



BUDGET

NATIONAL MENTAL HEALTH REFORM

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FOREWORD

Australia has long been a leader in treating and caring for people with mental illness. But all too often, this nation's mental health system fails the people who need the most help and frustrates the professionals who work in the system and the families and carers who work hard to support them.

Around one in three Australians experience mental illness at some stage in their life. Mental illness accounts for 13 per cent of the total burden of disease in Australia, and is the largest single cause of disability, comprising 24 per cent of the burden of non-fatal disease. And mental illness, unlike any other chronic disease, affects people of all ages, with a significant impact on many young people: 25 percent of people with a mental disorder experience their first episode before the age of twelve – half a million children – and 64 per cent by age 21. Yet treatment rates for our young people are low: only 25 per cent for those aged 15 to 24 receive treatment, for example.

Despite significant gains in primary mental health care, more broadly, too many Australians with mental illness are still not seeking or receiving treatment – only around 46 per cent, compared to more than 80 per cent for comparably disabling physical ailments. And those most severely affected by mental illness are dying at rates second only to Indigenous Australians.

People with mental and behavioural conditions have very low workforce participation rates of around 42 per cent compared to more than 80 per cent for people without disability.

Over the last five years, all levels of government have been increasing their investment in mental health. The Commonwealth's Better Access, Access to Allied Psychological Services and Mental Health Services in Rural and Remote Australia programs have brought treatment to many who previously have missed out. The significant increase in community mental health services, including the Personal Helpers and Mentors program and respite services for mental health carers has also been widely welcomed by consumers and their families. There have been further emphases on increasing youth-friendly services, tackling suicide and world-leading telephone and web based treatment. Many jurisdictions have been trying out different models of care to see what works best.

Despite these successes, the system is still too crisis-driven, with many people only receiving help when they are at their most vulnerable, instead of help to stay well. There are a number of highly effective services, but they are often patchy and not connected and, for reasons of program design or funding, struggle to deliver a truly integrated service response based around the individual's needs. This fragmentation of services also creates gaps, which prevent people receiving the full range of services that provide an optimal path to recovery.

Not enough is done to prevent mental illness, or detect it early, so that treatment and support can be provided to prevent worsening health, social isolation, disadvantages such as homelessness, and tragedy such as suicide. This is particularly important for

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Australia's young people – our kids and teenagers - and those most vulnerable in our community – people affected with severe mental illness.

More needs to be done to help Australians who have a mental illness get the care they need, when and where they need it and to support their families and carers.

And the Australian Government ('the Government') is responding. The Prime Minister has declared mental health to be a priority, and appointed this country's first federal Mental Health Minister. We have backed this with action, with substantial investment in foundational health system reform, together with targeted mental health funding, in both the last Budget and through our election commitment doubling investment in suicide prevention.

Now we are putting in place a further major boost to services for people with a mental illness – both health and community services – plus a structure to continue reform over the long term.

We need to end the fragmentation in the system and address the service and support gaps. We need to ensure that Australians with mental illness are receiving the right care and support to manage their illness. We need to ensure they stay connected with family and friends and with the other cornerstones of a productive life, such as education, secure housing and employment. We know the changes Australia needs will not happen overnight. We need a long-term sustainable reform plan.

The package outlined in the 2011-12 Budget follows a period of extensive engagement with the sector – with experts, service providers and, most importantly, with consumers and their carers. This Budget lays down the foundations for a new systematic approach to support people with mental illness. Coupled with a longer-term roadmap, the Government will commit a massive \$1.5 billion in investments over the next five years to build a better mental health system – a system that will work better for patients, their families, carers and health practitioners alike. This new system will support people to get well and stay well.

The longer-term roadmap will signpost a vision for the system, ground our investments in the advice of experts and stakeholders – those who know what works best – and commit the Government to ongoing action. Future reform will be guided by evaluation of these new measures.

When combined with our 2010 Budget and election commitments, which deliver \$624.0 million in funding for services over the same five year period, the Government will be providing \$2.2 billion over five years for mental health services.

The Government already provides significant mental health program funding. On top of this, the Government also supports people with mental illness through Medicare and the Pharmaceutical Benefits Schemes. In 2009-10, the Government provided \$754.8 million to assist individuals access GPs, psychiatrists and psychologists through Medicare.

In line with the Government's fiscal rules and strategy, all of these new investments are offset by genuine savings. These include a redirection of \$580.5 million from the Better Access program.

The focus of our immediate reforms is both delivering early intervention services that have the best chance of improving lives and putting people on a productive and positive path to recovery – and on the priority groups who need additional services.

Many of those most severely affected by mental illness, and their families and carers, will be assisted to access the full range of services they need to stay well and out of hospital – together with a single point of contact for information and support to access services. Services will be responsive to the needs of the individual, rather than leaving people to find their own way through a system that is disconnected and hard to understand.

More services will be provided for our children, including a universal voluntary health check for three-year-olds that, for the first time, will include markers of social and emotional development and wellbeing. There will be an increased focus on supporting families and children early. We will create national coverage of services for young people, through models that we know work well: 'headspace' and Early Psychosis Prevention and Intervention Centres, and expand Family Mental Health Support services for families and young people at risk.

