



State Budget Submission 2017-18

Towards a responsive mental health system in Victoria

The next 12 months will see ongoing upheaval in the mental health, health and disability service systems. This environment of change which has been evolving over the past 3 years, is likely to continue for another 3-5 years.

Mental Health in the Reform Environment

Full scheme implementation of the National Disability Insurance Scheme (NDIS) will be rolled out, and a number of Commonwealth and Victorian Government reforms will be in train across the health and social care sectors, over the next 12 months. These reforms will, and are, having significant impacts on mental health organisations and service systems, and for people experiencing serious mental illness, and their families and carers, in Victoria.

10 year Mental Health Plan ↓

VICSERV welcomed the release of *Victoria's 10-Year Mental Health Plan* (the Plan) and the establishment of the Mental Health Expert Taskforce and its working groups that are responsible for guiding the Plan's implementation.

Since release of the Plan, significant work has begun under its banner, as evidenced by the release of a number of key frameworks and strategies, including the *Victorian Suicide Prevention Framework*, the *Mental Health Workforce Strategy* and the recently announced *Design, Service and Infrastructure Plan for Victoria's Mental Health System*.

VICSERV endorses the following key areas identified for action under the Plan:

- **Choice** – The Plan acknowledges the importance of building better services that give service users and their families and carers more choice and control. The Plan also recognises that improving the choice of mental health services empowers consumers to actively select services to meet their recovery needs.

The *Mental Health Act 2014* (the Act) outlines principles for people receiving mental health services, including that services should be provided with the aim of bringing about the best therapeutic outcomes and promoting recovery, and should support people to make, or participate in decisions about their assessment, treatment and recovery. To align with these principles, mental health reform initiatives that enable greater choice of mental health services for consumers, families and carers should allow for choice from a variety of effective, evidence-based mental health interventions in locations that suit them, as well as the ability to exercise that choice freely.

- **Economic and social participation** – The Plan highlights the importance of changing attitudes and behaviours to break down barriers to social and economic participation for people with mental illness and their families and carers. Participation in the community is a key element of recovery, and addressing these social determinants of health

will also complement other prevention-focused activity. As well as a general commitment to promote inclusion, support mental wellbeing, and combat stigma and discrimination, the Plan states: “We will aim to change attitudes and behaviours and improve workforce participation, social connection, civic participation, community resilience and suicide prevention.”

- **Service integration** – The Plan states: “Integrated service delivery will become the standard way that we operate. For effective integration, mental health and other services must be supported to develop new ways of working together that build ongoing relationships and develop compatible infrastructure and service delivery models.”

However, despite the high level aspirations of the 10 Year Mental Health Plan and related strategies, there is still uncertainty about how the psychosocial rehabilitation needs of people with mental illness will be met alongside the NDIS, and implementation of other reform agendas.

Health and Social Care Reforms ↓

With the advent of the NDIS and the signing of the bi-lateral agreement between the Victorian and Commonwealth Governments committing all Mental Health Community Support Services (MHCSS) funds to the NDIS, mental illness is now more closely aligned with the disability sector than ever before.

In light of this, the state's responsibility for responding to mental health treatment and rehabilitation now sits under the health portfolio. As a consequence, other system reforms, including the *Roadmap for Reform* and responses to the *Royal Commission into Family Violence*, highlight the importance of meeting the needs of people living with serious mental illness in a more integrated manner.

However, the key areas identified for action in the Plan, to meet the needs and preferences of people living with mental illness, will only be partially addressed by embedding mental health reform into existing reform agendas.

Given their breadth and complexity, specific strategies will be required to ensure that they are considered holistically, complementing existing reform agendas, with additional initiatives and resources.

The Importance of Psychosocial Rehabilitation in Victoria

In Victoria, under current arrangements, psychosocial rehabilitation and its skilled, ‘intermediate-priced’ workforce will start to disappear as the NDIS rolls out across the state.

VICSERV endorses the NDIS as a much needed support offering for people with psychiatric disability, however we continue to hold concerns about the gap that will become an increasing reality as a result of the withdrawal of MHCSS funds in line with the NDIS roll-out across the state, and the impacts this will have on people with serious mental illness who are living in the community.

This is the situation that already exists in Barwon, which is now operating under full Scheme, and it is already apparent that there are serious repercussions for individuals, families, and across the health and welfare systems.

VICSERV estimates that as many as 10,000 Victorians living with mental illness will be unable to access an appropriate service in the NDIS full scheme environment.¹ In this context, consumers, families and carers, workers and organisations need to know what service offerings will be available, and how consumers will access community based rehabilitation outside the NDIS.

The Department of Health and Human Services (DHHS) released the *Components of Effective Mental Healthcare Draft Discussion Paper* in December 2015, which identified community based rehabilitation as one of three key components to effective mental healthcare, alongside clinical treatment and disability support as the pillars of a holistic service system.

However the planning and reform documentation at neither State nor Commonwealth levels specify a particular role for community managed mental health organisations within the mental health service system. Community managed mental health is not included in the “Where we’re going” section of the *Victorian 10 Year Mental Health Plan*, and roles which may have been suitable for the sector appear to be being allocated to clinical services (for example, the State funded suicide prevention psychosocial support role and aspects of the PHN stepped care model).

Transfer of disability funding to the NDIS and the withdrawal of community based psychiatric disability and rehabilitation from the previously integrated support system is impacting on the positive outcomes that have been built up over decades of service and workforce development. This dismantling of the mental health service offering is at a time when the need for Victorian Government investment in proven cost-effective community-based mental health services has never been stronger.

