

NSW Pre-Budget Submission 2024

Mental Health Coordinating Council

Mental Health Coordinating Council (MHCC) is the peak body for community-managed mental health organisations (CMOs) in New South Wales. We represent community-based, not-for-profit / non-government organisations who work with people living with mental health challenges. Our members assist people to live well in the community by delivering psychosocial support and rehabilitation services. Our purpose is to promote a strong and sustainable community-managed mental health sector that has the resources it needs to provide effective psychosocial, health and wellbeing programs and services to the people of New South Wales (NSW).

MHCC provides policy leadership, promotes legislative reform and systemic change, and develops resources to assist community-based organisations deliver quality services through a trauma-informed recovery-oriented practice approach. MHCC is a founding member of Community Mental Health Australia (CMHA), the alliance of seven state and territory mental health peak bodies which together represent more than 700 community-managed organisations delivering mental health and related psychosocial services nationally. MHCC's Learning and Development arm is a Registered Training Organisation providing accredited training and professional development to CMOs and other human services across all levels of the service system.

The Community-Managed Mental Health Sector

Community-managed organisations are NGOs that play a vital role in supporting people with enduring mental health challenges to live well in the community. The sector delivers mental health and psychosocial support services across a wide range of programs and contexts including: a range of rehabilitation, clinical and support services for health and wellbeing programs; accommodation support and outreach; step-up-step-down transitional residential programs, for coexisting substance use; self-help and peer support; helpline and counselling services; supported employment; education, accredited training, professional development and information; social inclusion, leisure and recreation programs; and family and carer support.

There is substantial evidence that quality mental health services delivered in the community foster improved outcomes for people living with mental health challenges and experiencing psychosocial disability needs and are ineligible or require alternative services to those offered by the NDIS. Support in the community takes considerable pressure off the public health service system, particularly in relation to emergency department presentations, hospital admissions and readmissions, and substantially reduces the burden of cost to the public purse. It is vital that CMOs be appropriately and equitably resourced to meet the needs and aspirations of people living with mental health challenges and reduce use of public inpatient and outpatient services where possible.

Through extensive consultation with MHCC members and the sector, we advocate four overarching budget priorities. These are by no means 'new asks' but are long overdue investments that have become increasingly urgent in what is a dynamic service delivery environment stretched to its limit. Public services are often unable to ensure safe transitions to the community, especially in rural and remote parts of NSW, and quality service delivery in the future is likely to be severely compromised if further investment in community services is not forthcoming. Such services must be staffed by a skilled and sustainable workforce that has the capacity to grow and meet future demands across a diversity of clinical, support and peer roles.

Supporting people to stay well, thrive and meet their aspirations in the community

Clear and current evidence provided in the recent evaluation of HASI/CLS services in 2022, demonstrates the effectiveness of these programs from both a cost benefit as well as an individual, family and community perspective. Based on established outcomes scale scores, 30% of people receiving HASI/CLS services had a clinically meaningful improvement in their mental health. Contact with public mental health outpatient services decreased by 10% in the first year and was 63.7% less if they remained in the programs for more than one year. Hospital admissions due to mental health decline reduced by a total of 74% and the lengths of stay in hospital decreased by 74.8% over two years. The net cost saving per person was about \$86,000 over five years. Over 90 percent of the cost offsets were from reduced hospital admissions and lower lengths of stay. Despite this most recent and compelling evidence of the benefits of HASI/CLS, further expansion of these services has not been confirmed. MHCC urge the Government to expand the availability of these services by providing a further 10,000 HASI/CLS packages, at an additional investment of \$365 million over four years. This scaling up would ensure barriers to access supports are lowered, offering flexible transitions into services and supports.

Ensure safe transitions from acute inpatient settings to community and minimise admissions and re-admissions

Establish a network of Step-Up Step-Down (SUSD) services across NSW by adding an extra 130 places, to ensure more people have access to recovery-focused residential programs that minimise the risk of hospital admission. An additional 130 places will provide services for an extra 2,000 people a year across the state, at an annual cost of \$19.11million. There is limited access to these SUSD programs particularly in rural, regional and remote locations. Based on Prevention and Recovery Centres that aim to support transition back into the community from hospital or provide extra support at times of crisis or vulnerability, unfortunately they are only available in five locations in NSW. Return on Investment and reduction of readmission by participants in the SUSD services have targeted service outcomes including that they are readily accessible, person-centred and recovery focused, and facilitate self-directed care grounded on collaborative relationships and partnerships. The ultimate outcome of SUSD services is to keep people connected to their community. Evaluations have shown this has been achieved alongside longer-term outcomes of better connections with family, employment and community.

Invest in workforce and strengthen workforce planning to better forecast for the future

Preliminary data from the national analysis of unmet need for psychosocial supports outside the National Disability Insurance Scheme (NDIS) based on the Health Policy Analysis (HPA) will soon be publicly available. MHCC urge Government to address the workforce shortage identified as a barrier to the delivery of a diverse range of mental health services to meet the gap identified. It is vital that the Government acknowledge the projected demand and increase investment in a workforce development program to address current and future shortages, including particularly in the peer workforce. Strategies for growth will need to provide adequate indexation for CMOs that responds to the impact of inflation on services and salaries. It will also need to introduce guidelines for services delivered by CMOs to allow for rolling five-year contracts based on ongoing review and achievement of objectives.

To ensure a sustainable CMO sector, and to be able to recruit, retain and grow its workforce, both peer and non-peer workers must feel valued and equitably resourced, and this requires investment in training and capacity building. The sector must be funded to research and develop training and professional development that responds to the economic and reform environment with lived experience embedded in the co-design and delivery of training programs.

