

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Additional Estimates 2016 - 2017, 1 March 2017

Ref No: SQ17-000435

OUTCOME: 2 - Health Access and Support Services

Topic: Mental Health Funding

Type of Question: Written Question on Notice

Senator: O'Neill, Deborah

Question:

Mental Health Nurse Incentive Program

Can the Department confirm that the funding allocated to the PHNs for the Mental Health Nurse Incentive Program is quarantined? If not and it is part of the flexible pool of funds, why was that decision made? Who made that decision? Can the Department provide the amount of funding that will be allocated to mental health nurses services in primary care across the forward estimates? If funding isn't allocated across the forward estimates, why is this the case?

Answer:

From 1 July 2016, funding for mental health nursing services is being provided through the Primary Health Networks (PHN) primary mental health care flexible funding pool, with a condition that in 2016-17 PHNs are required to prioritise the engagement of previous Mental Health Nurse Incentive Program (MHNIP) providers. The key objective of this condition is to ensure continuity of care for previous MHNIP clients. PHNs are also able to engage alternative providers to meet additional need, for example, in locations not previously serviced or with higher demand than could be met by previous providers.

From 1 July 2017-18, PHNs are not required to engage previous MHNIP providers. However, continuity of care for previous MHNIP clients remains a key priority.

The former Minister for Health, the Hon Sussan Ley MP, decided on the need for conditional funding in 2016-17 to support continuity of care, and emphasised the importance of PHNs commissioning services as part of the flexible funding pool from 2017-18 as a way to address inequities in the availability of mental health services across the country, as outlined in the National Mental Health Commission's review.

Funding being provided through the PHN primary mental health care flexible funding pool was originally being delivered through specific programs such as MHNIP. PHNs have flexibility to decide how these funds are used based on identified regional need.

Funding of around \$46 million (which would previously have been delivered through MHNIP) will be delivered through the primary mental health care flexible fund in 2017-18. Funding allocations beyond 2017-18 have not yet been finalised.

As was highlighted in the 2012 MHNIP evaluation and the National Mental Health Commission's Review of Mental Health Programs, MHNIP funding was distributed on a grossly inequitable basis. From 1 July 2017, mental health nursing funding will be redistributed to ensure funding equity across the country. This will result in funding increases in 25 regions, and decreases in six regions. On 28 April 2017, the Minister for Health, the Hon Greg Hunt MP, announced additional one-off funding of \$7.7 million in 2017-18 for four PHNs in Victoria who will be most impacted by the new funding arrangements (South Eastern Melbourne, Murray, Eastern Melbourne and Western Victoria).