Treatment options will be expanded, including for hard to reach groups, so that more of the Australians who do not currently get treatment can receive it – particularly in primary health care.

At the same time, we will maintain the essential aspects of the support available through Medicare and the Pharmaceutical Benefits Scheme.

As important as clinical treatment is, other services and support in the community are also critical for the recovery of people with mental illness - to participate in social and community life, get and keep a job, improve relationships with family and friends and help managing the tasks of everyday life. The Budget includes substantial additional funding for community based mental health support including Personal Helpers and Mentors and essential respite support.

The Government is taking the lead role in reform – but we cannot achieve full reform alone. We recognise that non-government organisations, the private sector and state and territory governments ('states') – and activities that cross health and non- health sectors – have a vital role to play in a better mental health system. States in particular provide a range of specialist services and support to people with severe and debilitating mental illness. But the range and type of services vary, creating major service gaps. People with the same illness and needs should be provided with the same opportunity for treatment and support, regardless of their location.

Using a competitive process the Government will offer a new National Partnership agreement on mental health to the states. This will help them to fill known gaps, for example, by providing more accommodation support, particularly to help tackle the high levels of homelessness for people with mental illness, or improving presentation, admission and discharge planning in emergency departments. This will occur through performance based funding that promotes and rewards action and results for those

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requiring support and assistance. The Government's reforms will take pressure off hospitals, which are currently the default providers of treatment for many.

Knowing what reforms are working well will help us to make investment decisions in the future under the ten year reform roadmap. That is why the Government will continue to fund vital research and data collection. In addition, the Government will establish Australia's first National Mental Health Commission. Positioned in the Prime Minister's portfolio, the Commission will have a truly whole of government mandate, will provide authoritative advice to the Government and ensure a more transparent and accountable system so that we know we are getting value for our investments. We will also fund the creation of a new national mental health consumer representative body, to harness the experience of consumers across Australia and to reinforce that their voices should be, and will be, a key driver of policy and program development.

It is the start of a journey - a journey that will make a real, practical difference to the lives of Australians who suffer from mental illness, and the families, carers, friends and professionals who support them.

BUDGET HIGHLIGHTS

Improving outcomes for people with severe and debilitating mental illness

\$571.3 million over five years

For too long individuals with severely debilitating, persistent mental illness with complex and multiagency needs – and their families and carers – have had to deal with fragmented and uncoordinated systems, not knowing where or how to get help for all their needs.

Many of these individuals and their families and carers will, for the first time, have one point of contact for all of their care needs, meaning less frustration and anxiety for families who live in constant fear of a call from the emergency department when things go wrong, or despair when they can't navigate the maze of government and non-government services on their own.

This 'no wrong door' approach will mean that eligible people in selected regions will now be able to access a comprehensive multidisciplinary assessment of their health and non-health needs, leading to a tailor-made care plan. Flexible funding will also be provided to fill gaps in clinical and non-clinical support for these consumers, to meet their individual needs.

This measure will be implemented through community based organisations that have the skills and connections to assume these functions. Medicare Locals and other non-government organisations are expected to participate. Eligible consumers, their families and carers will now have one place to turn to for advice, support and information. Auspicing organisations will seek to work closely with states and territories services – both clinical and non-clinical.

This measure delivers significant benefits for the most vulnerable group of Australians with mental illness by providing them with access to a wider range of care options designed specifically for their individual needs.

Increased service capacity, namely in housing, social support and clinical care, will complement these important structural changes, with the allocated funding increasing to \$571.3 million over five years.

Amongst other things, this Budget will provide:

- Integrated assessment and additional services for approximately 24,000 individuals across Australia who have severely disabling, persistent mental illness and complex care needs.
- More support services through the Support for Day to Day Living Program for people with severe mental illness, to assist around an additional 18,000 people over five years.
- An additional 425 new community mental health workers called 'personal helpers and mentors' to work one on one with an additional 3,400 people with severe mental illness. They will join the 1,000 workers already providing intensive, practical support in Personal Helpers and Mentors services across the country.
- Additional funding for mental health respite services to support an additional 1,100 mental health carers over five years.

Better targeting primary mental health care services

\$220.3 million over five years

Primary mental health care is the main avenue of treatment for the majority of Australians with mental illness. The Government will provide a major boost to primary mental health services, by targeting additional resources to groups that are hard to reach and currently underserved, such as people in rural and regional Australia and low income areas, Indigenous Australians, men, young people under 25 and other disadvantaged groups.

Medicare Locals will receive funding to enable the Access to Allied Psychological Services (ATAPS) program to better reach these groups who continue to miss out on Medicare funded services. Expansion of ATAPS will support over 180,000 people over five years, comprising 50,000 children and families, 18,000 Indigenous Australians and 116,000 other individuals in hard to reach groups.

The Government is also creating new treatment pathways with investment to develop online and telephone support into a single national e-mental health portal and an e-clinic, promoting self-directed and clinician assisted treatment. Increased referral and improved access to evidence based e-mental health psychological interventions will assist 45,000 people over five years.

Evidence based online and telephone based psychological therapy is a proven and cost-effective way of treating people with mental illnesses, particularly those with mild to moderate illness, and will particularly benefit those who have difficulty accessing face to face services (including rural and regional Australians and individuals wishing to keep some form of anonymity).

