than be top-down or centrally driven from a capital city.

Systemic reform of mental health is based on generating a new level of local understanding of needs and the skills, tools and resources to respond to these needs.

The reforms presented here are designed to develop the core elements place-based policy (see below).

Place-based Policy – Core Elements[1]



The key strategic action for an incoming Federal government is to support regional mental health planning and accountability for the whole population. At best, current approaches to local planning focus only on particular groups or cohorts, or on that part of the population using services. This is not enough. Planning needs to consider the needs of the whole community, regardless of how their services are funded. In doing so, the expectation is to shift mental health care away from its current focus on hospitals and post-vention acute care, enabling wherever possible the promotion of prevention and earlier intervention.

Some centralised or national infrastructure will be necessary, some common tools and approaches. As the Kings Fund put it:

> No one is saying….that you can successfully improve the health of our population without both national and local action. The key is striking the right balance between the two and the right focus at each level. For too long the scales have tipped towards the national…

This kind of regional control is being supported now through the work of the Health Devolution Commission in the UK, in Catalunya [1] and the Basque Country [2] in Spain and in New Zealand.

The need to better balance the national or macro with the meso or regional has already been identified in Australia [3], recognising it is the people who determine the value of services not the funders [4].

[1] *Professor Andrew Beer—University of South Australia, Importance of place-based policy in regionalization*

This paper has already summarised a set of immediate and short-term strategic reforms (see the Executive Summary). We now present a fuller list of opportunities for mental health reform.

Six Domains of Reform

In the context of this regionality, and considering the key principles articulated above, the Forum has identified six key domains for reform:

Six Domains for Strategic, Systemic and Structural Reform of Mental Health

Mental Wealth	Personalised Care
Staging of Care	Digital Solutions
Regional Leadership with National Support	Continuing to Build the Evidence about What Works

The Forum considered key priorities for strategic reform under each domain. In March 2022, a draft list of ideas was circulated and feedback was received. The Forum then met on 6 April 2022, with almost 50 people attending, to discuss and vote on priorities. Some new items were added.

Below are the six domain areas with the key strategic reforms identified and explained.

Mental Wealth

The concept of Mental Wealth [5] provides a new measure of a country's prosperity or standard of living, not only in a material sense but also in a social sense, and thereby reflecting the broader value generated from collective human industry, including the contributions made to society by people both in and out of the labour market. In capturing both elements in a single measure, it demonstrates that both are needed. As the pandemic has demonstrated, maximising one at the expense of the other will not grow our national prosperity. A new focus on Mental Wealth keeps the pursuit of 'growth of GDP at all costs' in check, in a healthy balance with social and other contributions. And by doing so, it may generate strategies to grow both. This can help guide decision making as we build back better post-pandemic.

The reforms identified here reflect the Forum's desire to see mental health investments be guided by new, transparent information about expected value and impact.

We recommend the following as key strategic reforms designed to promote Mental Wealth:

Domain and ID	Reform Name	Description
1a	An Annual Report Card Against a Charter of Australia's Mental Wealth	A charter would express a new shared vision of what we want to achieve from post Covid reconstruction, aiming to strengthen the infrastructure for everyday life: our health, education, welfare and social support systems, economic activity, and the physical environment. An annual report card would permit accountability and tracking of change over time.
1b	National Aftercare Services	Modelling demonstrates the vital impact of post-suicide attempt 'aftercare' services that are well-integrated or housed within with other acute care services (e.g., HOPE system in Victoria). Aftercare is currently a common feature of the new bilateral mental health agreements. To capitalise on this interest, this reform recommends urgent identification and implementation of national best practice approaches to aftercare, focusing on its integration with other services.
1c	Emergency Department Alternatives	Ancillary to more effective responses to suicide is the development of a suite of evidence-based solutions so as to avoid unnecessary transfers of care to and through Emergency Departments. Our EDs are choked. With more organised community-based responses, we can better address issues such as access block and ramping. Reforms must include peer run services and non-ambulance transport modes for transfers.

Personalised Care

One size does not fit all. Using a combination of technology and best practice, mental health reform can better respond to each person's unique needs. The reforms prioritised here reflect the need to finally develop the psychosocial sector to become a vibrant and professional partner in community mental health care.