Australian Institute of Health and Welfare (AIHW) figures for 2011-12 show Victoria is now the lowest spender per capita on specialised mental health services in all of Australia.² New South Wales is leading the way in building an effective and recovery-focused mental health system, with the NSW State Government making considerable investment in community based psychosocial rehabilitation, in line

with the recommendations for the NSW Mental Health Commissioner's report *Living Well, A Strategic Plan for Mental Health in NSW 2014-2024*. The result is a system in which the NDIS disability support is acting, generally speaking, as an effective complement to the state funded mental health care and support system.

In Victoria, at risk under current arrangements, is the potential loss of opportunities, including building the capacity in the broader community services sector, the ongoing supply of a workforce for partnership activities, and for providing mental health support in community settings to enable people with serious mental illness and complex needs to participate in their communities and lead contributing lives.

VICSERV believes it is time to ↓

- acknowledge that the NDIS service offering does not replace the psychosocial rehabilitation previously funded under the Psychiatric Disability Rehabilitation and Support Services (PDRSS) and MHCSS programs, and
- consider the risks and impacts of a return to the medical approach of a health service-run model of mental health rehabilitation, which is at odds with the Victorian Mental Health Act and consumer-led service delivery.

¹ Based on modelling undertaken for the State Government PDRSS (Psychiatric Disability Rehabilitation Support Services) reforms: Deloitte Access Economics – PDRSS Demand Modelling Report, Oct 2013.

² Health expenditure Australia 2011-12 (AIHW 2013).

VICSERV's Recommendations for 2017-18 State Budget

01 ↓

Year on year investment in community based rehabilitation to address gaps and local need

\$50 mil per year over the 3 years of NDIS implementation.

As NDIS is implemented across Victoria, essential community based rehabilitation will be withdrawn, creating gaps in the capacity for integrated response to people living with mental illness, and in particular those who have complex needs.

This investment will provide:

- outreach for people needing support to access community based services and/or NDIS;
- time limited interventions for the people requiring these services; and
- a differentiated workforce to provide community based mental health service.

02 ↓

Resourcing for specific strategies to build choice, economic and social participation and service integration into Victoria's mental health service system

\$10 mil over the next 3 years for innovative responses to the changing system and consumer needs.

With extensive change across the service system, people with serious mental illness are operating in a rapidly changing environment, and are at risk of falling through the gaps that are emerging.

The community managed mental health sector is known to be entrepreneurial and innovative, and now is the time to fund innovative models to achieve these important outcomes.

03 ↓

A mental health carer strategy with a clear funding commitment

\$3 mil a year for the next 3 years to provide support for more carers of people with serious mental illness.

Carers need a range of support responses including individual advocacy, respite, education, information, counselling, informal group and activity support and peer to peer support. Recent State Government resources to assist carers in the transition to NDIS have been welcomed, but under NDIS there is little opportunity for carer funded supports, and the Information, Linkages and Capacity Building tier of supports may not adequately respond to the needs of this group.

In addition, we call for the retention and strengthening of the Mutual Support and Self Help program during the NDIS implementation period to ensure the continued education, support and advocacy for carers and consumers.

04 ↓

Address, as a priority, housing needs and homelessness of people with mental illness

\$10 mil a year for the next 3 years for housing support for people with mental illness, and to ensure appropriate responses for people with mental illness experiencing homelessness.

We welcome the recent Victorian Government funding announcements for homelessness and housing, but call for additional funding for initiatives that enable people with mental illness to access secure stable housing, that break the cycle of homelessness, and that engage the broader community to overcome stigma and poor accessibility.

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Additional resource allocations should be aimed at:

- supporting people to access private rental through evidence based service delivery models that can effectively address housing issues, such as Housing First and the Doorways program operated by Wellways; and
- increasing availability/stock of housing which better suits the needs of people with a mental illness, particularly single units.

05 ↓

Provide more effective pathways for people with mental illness in the justice system and prisons

\$10 mil over the next 3 years for expansion of the Assessment and Referral Court (ARC), and to ensure better coordination across the justice and health sectors.

People with a mental illness are overrepresented at every stage of the criminal justice system, and data shows that mental health is a major issue in the state's justice sector, with about 40 per cent of prisoners dealing with at least one mental health issue. The rate of psychotic disorders in prisoners is about 15 times higher than in the community.

The successful ARC is run out of the Melbourne Magistrates' Court and is currently only an option for accused persons who live within its zone. VICSERV endorses calls for the expansion of the program, especially in rural areas, where mental health and drugs and alcohol treatment is often limited.

The 2014 Report by the Victorian Auditor General (VAG) on *Mental Health Strategies for the Justice System* found that while justice and health agencies recognise the importance of addressing mental health issues within the criminal justice system, and all have implemented initiatives that aim to improve outcomes, significant gaps remain.

The VAG found that there was no overarching strategy or leadership for mental health and the justice system that focuses on improving outcomes for people with a mental illness, and that a whole-of-system approach is required. Furthermore, while there was evidence of agencies

working together, this was neither uniform nor sufficiently coordinated across the justice system to address mental illness effectively.

While recommendations from the VAG were supported, further collaboration and coordination is required to ensure better outcomes for people with a mental illness.

06 ↓

Review the Clinical Mental Health System

We welcome the recently announced process for development of a new *Design, Service and Infrastructure Plan for Victoria's Mental Health System*.

We call on the Victorian Government to ensure this review includes:

- interface with the NDIS, and responding to the issues emerging under the roll out of the scheme;
- consumer preference for least restrictive environments, with a citizenship framework, rather than a patient-oriented approach;
- review of CCUs and other rehabilitation functions; and
- adequate resourcing for implementation of recommendations and strategies.

