



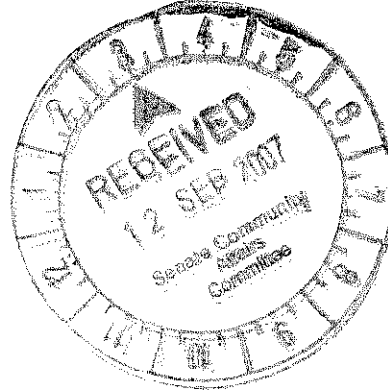
# Minister for Mental Health

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Senator Gary Humphries  
Chairman  
Senate Community Affairs Committee  
PO Box 6100  
Parliament House  
CANBERRA ACT 2600



Dear Senator Humphries

**Re: Senate Community Affairs Committee (the Committee) - Inquiry Into Mental Health Services In Australia**

Thank you for your letter of 30 March 2007 to the Hon Steve Bracks MP, Victorian Premier. The Premier has asked that I respond on his behalf as the matter you raise falls within my portfolio responsibilities as Minister for Mental Health.

The Victorian Government welcomes the opportunity to make a submission to the Committee on this important matter. The COAG *National Action Plan on Mental Health* is viewed by Victoria as having the potential to play a significant role in achieving better mental health outcomes for all Australians, particularly the development of coordinated infrastructure across jurisdictions to support community-based care, and to build momentum for further mental health reforms at the cross-jurisdictional level.

Victoria has continued to implement its reform agenda consistent with national policy directions. Building on the strengths of the current system Victoria has:

- Invested in prevention and early intervention initiatives designed to reduce the severity of mental illness and its long term social and economic impacts;
- Introduced a range of program innovations designed to reduce the need for inpatient care;
- Continued to guide growth and development to meet key areas of demand through ongoing investment in core services and coordinated service planning and delivery; and
- Strengthened consumer and carer involvement in the treatment and care and service level planning and delivery.

This reform agenda has been supported by new funding in 2007/08 State Budget, which brings Victoria's total commitment to the *National Action Plan* to \$541.7 million. In recognition of the importance of mental health, Victoria has also established its first Minister for Mental Health and a new Mental Health and Drugs Division within the Department of Human Services.

The Victorian Government recognises that the sustainability of the specialist mental health service system is, in part, dependent on the Australian Governments investment in a more accessible primary mental health care service system, improved access to private services for people with serious mental illness, better care and service coordination across government programs, and the development of stronger links between the public and private sectors.

Achieving more coordinated infrastructure at the cross-jurisdictional level is contingent on a commitment to open, collaborative dialogue and action between State and Australian governments on the planning and implementation of any new reforms and investment.

The Victorian Government is currently in the process of developing a whole of government mental health strategy, which will provide a long-term strategic framework for mental health reform in this State. This strategy will build on existing investments in reform and national policy developments and will provide the planning framework for future whole of government investment in mental health care and other key support services in Victoria.

Thank you for the opportunity to have input into this important Inquiry. Should you require further clarification regarding Victoria's submission please contact Dr Ruth Vine, Director, Mental Health (03) 9096 8123 or [ruth.vine@dhs.vic.gov.au](mailto:ruth.vine@dhs.vic.gov.au).

Yours sincerely



**Hon Lisa Neville MP**  
**Minister for Mental Health**

4/19/2007

**Victorian Government Submission**  
to the  
**Inquiry into Mental Health Services in Australia**

**Preamble**

The Senate Select Committee on Mental Health has referred the following matters to the Senate Community Affairs Committee for inquiry and report by 30 June 2008:

- 1) Ongoing efforts towards improving mental health services in Australia, with reference to the National Action Plan on Mental Health, agreed upon at the July 2006 meeting of the Council of Australian Governments, particularly examining the commitments and contributions of the different levels of government with regard to their respective roles and responsibilities.
- 2) That the committee, in considering this matter, give consideration to:
  - a. The extent to which the Action Plan assists in achieving the aims and objectives of the National Mental Health Strategy;
  - b. The overall contribution of the Action Plan to the development of a coordinated infrastructure to support community-based care;
  - c. Progress towards implementing the recommendations of the Select Committee on Mental Health, as outlined in its report *A national approach to mental health – from crisis to community*; and
  - d. Identifying any possible remaining gaps or shortfalls in funding and in the range of services available for people with a mental illness.