The mental health of children and young people

\$491.7 million over five years

These are initiatives that will strengthen the Government's focus on the mental health of children as well as young people, including the role of partnerships between family services and health in prevention and early intervention. This Budget allocates \$326.2 million over the Forward Estimates period, growing to \$491.7 million over the next five years, to expand and establish new youth focussed mental health services, and improve responsiveness to childhood risk factors when interventions are most effective.

Amongst other things, this Budget will provide:

- More funding to achieve complete national coverage of the headspace model. In five years there will be a total of 90 sites, with the capacity to assist 72,000 young people a year.
- More funding, and seek matching contributions from the States and Territories, to provide up to 12 Early Psychosis Prevention and Intervention Centres (EPPIC). In addition to the 4 additional centres committed to in the 2010 Budget, this will deliver up to 16 new EPPICs around the country.
- An additional 40 Family Mental Health Support Services to provide integrated prevention and early intervention services to over 30,000 children and young people at risk of mental illness, and their families, over five years.

Increasing economic and social participation for people with mental illness

\$2.4 million over five years, supported by \$50 million for personal helpers and mentors, plus substantial new investment in the *Building Australia's Future Workforce* package

Having a job is good for mental health and well being and aids recovery even for people with the most severe mental health conditions. However, people with mental illness often require a more intensive level of support to obtain and stabilise their employment. The Australian Government will improve the ability of employment service providers to identify and assist people with mental illness to gain employment. Staff will be provided with the skills to develop effective employment strategies for the recruitment of job seekers with mental illness. There will also be better arrangements to support employers of people with a mental illness through the JobAccess information and advice service.

Over five years, \$50 million of the additional funding for personal helpers and mentors in this package will be allocated to specifically support people with a mental illness on the Disability Support Pension, or other income support payments, who are working with employment services.

In addition, major new initiatives to improve assistance for job seekers, including those with mental illness, are included in the *Building Australia's Future Workforce* Package and reforms to employment services from 2012. These include the expansion of funding for training and flexible supports for job seekers as well as new, expanded wage subsidy programs for job seekers with a disability, and measures to encourage Disability Support Pension (DSP) recipients back into work, where they have some work capacity.

A National Partnership Agreement on Mental Health

\$201.3 million over five years

The Australian Government is committed to working with states and territories on addressing mental health service gaps. Through a proposed National Partnership Agreement the Government will take a national leadership role and encourage states and territories to address known gaps, building on the Government's commitment to prevent homelessness and address mental health. A national funding pool will be established and states and territories will be invited to bid through a competitive process to focus on the priority areas of accommodation support and presentation, admission and discharge planning in emergency departments.

Improving capacity and links between services in the state and Australian Government systems will ensure a comprehensive response to the needs of people with severe and persistent mental illness, and help them to stay well and lead functional lives.

Ensuring quality, accountability and innovation in mental health services

\$12.2 million over five years

The establishment of a new National Mental Health Commission will provide leadership and drive a more transparent and accountable mental health system in both the health and non-health spheres. The Commission will provide an Annual Report, through the Prime Minister, to Parliament. The core function of the Commission will be to independently monitor, assess, oversee and report on how the system is performing, including the production of the Annual National Report Card on Mental Health and Suicide Prevention – delivering on a Government election commitment.

The Commission will draw on ongoing and extensive national data collections funded by the Department of Health and Ageing as well as \$26.2 million of dedicated mental health research funded through the National Health and Medical Research Council. The Commission will advise on the use of best practice, and report on Australian Government and state system performance against service expectations.

In addition, a long awaited new national mental health consumer body will distil the voices of consumers and embed their experiences within policymaking and program development and implementation.

A FISCALLY RESPONSIBLE APPROACH

The Government is providing \$1.5 billion over five years in investments through this package. When combined with our 2010-11 Budget and election commitments, which deliver \$624.0 million in funding for services over the same five year period, this represents a total commitment of \$2.2 billion over five years for mental health services.

In line with the Government's fiscal rules and strategy, all of these investments are offset by genuine savings. These include a redirection of \$580.5 million from the Better Access program to the measures outlined above, achieved through:

- reducing the Medicare rebate for GP mental health care plans, to better match the time usually taken for the completion of a plan, while maintaining an incentive for GPs to complete Mental Health Skills Training; and
- capping the total number of allied psychological consultations available each year under the program at 10 rather than 12, reflecting the fact that the Better Access program is aimed at providing treatment to those whose needs are not most acute.

A recent evaluation of this program showed that while the Better Access program has improved treatment rates for people with mental health disorders such as anxiety and depression, many of the most disadvantaged Australians are still not accessing the services they need. In the current fiscal environment, it is appropriate to redirect a proportion of the more than \$4 billion which is otherwise projected to be spent on this program over the next five years, to services which are targeted to those people most in need.

All these investments and program reforms aim to give Australians who suffer from poor mental health quick access to appropriate support and the best chance to recover, stabilise and stay well in the community.

The Government's comprehensive strategy is founded on the evidence of what works, and follows extensive consultations with the mental health sector and the community.

These investments in more services, better targeted services, and better coordinated services, will make a real, practical difference to the lives of Australians with mental illness.

