

## Victorian Sector Advocacy: Funding Arrangements for Psychosocial and Foundational Supports

### Overview

Considering recent and planned changes to funding arrangements for psychosocial and foundational supports, Mental Health Victoria hosted a forum on Thursday 12 September 2024 to discuss the implications our Associates foresee for mental health and wellbeing services, and the people who need them.

Many of MHV's Associate organisations were represented at the forum, including both small and large community mental health providers.

### Key takeaways

#### **No alignment between reform processes and funding negotiations.**

- There are several reform processes and funding negotiations occurring at the same time, with limited (if any) coordination across the levels of government.
- For example, negotiations about funding and program arrangements for foundational supports outside the NDIS and discussions under the National Health Reform Agreement are occurring simultaneously but inconsistently with one another.
- State-specific activities in response to the unmet needs analysis appear to be occurring separately from their responses to, and negotiations about, the NDIS Review and implications of the new *NDIS Amendment Bill No. 1*.
- Discussions intersect across the mental health, disability and First Ministers portfolios. It is not apparent how the community mental health sector's perspectives are fed into these discussions at either federal or state level. The sector is calling for alignment of these discussions, reform processes and funding negotiations.

#### **The value of psychosocial supports is not being recognised.**

- The availability and accessibility of psychosocial supports are a human rights matter. The way in which policy decisions and negotiations are taking place (i.e. focusing on which government is responsible for funding), risks undermining the inherent value of psychosocial supports to the people who use them.
- A consumer's needs over recent years have shifted, but the commissioning of additional services and new programs haven't kept up with or responded to the need.
- There is an opportunity for MHV and the sector to demonstrate to the government and the public the value of these services, both the positive impacts on a consumer as well as the impact of missing out on these fundamental services.
- The foundational and psychological support workforces have value as a discipline and value as a workforce, however both are underappreciated.

#### **Coordination and connection of services**

- The reform processes and funding priorities for support services are fragmented. There is an urgent need for connection and coordination of services, including general health, education, and employment, to make them work on the ground.
- There are grey lines between service responsibilities and a lack of willingness from decision-makers to question what is working and what is not working.
- A significant amount of funding for psychosocial mental health services comes from the Commonwealth. Greater coordination and connection of Commonwealth funded services with Victorian funded services is required in Victoria.

- Commonwealth-led psychosocial programs occur around the country, yet they have very long waiting lists. This, plus the unmet need identified in the recent report and the transitioning of people away from the NDIS presents a significant proportion.
- There is an urgent need for central co-ordination of the NDIS reform at a federal level.

### **The missing middle**

- There continues to be a missing middle in service provision as the service model has not been funded or supported to adjust to meet the growing need. For example, Associates report that mild to moderate services are receiving increased rates of severe, persistent, and complex presentations as people cannot find other services.
- There are huge waitlists for people to access support, and it is increasingly hard for people to access the NDIS scheme. This is despite practitioners recommending NDIS services to consumers in need. Additionally, there are major gaps in services available for youth as well as young adults.
- Access to NDIS for people whose primary disability is psychosocial is approximately 30% compared to 80% for other cohorts.
- For people who don't meet NDIS access but require regular in-home support, there are considerable waiting lists to access programs such as the Home and Community Care model. While programs such as Home and Community Care exist, significant upscaling is required to address the persisting and growing need.

### **Preparedness of system transition**

- Support seekers who previously transitioned from community mental health support to the NDIS system, experienced grief and trauma from the transition. MHV Associates fear this grief and trauma will reoccur if current NDIS users are transitioned back to community mental health services without appropriate referral supports. A handover of care is vital to ensure a safe and supportive transition.
- The community sector services will need to scale up in order to support this transition, however, this requires funding and clarity on reforms now, to prepare for the increased number of people seeking support, as well as to address the existing unmet need.
- As efforts to scale up existing programs are considered, Associates encourage governments to acknowledge that the consumer rates are increasing. There are more and more people requiring support and service providers need the governments assistance to ensure services can be scaled up.
- Existing systems, such as the Mental Health and Wellbeing Local Services, are not set up to replace the support services provided by the NDIS. Further, Locals do not service those under the age of 26, leaving this cohort of people extremely vulnerable.
- Associates report that access to the NDIS is already more difficult due to operational changes at the NDIA, effectively transforming the system and its accessibility ahead of reform decisions from governments.

### **Workforce**

- Workers are leaving the sector because of the lack of clarity over the last few years and insecure employment.
- Organisations are being stretched thin to support their consumers, with little support to scale up their services that are desperately needed.
- Foundational support workers and psychosocial support workers are likely to experience intense situations within their work. There is a need for psychological support for these workers that is not currently prioritised.