Subsequent to this, on 30 March 2007, the Chairman of the Senate Community Affairs Committee, Senator Gary Humphries, wrote to the Premier of Victoria, the Hon Steve Bracks MP, inviting the Victorian Government to provide a written submission to the committee, addressing issues within the scope of its inquiry which may be of relevance to the Victorian Government, with specific reference to developments in Victoria since the release in July 2006 of the Council of Australian Governments (COAG) *National Action Plan on Mental Health 2006-2011*.

The Victorian Government welcomes the opportunity to make a submission to the Senate Community Affairs Committee to assist with its inquiry into mental health services in Australia.

## SECTION 1

### 1 Ongoing efforts towards improving mental health services

Victoria is recognised as a leader in implementing national mental health reforms. This includes being the first State to systematically decommission its stand-alone public psychiatric hospitals and replace these facilities with a comprehensive system of mainstreamed inpatient mental health services co-located with general hospitals, community based specialist mental health services for all ages and disability rehabilitation support services delivered through the non-government sector.

Victoria has continued to implement its reform agenda consistent with national policy directions. Building on the strengths of the current system Victoria has:

- Invested in prevention and early intervention initiatives designed to reduce the severity of mental illness and its long term social and economic impacts;
- Introduced a range of program innovations designed to reduce the need for inpatient care;
- Continued to guide growth and development to meet key areas of demand through ongoing investment in core services and coordinated service planning and delivery; and
- Strengthened consumer and carer involvement in their treatment and care and service level planning and delivery.

#### 1.1 Improving cross jurisdictional coordination

Victoria believes the COAG *National Action Plan on Mental Health* has strong potential to help deliver better mental health outcomes for all Australians, particularly the development of coordinated infrastructure across jurisdictions to support community-based care, and to build momentum for further mental health reforms at the cross-jurisdictional level. In addition, the Boston Consulting Group (BCG) report, *Improving Mental Health Outcomes in Victoria: The Next Wave of Reform* (July 2006) commissioned by the Victorian Government to inform the development of the National Action Plan, made recommendations for cross-jurisdictional collaboration and broader system improvement in Victoria.

The Victorian Government recognises that the sustainability of the specialist mental health service system is, in part, dependent on the Australian Government's investment in a more accessible primary mental health care service system, improved access to private services for people with serious mental illness, better care and service coordination across government programs, and the development of stronger links between the public and private sectors.

Under the National Action Plan, the Australian Government has made significant new investments in primary mental health care (including the new and expanded Medical Benefits Scheme (MBS) items and practice nurses) and disability supports, and has committed to governments working together to improve mental health outcomes in Australia.

The new and expanded MBS items are expected to contribute to better outcomes for people who do not require specialist mental health care but have needs that cannot be met by primary care providers alone, by providing greater capacity for shared care and the management of more complex clients in the primary and private system. It will be important to monitor the uptake of the expanded MBS items to ensure that there is equitable access to these benefits, for example, levels of bulk billing and access to services in areas of known workforce shortage and access for people for whom private services are not affordable. Unintended impacts, such as increased demand on the specialist service system due to referrals from GPs and the potential for drain on the public sector workforce, will also need to be monitored.

Victoria continues to work collaboratively with the Australian Government through its Victorian COAG Working Group and other national forums to maximise the benefits of this investment in order to build a stronger, more integrated response to the needs of Victorians with a mental illness and minimise the potential for fragmentation and duplication of effort.

## **1.2 Developing a new Victorian Mental Health Strategy**

The Victorian Government is currently developing a whole of government mental health strategy, which will provide a long-term strategic framework for mental health reform in Victoria. This strategy will build on existing investments in reform and national policy developments and will clarify the future role and responsibilities of Victoria in mental health. The strategy will also provide the planning framework for future whole of government investment in mental health in Victoria. Refer to section 2B *Contribution of the Action Plan to the development of coordinated infrastructure* for an overview of the proposed reform directions for Victoria's next Mental Health Strategy.