Domain and ID	Reform Name	Description
2a	Development of a Psychosocial Services Innovation Pool (outside the NDIS) sufficient to meet the needs of 150,000 people.	Psychosocial services include counselling, education, housing, employment, social connection and peer support. The Forum strongly believes that this reform can fill a long overdue gap in Australia's mental health service landscape, using a national, competitive funding pool to establish and evaluate new psychosocial support services, enabling these organisations to properly partner with clinical services in addressing community mental health needs, including for those clients in the 'missing middle'. This would build on the National Psychosocial Support Measure, for clients not qualifying for, or not wanting to engage with the NDIS. States and territories providing an additional 25% of their own new funding would qualify for access to this innovation pool. As part of establishing this pool, clarification of the relationship between the NDIS and other sectors providing mental health care, including health, should be undertaken. This aims to ensure people are not shunted from one system to another or fall through gaps between funders.
2b	Development of holistic pathways of mental health care.	Incorporating the desirable clinical, psychosocial and other aspects of care, this reform would strive to answer the question: what should be done to give this person the best chance of recovery? Where should people go for help and what should they do next? Some of these pathways exist now in Australia, however, they typically only refer to clinical/medical care. Such pathways would raise community understanding of mental health care and its trajectory, diminishing stigma and creating a framework for personalised care.
2c	Development of real time feedback from consumers and carers	Using technology, the next phase of mental health reform can be propelled by new national infrastructure to collect the genuine and real time experiences of care from mental health consumers and carers. Mental health has traditionally focused on supply side information – the number of beds, services, occasions of care. New regional control of decision-making needs live demand-side information. What do consumers and their families want and need? Did they get the help they needed?

Staging of Care

75% of all mental illness manifests before the age of 25. Unlike the rest of health care, mental health is primarily an issue affecting young people. At the same time, we are conscious of the vast service gaps which exist affecting the broader community. The reforms listed here are designed to shift mental health care towards earlier intervention in the community, away from hospital-based care. They are designed to increase the capacity of primary and community mental health care while reflecting the epidemiology of mental illness.

Domain and ID	Reform Name	Description
3a	Multi-disciplinary Teams Innovation Pools	We have modelled the deficit in specialist, professional, community mental health services. This recommendation addresses this shortfall through a set of three national, competitive funding pools to establish and evaluate local multidisciplinary mental health teams for adults, youth and children. Building on investments already announced by the Federal and Victorian governments, we recommend the establishment of nationally distributed complex care centres to provide properly integrated support for GPs and other primary care services. These teams would include both clinical and psychosocial elements of care and, where practicable, be conjoined with State sector ambulatory services. We seek to avoid the creation of another silo or layer of service delivery. Peer workers should be a significant part of the evolving, multidisciplinary workforce mix. The teams would be a vital new part of a staged model of care, including in relation to suicide prevention. States and territories that provide an additional 25% of their own new funding would qualify for access to this innovation pool.
3b	Primary Mental Health Care Reform	Structural reform here means recognising the limitations of our current model of primary mental health care. It means offering alternatives to singleton practitioners and fee for service. It means exploring opportunities for new mental health care homes, based in primary care, drawing on generalist expertise, supported by specialist and psychosocial services providing integrated care.

Domain and ID	Reform Name	Description
3c	Head to Health Hubs	The Morrison government has committed to national implementation of these hubs, which is in its early phases. The Forum was uncertain about this and the role of the hubs. There is considerable confusion. There is an urgent requirement clarify this situation, as part of overall systemic reform. Of particular interest is the extent to which these hubs integrate with other services (including state and regional services) to provide new, rapid and equitable access to specialist services. This reform aims to avoid further service fragmentation and provide some urgent role clarification between different levels of government. Regional responsibility for mental health requires this clarification.
3d	National Child Mental Health and Wellbeing Strategy.	The Forum strongly supports fully funding implementation of this Strategy, to enable new and effective child mental health care to be provided regionally.

Digital Solutions

Australia's approach to digital mental health has grown organically. There are myriad services, often poorly integrated with each other, or with existing mental health services.

Domain and ID	Reform Name	Description
4a	Regional Digital Service Integration	The Forum supports the development of regionally-based systems of multidisciplinary collaboration across services and settings at scale, for the better delivery of coordinated care and integration of digital mental services with other services and face to face care. There are examples of this integration already provided in some Australian regions. This funding aims to end the piecemeal approach to digital service delivery in mental health through better regional integration. The Productivity Commission highlighted this as the best example of return on investment. Investment in this area offers solutions to inequitable workforce distribution, vital in rural and regional Australia where the mismatch between local community needs and local provider availability/accessibility is great. Digital care can provide more immediately available treatment options for those stuck on waitlists for face-face care.

4b	Establishment of Regional Mental Health Waiting Lists – Nationally coordinated	Mental health lacks some of the infrastructure available to aid decision-makers in other areas of health. For example, there are no waiting lists in mental health. We do not know who is waiting, how long they have waited, what is their level of need and whether the service they receive is the right one, with the right impact. We are blind. Mental health needs a nationally supported but regionally implemented consumer waitlist system that transparently triages and tracks people, from the moment they seek support to the moment they get it. Investment in this information infrastructure would mirror the type of action already undertaken in the UK, which has set a series of challenging access standards designed to make mental health care more responsive.

