



Senate Inquiry Submission

Medical Research Future Fund

1. About this submission

This submission is made on behalf of Orygen – The National Centre of Excellence in Youth Mental Health. The purpose of this submission is to provide a brief response to a number of issues identified in the Medical Research Future Fund (Consequential Amendments) Bill 2015 and the Medical Research Future Fund Bill 2015.

2. About Orygen – The National Centre for Youth Mental Health

Orygen, The National Centre of Excellence in Youth Mental Health is the world's leading research and knowledge translation organisation focusing on mental ill-health in young people. The organisation conducts clinical research, runs clinical services (four headspace centres), supports the professional development of the youth mental health workforce and provides policy advice to the Commonwealth Government relating to young people's mental health.

Orygen's current research strengths include early psychosis, personality disorders, functional recovery and neurobiology. Other areas of notable research activity include emerging mental disorders, mood disorders, online interventions and suicide prevention. Priority research areas for further development include disengaged and vulnerable young people, addiction and eating disorders. Orygen supplements its clinical research with a developing health economic programme that spans the range of its research areas.

Orygen is a not-for-profit company limited by guarantee. It is a charitable entity with Deductible Gift Recipient Status and is an approved research institute. The Company has three Members: the Colonial Foundation, The University of Melbourne and Melbourne Health.

3. Summary commentary

Orygen welcomes the establishment of the Medical Research Future Fund (MRFF). We believe that overall the design and operation of the MRFF as described by the Bills appear to be consistent with the goal of harnessing the significant national asset of Australia's high quality health research sector to addressing a number of key challenges faced by our health system.

One priority challenge is improving how our health care system responds to the pressures from the growing burden of chronic conditions, with the three most expensive being cardiovascular disease, mental health conditions and musculoskeletal conditions. Mental illness has the greatest negative impact on GDP of all non-communicable diseases, largely because it strikes in the prime productive years of life and we don't respond early or effectively enough. There is a clear imperative to ensure that our health research investment produces growing returns in terms of better and more effective mental health care.

It is therefore encouraging to note that the MRFF as described by the Bills appears to have the potential to further strengthen the capacity of Australia's world-leading research in mental health to improve outcomes of people with or at risk of mental illnesses. Australian research and innovation has already underpinned major health system reforms such as headspace and early psychosis services that are now being replicated throughout the world. We believe that the Bills describe a MRFF that has the potential to support the next frontier of innovation in mental health, including:

- Novel treatments for mental disorders
- Personalised, more appropriately targeted mental health care
- Service model innovation (e.g. incorporating online and mobile device delivery platforms)
- Functional and vocational recovery (e.g. significantly improving the economic participation of people with mental illnesses)
- Early intervention and prevention (including suicide prevention)

There are some aspects of the Bills which leave some important issues unclear. Some of these may be most appropriately dealt with after the Bills are enacted. In the next section, we identify a number of areas which may require further development.

4. Response to specific items in the Bills

Issue 1: Advisory Board

We welcome the inclusion of the CEO of the NHMRC on the Advisory Board and the requirement for the board to possess expertise in in medical research, policy relating to health systems, management of health services, medical innovation, financing and investment, and commercialization. We note that the consumer and carer voice is not represented on the Advisory Board and feel that some mechanism (either

through board membership or a formal consultation process) to ensure participation of consumer and carer groups in the strategy development and priority exercise would be beneficial.

Issue 2: The Australian Medical Research and Innovation Strategy and the Australian Medical Research and Innovation Priorities

We welcome the requirement that the Advisory Board must refer to the NHMRC national strategy for medical research and public health strategy in the development of the MRFF's strategy. We also believe that the four criteria that the Advisory Board must take into account in setting priorities (burden of disease, numbers of potential beneficiaries, value for money, complementarity with other research and innovation funding) are broadly appropriate. However, given the importance of the MRFF to the future of health research in Australia we also feel that:

- there is a case for including an additional intergenerational equity criteria to ensure that potential benefits span the whole lifespan
- it is particularly important that the process by which the Advisory Board develop their Strategy and Priorities is transparent, appropriately resourced and incorporates a meaningful consultation process

Issue 3: Decisions of Financial Assistance from the MRFF

We believe that the NHMRC's capacity to provide appropriately peer-reviewed assessment of research proposals will be a key asset that should be used in the disbursement of a substantial proportion of funding allocated from the MRFF. We believe that expert review should form a part of decision-making for all disbursement channels.

Issue 4: Investment mandate

We believe two additional considerations could be considered in describing the investment strategy used to generate returns to the MRFF:

- there could be scope to invest in commercialising/translation companies
- there could be a restriction on investing in organisations producing products that are damaging to health (e.g. alcohol)