THE CHALLENGE

Mental illness in Australia is a large and complex problem. Nearly one in three Australians - an estimated 32 per cent of the population - will experience a mental illness at some stage in their lives. When alcohol and drug disorders are included, this rises to 45 per cent. Mental illness is the single largest cause of disability in Australia.

Analysis of the 2007 Australian Bureau of Statistics Survey of Mental Health and Well-Being shows that, each year more than 17 per cent or 3.8 million Australians experience diagnosable symptoms of mental illness, for either brief or extended periods. Unlike many illnesses with a similar disease burden mental illness affects people across their lifetime - it affects children, teenagers, parents and older people. For anxiety and affective disorders such as depression, two-thirds of people have their first symptoms before the age of 21 years. Mental illness accounts for 24 per cent of the burden of non-fatal disease and remains the biggest risk factor for suicide.

Around two million Australians with mental illness do not receive any mental health care. And it's the most vulnerable - people in rural and regional areas, Indigenous Australians, men, young people and disadvantaged groups - who are among the least likely to seek treatment.

The challenges are many and include:

- people with mental illness, families, carers and providers not knowing where to find the support they need;
- services that are either not connected - leading to people falling through gaps - or which overlap and duplicate resources;
- lack of early intervention and prevention services for children and young people;
- the need for more care services for people with severe and debilitating mental illness, including accommodation support services to help prevent the cycle of crisis-driven rehospitalisation and high levels of homelessness for people with mental illness;
- insufficient support for people with mental illness to participate in work or community life and who may be suffering discrimination and stigmatisation;
- inadequate support for mental health carers, who can suffer crippling isolation and are at risk of poor health themselves; and
- the need for greater transparency and accountability in the investments governments make.

Moreover, the impact of mental illness goes well beyond a person's immediate health and wellbeing. Untreated mental illness can mean reduced employment, family breakdown, homelessness and suicide. And the burden extends beyond the individual to family and friends. Mental illness causes significant economic and social costs:

- Mental health has a sizeable impact on lost productivity. This includes both those suffering from severe mental health conditions who are outside the workforce and those in the workforce with untreated mental illness.
- Mental disorders are projected to account for about 370,000 lost 'healthy life' years (disability-adjusted life years - DALY) in 2010, more than 13 per cent of Australia's total burden of disease and injury.

Mental illness impacts on people in different ways and at different levels of severity, as defined by the type of condition, intensity of symptoms and when they occur.

- People who typically experience mild to moderate levels of impairment due to mental illness can still experience periods when they are severely affected. This impacts on their capacity to participate in education and employment and maintain relationships and social connections.
- About 600,000 Australians have a severe and debilitating mental illness which has an adverse impact on their ability to live independently and participate economically and socially, as well as significantly impacting their families and carers.

Mental health is a complex system of treatment, care and support, requiring the engagement of multiple areas of government (health, housing, income support, disability, education and employment). Moreover, the Commonwealth and state governments, and non-government sector, all deliver programs for people with mental illness. Both these factors make building a coherent system of care a challenging task.

The good news is at least a quarter of mental health problems in adults are potentially preventable through treatment, support and others factors during childhood and early adolescence, such as being in a supportive, positive environment. Additionally, short term psychological therapies such as cognitive behaviour therapy are internationally recognised to reduce the impact and duration of common mental illness of mild to moderate severity. Such therapies present an alternative or, for some, an effective adjunct, to pharmaceutical management.

Recently, progress has been made. The Government's 'Better Access to Psychiatrists, Psychologists and General Practitioners' ('Better Access') initiative through the Medicare Benefits Schedule (MBS) has enabled more people with less disabling mental illnesses to receive affordable treatment. This helps to keep them engaged with friends, family and employment. The recently released evaluation of Better Access indicates that the initiative has increased access to treatment from 35 per cent in 2007 to an estimated 46 per cent today. However, the evaluation also showed that many vulnerable groups are missing out, such as people in rural and regional Australia and low income areas, Indigenous Australians, men, young people under 25 and other disadvantaged groups.

The challenge remains to provide the right mix and level of mental health services when people need them, and to remove the barriers and stigma that prevent people with mental illness, their carers and families from asking for help.

SEVERE AND DEBILITATING MENTAL ILLNESS

Despite previous attempts at reform and investment by governments, too many people with severe and debilitating mental illness are still not getting the support they need, don't know where to find it, and are falling through the cracks in the system. The families and people who care for them struggle with a system which often causes them frustration and even despair.

The great majority of people with severe mental disorders are connected to a mental health service in some form, but few receive the coordinated, multidisciplinary support they require to achieve lasting results. This group needs a mix of quality clinical services, non-clinical and social support, including stable, supported housing that is sensitive and appropriate to their individual needs.

Lack of integration and coordination between services is regularly cited as contributing to people falling through the cracks. State and territory governments ('states') play an integral role in providing acute care, housing and accommodation, education, justice and social supports. However, they vary in the range and type of services they offer. This results in people with the same illness and needs receiving services based on local availability rather than what they may need.