Regional Leadership with National Support

Key to enabling more effective regional control and planning in mental health is establishment of new decision-support systems that significantly expand the capability and usability of what is currently available under the National Mental Health Service Planning Framework. This would draw on state and federal data, as well as internationally accepted systems of classification and measurement.

Domain and ID	Reform Name	Description
5a	National Planning Capacity, Regionally Applied	This reform would see the delivery of place-based, co-designed decision-support tools within 6 months. The building blocks of this work, across areas of mapping, modelling and financing, already exist but do not yet drive regional decision-making in mental health. This is new infrastructure to support local decision-making in mental health that enables tangible 'on the ground' progress to be made against Priority Area 1: *Achieving integrated regional planning and service delivery* - in the Fifth Mental Health and Suicide Prevention Plan. This planning should necessarily include consideration of regional housing and employment services, relationships with education and training, needs and opportunities. It will also reflect the diverse geography and demography of communities. Increasing the capability of regional planners by providing access to substantive materials, expertise and knowledge transfer (from lived experience especially) would have modest set up and operating costs, whilst preserving jurisdictional independence.

Domain and ID	Reform Name	Description
		This kind of planning process could also be linked to a credible national body (such as the arrangement for Australian Mental Health Outcomes and Classification Network with the Australian Institute of Health and Welfare).
5b	Regional Commissioning and Funds Pooling Trial Sites.	This proposal would see the establishment of trial sites to enact regional commissioning and funds pooling. This approach to commissioning and pooling should incorporate public, private and community funders and providers, as part of regional planning.
5c	Workforce Development, especially in Community Mental Health	The Commonwealth should immediately provide special training positions for psychiatrists and additional Supported Places for the training of clinical psychologists, mental health nurses, other allied health professionals and peer specialists. The aim here is double the mental health workforce and track outcomes through patient feedback – growing the workforce from around 50,000 to 100,000 mental health workers, from psychiatrists right through to peer workers. This strategy must also consider matters of role and collaboration. A multidisciplinary training capacity (akin to TePou in New Zealand) would be critical. The community mental health workforce has been decimated by the NDIS. A further reform here is to develop a Community Mental Health Workforce Strategy to evaluate the quality, supply, distribution and structure of the mental health workforce across Australia and put forward recommendations for future workforce development. This strategy will consider how to best invest in the development of contemporary education and training qualifications for the community mental health and wellbeing workforce, including lived experience, and whether current qualifications such as the Mental Health Certificate IV are appropriate or whether a new skills base is needed.

Continuing to Build the Evidence about What Works

Despite repeated calls for independent oversight, monitoring and reporting, and even taking into account the fact that Australia now has seven mental health commissions in operation, still no model of effective, systemic oversight has emerged. The Forum supports two key reforms here.

Domain and ID	Reform Name	Description
6a	Effective Independent Statutory Oversight	The Forum strongly supported the establishment of a suitable national model of oversight, with both independence and legislative power, to provide the community with confidence that reform is occurring as planned. This role would include the establishment of a set of long-term goals mental health reforms should deliver, and the data and reporting capacity to track national progress.
6b	Mental Wealth Public Observatory	Mental health needs an independent Observatory to collate and present the data necessary to drive regional benchmarking and quality improvement, and to inform the public's understanding of progress. Such a body would work with partner agencies (states and territories, AIHW etc). There are useful precedents here, such as in the UK, the European Observatory for Health System and Policies and the Scottish Public Health Observatory. An Observatory like this would create opportunities for innovation, supports the National Innovation and Science agenda and builds local knowledge and capacity within communities to self-manage. A key challenge for the new Observatory will be to build the data collection processes necessary to monitor and track the delivery and outcomes of services provided by community sector organisations. Operating as a Data Cooperative to assist regional planners, it could also tap into the real time data collected from consumers and carers, as well as look to better engage with data sets not currently used, from related areas of human service delivery (justice, education, employment housing etc).

Conclusion

The next phase of reform, starting with the 6th National Mental Health and Suicide Prevention Plan, must end the piecemeal approach taken to mental health policy, funding and service design. This will require independent governance and oversight, driven by relentless persistence to overcome the inertia which currently debilitates mental health care in Australia. This governance must permit holistic planning, taking into account broader social determinants of mental health, and ensure the planning process reflects lived experience, region by region.

The Forum hopes that an incoming Federal government will pursue the strategic opportunities for reform described here. The Productivity Commission laid out the enormous benefits to be gained from improvements better mental health care in Australia. We believe the strategic, systemic and structural changes described here can make a positive difference to the experience of care for people with a mental illness and their families, as well as to the mental wealth of the nation.

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