The strategy recognises that addressing the needs of people with a mental illness requires a holistic approach which takes into account not only their clinical treatment and disability support needs but the complex and often interrelated range of psychological, physical, social, economic, and environmental factors that influence their capacity to achieve and sustain long term recovery, such as access to decent and affordable housing; employment and education; primary health and drug treatment services; positive engagement with family; and opportunities for meaningful community involvement and social interaction. Early intervention and prevention strategies will also be an important focus.

## **1.3 New Mental Health Ministerial Portfolio**

In recognition of the importance of the connection between mental health and drug treatment services, Victoria recently established its first Minister for Mental Health and a new Mental Health and Drugs Division within the Department of Human Services.

## **1.4 Continued Investment in Mental Health**

Victoria has a strong history of investment in mental health. In 2007/08 the mental health services budget now totals \$819 million. This represents a funding increase of close to 81% since 1999/2000.

Priorities will continue to be identified and funded in line with current policy directions, as part of the Victorian Government's commitment to ongoing mental health reform.

The Victorian Government has actively pursued its commitments under the National Action Plan. Building on its \$472 million commitment to the National Action Plan, the Victorian Government has committed a further \$41.2 million over four years in the 2007-08 State Budget for new initiatives and growth funding. Initiatives include expanding early intervention services for young people; improving access to disability living support services; strengthening specialist mental health supports to hospital emergency departments; providing more adult acute, aged residential and sub-acute rehabilitation beds; and enabling day hospitals to provide mental health services.

In addition, the 2007-08 State Budget commits \$27.1 million in capital works to increase access to acute inpatient and sub-acute (step-up/step-down) beds. This funding forms part of a planned \$120 million capital development program to be implemented over the next four years.

Funding in 2007-08 brings Victoria's total commitment to the National Action Plan to \$541.7 million (including new capital funding).

## **1.5 New Charter of Human Rights**

The Victorian *Charter of Human Rights and Responsibilities* ("the Charter") came into effect in January 2007. The Charter will protect the rights of all Victorians. Victoria is in the process of ensuring the provisions of the *Mental Health Act 1986*, which provide safeguards to protect the rights of involuntary patients, and associated policies and procedures, are consistent with the requirements of the Charter.

## **1.6 New Policy and Planning Frameworks**

Since the release of the COAG National Action Plan, the Victoria Government has developed a number of new policy and planning frameworks to improve outcomes for people with a mental illness and their carers (refer to Section 2 for further information).

## **SECTION 2**

### **2a Contribution of the Action Plan to the National Mental Health Strategy**

The policy directions and priority action areas identified in the National Action Plan are broadly consistent with the aims and objectives of the National Mental Health Strategy (NMHS). The National Action Plan has a strong operational focus, emphasising improved service accessibility and better health and social outcomes for people with mental health problems across the spectrum of need. The scope of the National Action Plan, however, is not as wide ranging as the NMHS, but broadens the focus of collaborative action by the States and Commonwealth.

Victoria's Individual Implementation Plan within the National Action Plan, and the policy directions that underpin it, places a strong focus on building core capacity while delivering new service options in the community, strengthening early intervention and prevention capacity and developing stronger links between mental health services and other health and social services. Workforce development is also a priority action area.

This focus, coupled to implementing practice change and system reforms to improve service quality, and strategies to improve the supply, flexibility and capability of the specialist mental health workforce and the skills and competencies of workers in other key service sectors, will advance the system and workforce reforms identified in the NMHS. Victoria will also continue to strengthen the role of consumers and carers in the areas of policy development, service design and delivery and in their individual treatment and care, in line with the objectives of the NMHS.