BETTER TARGETED AND MORE EFFICIENT PRIMARY MENTAL HEALTH SERVICES

Around 3.1 million Australians with mental illness experience anxiety and affective disorders of mild to moderate severity. In contrast to people who experience severe and debilitating symptoms, many people with less disabling mental illness do not access any mental health services. This adversely impacts on their capacity to live their lives. Treatment rates for people with mental illness are improving, but are still substantially lower than for other physical conditions with a comparable disease burden (an estimated 46 per cent compared to 80 per cent for arthritis and asthma).

Approximately two million Australians with mental illness who may benefit from services do not receive them. The Better Access initiative has had some effect in treating more people, but as the evaluation mentioned earlier found, certain population groups continue to miss out.

EARLY INTERVENTION AND PREVENTION, AND MENTAL HEALTH SERVICES FOR CHILDREN AND YOUNG PEOPLE

Around 15.4 per cent of all children and adolescents (those aged up to seventeen years) have a mental disorder.

The best chance of preventing mental disorders or providing early intervention to minimise the impact of mental illness across the lifetime is during childhood. Untreated conduct disorders in childhood significantly increase the social and economic costs to the individual and the community later in life, including through the criminal justice system.

The effectiveness of early intervention is poorly recognised in the current system and schools and early childhood services are generally ill-equipped to identify problems early and intervene effectively. Additionally, the child mental health services in Australia that do exist can struggle to bridge the gaps between health and the settings where children spend much of their time – education or child care.

For adolescents, mental illness is a significant risk factor for not completing secondary school and subsequent study or employment. It is also a risk factor for longer term mental and physical health outcomes, as well as impacting on their families, friends and others around them.

However, only twenty-five per cent of young people with mental illness access services, and for most there is a long delay between the start of symptoms and when they receive help. Young people are hard to reach, as they don't necessarily make regular visits to traditional medical or community health services. Furthermore, young people are not always comfortable with the available models and types of care provision. That's why the Government has been focusing on services such as headspace, EPPIC and KidsMatter that are designed to reach out to children and young people.

Untreated mental illness contributes to a significant and tragic burden of suicide for young Australians, particularly young men. Mental illness remains the biggest risk factor for suicide. In 2009, over three-quarters (76.6 per cent) of suicides were males, making suicide the 10th leading cause of death for males and the 14th leading cause of death overall. Although death by suicide accounts for a relatively small proportion (2 per cent) of deaths overall, in 2009 suicide accounted for 22 per cent of deaths for males aged 15-24 years.

Government funding for initiatives such as Better Access, headspace and suicide prevention has had some success, but young Australians still need better access to more services to minimise the toll of mental illness on their lives and their families.

ECONOMIC AND SOCIAL PARTICIPATION FOR PEOPLE WITH MENTAL ILLNESS

The lost productivity and social exclusion caused by mental illness is significant and presents a powerful imperative to do better. Australia's employment of people with mental illness compares poorly to other developed countries. Around 83 per cent of people without disability participate in the labour force but the participation rate for those with mental and behavioural disorders is just 42 per cent.

At the same time, the proportion of Disability Support Pension (DSP) recipients with a primary psychological or psychiatric condition has grown by 76.1 per cent in the past 10 years – more than twice the rate of overall DSP growth. Expenditure through the DSP for people with mental illness in 2009-10 was estimated at more than \$3 billion. Lost productivity for this group is an estimated \$9.7 billion annually.

Added to this is the productivity loss from those who are in the workforce but for whom there is absenteeism or reduced functioning as a result of a mental health condition – estimated at \$5.9 billion annually.

ADDRESSING SERVICE GAPS IN STATE AND TERRITORY SYSTEMS

The Australian Government has identified significant service shortfalls, which impact on the ability of Australians with mental illness to receive assistance and recover in the community. An analysis of state data suggests that, nationally, only approximately a quarter of the demand for supported accommodation services is met. Such services are linked to clinical support and help reduce the number of people having to go to hospital emergency departments, particularly for avoidable reasons.

There is also a shortage of clinical specialist mental health services in the community to help people manage their illness and recover in the community. There is only 62 per cent of the estimated number of workers required to deliver services, and inadequate capacity in specialised child and adolescent services and crisis response services, both run through the states and territories.

This shortfall is producing a crisis-driven mental health system in which people are turned away from services until they are unwell enough to warrant hospital admission. The acute system is not well equipped to meet both the health and non-health needs of an individual.

QUALITY, TRANSPARENCY AND ACCOUNTABILITY IN MENTAL HEALTH

Public confidence in the mental health system has been diminished as a result of the system's inability to reach and look after everyone who needs care, when they need it. People living with mental illness, their families and carers need to have confidence that the Government's reforms are being delivered, and that mental health services they receive are consistent with best practice.

Mental health experts, consumers and carers want to see more independent, transparent and 'user-friendly' reporting on mental health reform, and have called for a greater role by the Australian Government in this area. In particular, concerns have been raised that current reports focus on activity level data and expenditure associated with health programs only, and do not include consumer outcomes and experiences.

A NEW APPROACH – A TEN YEAR ROADMAP FOR MENTAL HEALTH REFORM

The Australian Government will provide national leadership to deliver a mental health system that gives Australians with mental illness timely access to support, and the best chance to recover, stabilise and stay well in the community.