Likewise, the sector must be supported to establish roles and career pathways that reflect effective use of multidisciplinary teams within consistent scopes of practice, enable workers to work to the top of their scope of practice, and where attractive career pathways demonstrating equitable conditions and remuneration will serve to incentivise workforce sustainability is essential.

More information about this topic is available from MHCC's [Mental Health Workforce Profile Report \(2023\)](#). MHCC will shortly be publishing its Workforce Solutions for the Mental Health CMO sector and will forward a copy to Government when available.

MHCC and its capacity to remain a strong membership organisation to support a growing and sustainable mental health CMO service sector

To maximise the success of CMO services and a growing workforce, it is vital that it has the support of a strong membership peak body that is well resourced by funding provided by the NSW Department of Health. Such funding enables MHCC to carry out its core objectives. This includes leadership and representation of the sector, and work with members to develop planning frameworks with the NSW Government. The core grant underpins MHCC's work in sector development and capacity building projects and activities, and the provision of resources, tools and information to strengthen CMOs capacity to meet current challenges and emerging opportunities. Over the last 40 years MHCC has engaged extensively in advocacy for policy reform through close engagement with government/s and other agencies, key service providers and advocacy groups to ensure the voice of the sector is well represented during policy and reform processes.

MHCC is acknowledged as a leader and innovator in promoting evidence-based practice approaches including trauma-informed recovery-orientation, and in meeting the training needs of the industry through its Learning and Development Unit. Unfortunately, the organisation has received little additional investment over many years and urgently requires an injection of additional funds to meet the growing demand of its members, the sector and government expectations.

In addition to the four priority areas that MHCC highlight above for consideration, we ask Government to secure the future of a most important and vital program that is now deemed at risk.

Progressing recovery through the Pathways to Community Living Initiative (PCLI)

MHCC is disappointed that despite an extensive planning and procurement process for PCLI, insufficient capital investment and recurrent service support funding has been allocated to move long-term patients out of mental health facilities as originally planned. Two hundred and twenty people, keen to progress their recovery journey, remain stuck in inpatient settings at huge expense, when they should be enjoying life in the community. The funding provided in the last Budget under the State-wide Mental Health Infrastructure Program does not meet the need as originally identified.

PCLI was established to support the transition of long-stay (12 months or more) mental health patients into appropriate community-based services. With significant investment by the NSW Government, PCLI has been led, funded and coordinated by the NSW Ministry of Health in collaboration with Local Health Districts (LHDs). PCLI represents a system-wide transformational change for consumers and their families and the mental health workers who support them. The initiative is a significant investment in redesign of the way that mental health services are being delivered, particularly for consumers living with complex long-term needs. The Ministry has shown its sustained dedication and commitment to PCLI, and MHCC, its members and the sector praise the initiative, which over ten years has shown itself to be an exemplary model of collaboration and co-design. Numerous evaluations over the period have shown that PCLI is an effective evidence-based model of great value to the consumers it supports, their families and carers as well as the community (Williams et al., 2021).

PCLI has proven long-term cost benefits in terms of minimising hospital admissions and readmissions and enables public services to transition people safely into environments in which they can re-engage with the community, flourish, and live the life that reflects their identified recovery goals and aspirations.

Three of MHCC's member organisations were identified as pre-qualified providers and endured an intensive and protracted procurement process for Stage 2; initially for 230 places for people living with complex mental health conditions. These people are currently residing in properties located on the grounds of mental health facilities, with demonstrated capacity to live safely in the community with appropriate wrap-around supports. The three preferred support service providers are actively engaged in the redesign of Stage 2 PCLl but are yet to receive confirmation from the Ministry as to whether PCLl stage 2 infrastructure and support services funding has been securely allocated.

The program is about to go through a re-pricing process with the three providers, who are currently engaged in a co-design process, which is a process of reshaping and quality improvement of the existing program based on learnings from evaluations and consumer experiences.

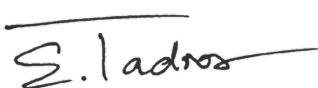
MHCC and its member organisations are troubled that approximately 220 consumers remain in hospital settings at a time when they are suitable for discharge to the community. This is not only a difficult ethical issue for the Government, and raises a human rights issue for those individuals who are entitled to receive services in the community, consistent with the UN Convention the Rights of Persons with Disabilities, but it also means that these individuals remain in hospital at a greater cost to government and the taxpayer, although we appreciate that inpatient costs are allocated from a different funding pool.

MHCC seeks assurance the Government's financial support for ongoing commitment to PCLl. We ask for certainty that Phase 2 proceed as originally envisaged, thereby progressing the movement of all 220 consumers into the community at the earliest possible time, according to a defined timeline. We know from the evidence that PCLl is a truly important initiative that makes a difference to the lives of the individuals, their families, and the carers it supports. MHCC sincerely acknowledge the commitment the Ministry has demonstrated to this truly co-designed, evidence-based program.

MHCC provide a link to its paper presented to the Portfolio Committee [Inquiry into the equity, accessibility and appropriate delivery of outpatient and community mental health care in New South Wales](#). This offers more detail relevant to this submission. We look forward to the Government's response to the Committee's findings and are hopeful that the response will include an appropriate investment commitment to address the needs highlighted in the Inquiry's Report.

We also provide a link to MHCC's [Incoming Government Brief: Community Managed Mental Health](#) (May 2023) for further detail.

MHCC thank the Minister and the Government for the opportunity to provide a pre-budget submission. We express our willingness to discuss this submission and look forward to ongoing collaboration with Government to achieve the priorities as described in this paper.



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