In respect to the implementation of the four priority themes identified in the National Mental Health Plan 2003-2008 (the 'Third National Mental Health Plan'), the National Action Plan is anticipated to improve service responsiveness and, to some degree, promote and prevent mental health problems. Areas of the NMHS, which are currently under represented in the National Action Plan include:

- 1 Improving population mental health through coordinated health promotion.
- 2 Assuring the rights of people with a mental illness and their families and carers.
- 3 Strengthening service quality and fostering research, innovation and sustainability, which are key themes of the Third National Mental Health Plan.

## **2b Contribution of the Action Plan to the development of coordinated infrastructure**

The National Action Plan has the potential to play a significant role in the development of coordinated infrastructure across jurisdictions to support community-based care. In particular, the Australian Government commitment to the COAG National Action Plan can significantly expand access to, and the responsiveness of, primary mental health care for people with mild to moderate mental health problems. This investment has the capacity to strengthen the interface between public and private mental health services (particularly in the area of shared care) and between generic and specialist services.

The Victorian COAG Working Group, which is chaired by the Department of Premier and Cabinet and involves key Commonwealth and Victorian agencies, has been convened to strengthen coordination and opportunities for collaboration between Victoria and the Australian Government. Through the work of this group, Victoria looks forward to progressively developing greater clarity in regard to the respective roles and responsibilities of the Commonwealth and States in mental health. As noted in *Improving Mental Health Outcomes in Victoria: The Next Wave of Reform* (BCG Consulting), achieving broad systemic reforms in Victoria is premised on improved Commonwealth-State collaboration and investment in areas of agreed responsibility.

Victoria notes, however, that the Australian Government's initial decision to implement a number of its COAG initiatives outside of the existing system carries some risk. This has particular implications for Victoria given the non-government sector in this State is well developed. For example, although there was consultation with the State, the Australian Government's implementation of the Personal Helpers and Mentors Programme occurred outside existing mental health service delivery frameworks. This kind of approach has the potential to cause further fragmentation of the specialist service system and fails to capitalise on potential synergies between programs of a like nature.

Victoria believes that potential for improved coordination in planning and implementation of COAG service initiatives still exists. Achieving more coordinated infrastructure is contingent on a commitment by State and Australian governments to open, collaborative dialogue and action on the planning and implementation of any new reforms and investment. Care coordination is an agreed flagship to be pursued under the National Action Plan between jurisdictions. Victoria will continue to pursue coordinated system and client outcomes through the Victorian COAG Working Group and other means.

### *Key Victorian Activities*

In Victoria, a number of policy initiatives are being undertaken to improve the coordination of infrastructure at the local and statewide level. An overview of the key policy and planning initiatives is provided below.

#### The Victorian Mental Health Strategy

The next Mental Health Strategy proposes a range of broad strategic reform directions that will consolidate and advance the reforms articulated in Victoria's commitment to the COAG National Action Plan.

Recent investments by the Victorian Government are focused on the development and expansion of early intervention initiatives, and a range of program innovations to reduce the need for inpatient care. Building on this momentum for reform and the BCG report recommendations, the next Mental Health Strategy will establish a whole of government approach to the planning and delivery of mental health care in Victoria.

There is a shared view that mental health services should be more integrated with community based services and extend its reach beyond the target group traditionally served by specialist clinical mental health services.

The Mental Health Strategy will need to address not only the clinical treatment and support needs of people with a mental illness, but also the complex and multiple needs of those in its target group.

The Mental Health Strategy will continue to be developed over the coming months and will be released in 2008.

#### Strengthening Care Coordination

In mid 2006, the then Minister responsible for Mental Health asked the Minister's Advisory Committee on Mental Health (the MAC) to explore new approaches to the coordination of mental health care and other key mainstream support services for consumers with serious mental health problems.

Building on the MAC's discussion paper, *Towards a new model of flexible community mental health care*, and the momentum created by the COAG National Action Plan's strong emphasis on care coordination, the Department of Human Services conducted a statewide forum with services providers in May 2007 to examine:

- Approaches to strengthen case management and care coordination practice within the public mental health service system (clinical and psychiatric disability rehabilitation and support services).
- The potential role of other services, such as primary health, private mental health services, drug and alcohol treatment and homelessness services, in the provision of care coordination for people with complex needs, including how discipline specific care can be integrated with care coordination.