The Government will make immediate reforms to Australia's mental health system to boost early detection and treatment and improve how services work together. These reforms will also increase the number of services available for people in the short term.

The reforms focus on five key areas, identified after a thorough review of the evidence and informed by expert stakeholders drawn from the range of services needed by people with mental illness:

1. better care for people with severe and debilitating mental illness - who are amongst the most disadvantaged people in our community;
2. strengthening primary mental health care services;
3. prevention and early intervention for children and young people;
4. encouraging economic and social participation, including jobs, for people with mental illness; and
5. improving quality, accountability and innovation in mental health services.

Through this Budget, links between new and existing services will be improved by clearly putting the consumer, not bureaucratic process, at the centre of the mental health system. This means that no matter where someone enters the system, they will be connected to the services they need. Instead of an episodic and isolated approach to care, people will access appropriate treatment and support through the continuum of their illness.

The reforms have been developed with particular reference to what we know works – for example, models of youth-friendly mental health services; the clinical effectiveness and accessibility of e-Mental health services; the ability of the Access to Allied Psychological Services program to meet needs in hard to reach groups; the success of social support services to reconnect people back in the community, and the growing body of evidence for early intervention in childhood development.

The reforms also build on the considerable investments already made by the Government in the past eighteen months - in tackling suicide, expanding headspace mental health services, and underwriting more subacute beds, for example.

Other reform agendas being implemented by this Government are also linked with these measures, including broader health reforms, tackling homelessness, and better support for carers and those with disabilities – recognising that the needs of people with mental illness span multiple areas of government.

We recognise that the Australian Government, states and territories, non government organisations and the private sector all deliver mental health programs. While the overarching objectives of these programs are often quite similar, there is very little in

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the way of formal links across and between programs which leads to inefficient service delivery through requiring duplicative processes. It can also be a fragmented system which individuals find hard to navigate, and uncertainty over which agency or which program is responsible for which aspect of an individual's support and care. Individuals and providers aren't interested in which government department is supposed to be funding a service, they just want to know that the service is available when and as it is needed.

The Commonwealth will exercise national leadership – putting its own house in order through these immediate reforms, while giving states and territories an incentive to dedicate more resources to the mental health system through a new National Partnership. This will target the priority areas of accommodation support and presentation, admission and discharge from hospital, particular emergency departments.

The measures in this Budget will carry us a significant way towards the goal of an effective, responsive mental health system. But we know this cannot be completed without time, sustained focus and sustained investment, including in areas that have not been identified as immediate priorities.

The Government's vision for change will be developed into a ten year Roadmap for Mental Health Reform. The Government will engage with expert stakeholders and states and territories to inform development of the full Roadmap, which will be completed later in 2011 as the concrete expression of the Government's reform directions.

The Roadmap will set out what Australia's mental health system should look like in ten years, and the main steps involved in reaching this goal. It will guide future reform, as the measures funded through this Budget are bedded down and their effects evaluated.

Achieving this vision will require support, engagement and collaboration across all levels of government, non-government organisations, individuals and providers. The foundations for reform build on what we currently have that is working well, but also pave the way for new and innovative opportunities in the future by providing a framework and plan for future investment in mental health.

PRIORITIES AND NEW INITIATIVES

The Government has consulted widely with experts in the health and non-health fields, including through a time-limited Mental Health Expert Working Group, informed by robust Australian and international research. The Government also established a senior level advisory committee within government that spanned across a wide range of relevant portfolios and which reported to heads of Departments. The Minister for Mental Health and Ageing has travelled the country since his appointment, hearing directly from mental health consumers, carers and service providers about their experiences. This advice has informed the development of the following reforms and will shape the ten year reform roadmap to be finalised later this year.

IMPROVING OUTCOMES FOR PEOPLE WITH SEVERE AND DEBILITATING MENTAL ILLNESS

There are around 60,000 Australians currently living with severe, persistent and debilitating mental illness who have complex needs and face significant obstacles participating in society and social or vocational activities. Meaningful activity and social connectedness are important to quality of life and recovery.

Many of these individuals primarily receive treatment and other services from state governments, but the Australian Government also provides some social support programs and underwrites some private-sector services for this group. Yet the system remains ineffective for too many of these vulnerable Australians, with the onus on them, their families and carers to seek out the services that are needed instead of the services revolving around the individual.

The Australian Government will make structural changes to better link existing services for many people with persistent symptoms and complex needs, to help break the cycle of hospitalisation and unplanned readmission and the associated high costs of care. A flexible funding pool will help address gaps in service availability for these individuals. At the same time, the Government will increase its investment in the social support programs helping people with severe and debilitating mental illness in practical ways.

Budget Measure: Coordinated Care and flexible funding for people with severe, persistent mental illness and complex care needs - \$343.8 million over the next five years

Currently the mental health system is confusing and people don't know where to get help. What services they get – particularly the sickest who have the most complex needs – is a lottery and they often don't get all the services they need.

This measure will provide a single point of contact – a Care Facilitator – for around 24,000 people with severe and persistent mental illness and their families. Care Facilitators will be responsible for ensuring all of the patients' care needs, clinical and non-clinical, and as determined by a nationally consistent assessment tool, are being met.