This forum highlighted the importance of partnerships, both formal and informal, in the delivery of coordinated care, and the need for more flexible models for structuring and providing care within clinical mental health services, including the need for more flexible entry, exit and re-entry into the system.

Victoria is moving to a model of enhanced care coordination to better meet the needs of multiple service users. Accordingly, a draft paper is being prepared in consultation with relevant Commonwealth agencies. The new care coordination model will take into account existing service platforms and developments, the requirements of the National Action Plan and the directions of the new Mental Health Strategy that is currently being developed.

### **2c Progress towards implementing the recommendations of the Select Committee on Mental Health**

Given the number of recommendations contained within the Senate Select Committee on Mental Health report, *A national approach to mental health – from crisis to community* (April 2006), it is not practical to respond to each individual recommendation in this submission. Victoria's responses to the recommendations are now embodied in its commitment under the National Action Plan and in Victorian mental health policy.

In summary, Victoria has:

1. Continued to strengthen the core capacity of the specialist mental health service system and optimise opportunities for integrating mental health care into health precincts and other general health service settings where appropriate.



2. Strengthened support to children, young people and families. Key initiatives include:
  - *Families where a parent has a mental illness - a service development strategy* (February 2007), aims to improve the way mental health services respond to the needs of families, including young carers. This strategy recognises the importance of embedding family orientated practice into service provision given parental mental health problems (and concurrent drug use problems) are key risk factors for mental illness in children and young people.
  - *Victoria's plan to improve outcomes for early childhood development* (March 2007), which recognises the critical role that early childhood and the antenatal period has on a range of later life outcomes, including mental health.
  - *Next Steps: Victoria's suicide prevention forward action plan* (July 2006) which seeks to reduce suicide, particularly amongst young people, by embedding prevention and early intervention strategies into the core business of government programs.
  
3. Implemented a number of strategies to improve consumer and carer participation in their treatment and care and in policy and service development. Strategies including:
  - Funding of consumer and carer consultants in area mental health services.
  - Representation of consumer and carer peak advisory bodies in the Ministerial Advisory Committee on Mental Health.
  - Strengthening of the capacity of The Network for Carers of People with a Mental Illness through the provision of an additional \$60,000 recurrent in the 2007-08 State Budget.
  - Developing a consultation draft on *Consumer participation: an action plan for consumer involvement in Victoria's public mental health services* (March 2007) as part of a strategy to build more responsive, consumer focused mental health services. This policy document complements the *Caring together: an action plan for carer involvement in Victoria's public mental health services*.
  - Establishing a statewide consumer-delivered resource unit to support the further development of individual consumer-delivered services, such as mutual/peer support and self help programs.
  
4. Strengthening the policy and service delivery interface between mental health and drug and alcohol treatment services. Key initiatives in this area include:
  - *Dual diagnosis key directions and priorities for service development* (May 2007), which aims to further strengthen Victoria's integrated response to the needs of people with a serious mental illness and concurrent drug and alcohol problems. The link between mental illness and substance abuse is now well recognised and the 'no wrong' door approach promoted by this service development framework will make it easier for people of all ages to access quality, coordinated treatment and care.
  - *Court Integrated Services program* (July 2006), a Department of Justice initiative in partnership with three Magistrates Courts. The program provides a coordinated team based approach to the assessment and treatment of defendants, linking them with support services such as drug and alcohol treatment, mental health and disability services.

As mentioned previously, the new Mental Health and Drugs Division brings together the Victorian Government's interests in mental health and alcohol and other drug use, and will strengthen the areas of prevention and early intervention and cross sector coordination.

5. Increasing access to a stepped system of bed based services by, for example:

- Investing in step up/step down 'sub-acute' places, with a further 70 places planned over the next four years.
- Implementing a new initiative to support patients in inpatient extended care settings to transit to the community. This initiative, provided through the psychiatric rehabilitation disability and support services sector, will free up capacity in this service setting and reduce upstream pressure on acute inpatient services created by long stay patients.
- Commencing planning to significantly increase the supply of secure extended care beds.