The Care Facilitator will be part of a regional organisation identified through a tender process using Medicare Local boundaries. Eligible organisations are expected to be drawn from Medicare Locals and other non-government organisations. Care Facilitators will have access to a flexible pool of funds to help fill service gaps, but the majority of services will come from existing Australian Government and state programs, such as Medicare subsidised psychiatric consultations, the Personal Helpers and Mentors (PHaMs) services and state specialist mental health services.

The nationally consistent assessment process and multi-agency agreements for individuals with severe and debilitating mental illness will be developed as part of this measure to bring the different Government funded agencies together to provide coordinated care to these Australians. This will mean that, for the first time, there will be a single consistent way of measuring an individual's needs which will link to an integrated and coordinated care experience to support people to get the services they need when they need them.

The Australian Government's existing commitments to 'Flexible Care Packages' will be redirected to the flexible funding pool to be held by Care Facilitators under this new measure (excluding 2011-12 funding for the original 'Flexible Care Packages' which will still be rolled out through the first Medicare Locals).

Budget Measure: Expanding the Support for Day to Day Living program to meet demand for services - \$19.3 million over the next five years

The Australian Government's Support for Day to Day Living in the Community program is targeted to assist people with severe and debilitating mental illness that profoundly affects their ability to work and care for themselves. The program is delivered through non government organisations and is very successful at reducing social isolation through structured and group based activities designed to improve skills for independent living.

Currently, this program assists approximately 11,000 people per year, although demand for places is now exceeding supply. Through this Budget the program will deliver additional services to 18,000 people over five years.

Budget Measure: Expanding community mental health services – more Personal Helpers and Mentors and respite services - \$208.3 million over the next five years

The Australian Government will invest \$154 million over five years for community organisations to employ 425 new personal helpers and mentors. Personal Helpers and Mentors (PHaMs) services provide intensive, one on one support for people with severe and persistent illness to support recovery, reduce social isolation and improve employment outcomes.

Personal helpers and mentors provide practical assistance to people with severe mental illness, to set and achieve personal goals such as finding employment, improving relationships with family and friends, and managing everyday tasks like using public transport or housekeeping.

As part of this expansion, \$50 million will be allocated to provide personal helpers and mentors to specifically help people with mental illness on, or claiming, income support or the Disability Support Pension who are also working with employment services.

Funding of \$54.3 million for extra mental health respite services will also give about 1,100 families of people with a mental illness greater access to flexible respite and support services over the next five years.

Over five years an additional 3,400 people with severe mental illness and 1,100 of their families and carers have access to care coordination, respite and social rehabilitative support through a personal helper or mentor.

These significant investments will provide the foundation for our longer term vision, where all individuals with severe and debilitating mental illness are supported through the provision of the right mix of services regardless of their contact point with the mental health system.

The Australian Government will also engage with states and territories to work collaboratively on addressing service gaps. Improved coordination of and availability of services throughout the primary and acute health care, non clinical, and education and employment sectors will better support individuals to recover in the community and remain (or return) to education or employment.

STRENGTHENING PRIMARY MENTAL HEALTH CARE SERVICES

The Commonwealth Government's major responsibility in the mental health sector is primary mental health care, which is largely targeted to the needs of approximately three million people with common mental disorders such as anxiety and depression. By providing the right mix of well-connected services in their local community, people with less persistent symptoms and less complex needs have a better chance of leading productive lives, participating in the community and staying well.

The Better Access initiative (Better Access) has been instrumental in improving the proportion of people with mental illness who use mental health services, by encouraging General Practitioners to work collaboratively with allied mental health providers. In 2007, only 35 per cent of people with a mental health disorder in the previous 12 months were estimated to have accessed treatment. In 2010, this had

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grown to an estimated 46 per cent, predominantly as a result of the Better Access initiative. Over two million people have benefited from services since its commencement in 2006.

A comprehensive program evaluation of the initiative has now been conducted showing that the program is increasing the community's access to mental health care. But while the evaluation shows that access for hard to reach populations has improved to some extent, those groups traditionally less well served by Medicare (such as Indigenous Australians, those in regional Australia and people on low incomes) continue to miss out on the mental health services they need. The cost of the Better Access initiative is large and growing quickly.

The Access to Allied Psychological Services (ATAPS) program has proven itself effective at reaching people in these groups, but funding constraints have limited the program's ability to fill more of these gaps.

Primary mental health care services will be reshaped to increase treatment rates and offer a broader range of service pathways, building on the Government's clear commitment at COAG to fast-track initiatives to strengthen primary health care and to develop Medicare Locals with an integral coordinating role.

The Australian Government will continue to support people to see a psychiatrist, psychologist, mental health social worker or occupational therapist when they need one through Better Access, with some changes to improve the cost-effectiveness of the initiative. The Government will continue to drive improved access to primary mental health care through a major expansion of ATAPS, and improving awareness and use of evidence-based online psychological therapies which provide self help and low-intensity treatment. In addition, we will continue to provide support to access psychiatrists through general Medicare rebates.

Budget Measure: Expansion of ATAPS - more services for children and families, Indigenous people and other hard to reach populations - \$205.9 million over the next five years

The Government is allocating an additional \$144.0 million over the Forward Estimates period to ATAPS so that children and their families, Indigenous people and other hard to reach populations will be better able to access psychological services. Funding will grow to \$205.9 million over five years. This represents a doubling of current investment for this program.