6. Commenced implementation of the *Creating Safety* project, to strengthen and support safety in adult acute inpatient units, and minimise the frequency and duration of the use of seclusion and restraints in this service setting.

## 2d Identifying Service Gaps

While it is anticipated that the Australian Government's new investment in private mental health through the expanded MBS items and other linked initiatives will improve access to mental health care for people with mild to moderate mental illness, a range of systemic issues require further consideration and development. They include:

**Geographical maldistribution of the private mental health workforce.** Access to private psychiatrists in Victoria is uneven with services over concentrated in inner/middle metropolitan areas in Victoria – as a result they principally support metropolitan populations. People living in rural areas have the least access to private psychiatrists, those that do access these services are estimated to receive about one third less consultations. Public mental health services continue to report sustained demand pressures which has been further exacerbated by the limited availability of Commonwealth funded General Practitioners and private psychiatrists in some geographical areas.

**Addressing affordability and access.** There is evidence to indicate that people from low socio-economic groups are less likely to access services such as General Practitioners, psychologists and psychiatrists, which is related to the level of bulk-billing and gap-fee arrangements. Attention needs to be given to providing incentives for private providers to meet the needs of this group.

**Strengthening public/private interface.** The capacity for expanding shared care arrangements between private and public mental health services and mixed public and private practice has been identified as an area for further development.

**Provision of appropriate services to people with moderate to more severe mental health problems** who are too complex for primary care services to manage alone but do not require ongoing State funded specialist mental health services. As indicated previously, while the recent expansion of the MBS items may help alleviate workloads on General Practitioners, improve access for some consumers and increase the capacity for shared care between public and private services, there is some concern that these items will have a marginal impact for those with moderate to more severe mental health problems. The State and Australian governments need to collaboratively address this gap by providing greater support for shared care or other service arrangements between different parts of the sector for this group. Implementation of mental health practice nurses may assist in addressing this concern.

Concerns also exist regarding the skills and competencies of General Practitioner and the private allied health workforce in delivering quality mental health care and the need for the Australian Government to provide greater support to further develop the capacities of these service sectors.

**Improved coordination between jurisdictions.** Victoria recognises that the environment within which mental health care is provided is becoming increasingly complex. This highlights the critical need for improved coordination between State and Commonwealth programs, in order to ensure the effectiveness of the recent Commonwealth reforms, and reduce the potential for duplication or fragmentation of effort at the service delivery level.

**Access to affordable housing.** Victoria supports renewed commitment by both levels of government, through the next Commonwealth State Housing Agreement, to expanding the supply of social housing for vulnerable people who are homeless or at risk of homelessness, which includes people with a mental illness. Victoria has committed significant funds over recent years for new growth in social housing.

**Addressing knowledge/information gaps.** The need to ensure evidence-based best practice by addressing knowledge gaps, improving the collection of service usage and outcome data, and sponsoring research and its translation into practice.

**Management of service demand** across the spectrum of services and age groups, and the joint responsibility of the Victorian and Australian governments in addressing the growing demand for mental health care.

Victoria is currently giving priority consideration to:

- Strengthening its service response to children, young people and families affected by mental illness, focusing on primary prevention and early intervention, and reducing the risk factors associated with mental illness, particularly substance abuse.
- Reaching out to targeted risk groups who have moderate to severe disorders and use a range of government programs.
- Improving the effectiveness of the core mental health service system, including triage and crisis response, continuum of care, clinical governance and workforce.
- Better meeting the needs of people with severe mental health problems through ongoing investment in early intervention and prevention, increased core capacity and alternatives to inpatient care.
- Developing a new policy and planning framework to position the specialist mental health service system to respond effectively to older people with a mental illness.
- Developing strategic linkages at the cross-program and cross-government levels to ensure people with a mental illness can access responsive health, drug treatment, housing, homelessness and other key community based services.
- Ensuring appropriate and timely use of, and coordination with, new Commonwealth investments, particularly in the area of primary mental health care, prevention and disability supports.