This measure builds on the Government's National Health Reform priority to strengthen primary care and keep people well in the community. Medicare Locals will coordinate and be fund holders for ATAPS services.

ATAPS has proven it can reach groups who have difficulty in accessing mental health services and demand for ATAPS is increasing. Many people being referred for services are being put on waiting lists due to funding constraints. This growth in demand is expected to continue in the long term as some people directly affected by disasters such as cyclones, floods and bushfires experience significant distress which, if prolonged, may lead to mental illness.

Through this measure, over 180,000 people will receive services through ATAPS, including children with mental illness and their families, Aboriginal and Torres Strait Islander people, and additional people from other hard to reach locations or groups.

Budget Measure: Establishment of a single mental health online portal - \$14.4 million over the next five years

Online therapy - e-therapy - is a clinically proven and cost-effective way of treating mild to moderately severe depression and anxiety disorders - the bulk of mental illness affecting about 3.1 million Australians each year. For some people, e-therapy is enough to put them back on track and learn coping strategies, without needing any or many face-to-face services.

However, the uptake of e-mental health programs is low. Current treatment websites are poorly signposted and not well connected with the broader health system. To fix this, the Government will spend \$14.4 million over five years to establish an online national mental health portal.

This single portal will bring together and consolidate the often scattered websites and telephone services currently available and provide an additional avenue to traditional face-to-face services. It will guide people to programs most suited to their needs, from self directed programs and clinician assisted support through a 'virtual clinic'. As a result, about 45,000 additional people will have access to web-based therapies over five years.

Training and resources for the delivery of e-treatment within general practice will also be established together with electronic mental health training and support for Aboriginal Health Workers and other clinicians in remote areas.

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To build a more equitable and effective system of primary mental health care, the Government will act to increase the cost-effectiveness of the Better Access initiative, which will allow some funding to be redirected into the ATAPS program (which is more effective at meeting the needs of hard-to-reach groups) and other measures in this package that will benefit more Australians with mental illness.

These changes are being guided by the evidence of actual General Practitioner activity and the evaluation of the initiative.

Budget Measure: Adjustment to the Better Access Initiative - Two tiered rebate for treatment plan sessions – saving \$405.9 million over the next five years

In this Budget, the Government is recalibrating rebates for General Practitioners (GPs) who provide Mental Health Treatment Plans under the Better Access initiative. The change is based on data showing the actual time taken for GPs to complete the plans.

Analysis of Bettering the Evaluation and Care of Health program data indicated that over 80 per cent of GP Mental Health Treatment Plans under Better Access were being completed in less than 40 minutes, with the median consultation length being 28 minutes.

The Government will create two tiers of rebate for GP Mental Health Treatment Plans, of less than 40 minutes and 40 minutes or more, and bring the rebate closer to that applying for standard consultations of the same length.

The Government will maintain its incentive for GPs who have completed mental health skills training in order to continue to encourage quality and GPs to engage with patients who require mental health treatment.

Budget Measure: Cap Allied Health sessions to 10 from 12 – saving \$174.6 million over the next five years

Data shows that almost three-quarters of patients who accessed allied health services under the Better Access initiative needed only between one and six services a year – not the twelve that are currently on offer. The average number of allied mental health services received after a GP Mental Health Treatment Plan is five.

This measure will cap allied mental health services available under the Better Access initiative at 10 sessions per patient per calendar year. Savings will be reinvested in other mental health services that target particularly hard to reach and vulnerable groups, who continue to miss out on mental health services, such as the homeless, Indigenous Australians, regional and rural Australia and those Australians with severely disabling mental illness and complex care needs.

87 per cent of current Better Access users receive between one and 10 services and will be unaffected by this change.

This adjustment also recognises that individuals requiring more than 10 allied mental health services sessions may be experiencing more severe symptoms and may not necessarily be ideally suited to treatment through a universal Medicare scheme like Better Access, but rather could benefit more through referral to more appropriate mental health services such as Medicare-subsidised psychiatrist consultations or state services for people with severe and debilitating mental illness.

The Government will, through these measures, continue to improve access to mental health services, including by harnessing technology, particularly for at-risk and disadvantaged groups who are currently missing out. Through better targeted and more efficient mental health services individuals will be supported to maintain full and healthy lives across the lifespan and in remote, regional and urban areas.

STRENGTHENING THE FOCUS ON THE MENTAL HEALTH NEEDS OF CHILDREN, FAMILIES AND YOUTH

The Australian Government will strengthen its focus on prevention and early intervention, especially for children and young people, through creating partnerships between family support and health services and expanding on a significant scale proven models of mental health care such as headspace and Early Psychosis Prevention and Intervention Centres (EPPIC).

Inadequate prevention and early intervention investment is contributing to a lifetime of disadvantage caused by chronic mental illness. We know that when the signs of mental illness are identified early in very young children and they are supported with appropriate services, children are more likely to develop resilience and learn life skills that support them to participate fully in society as they grow up.

The Government will approach mental illness for children and young people on two fronts. One is through additional, proven mental health facilities aimed at youth, covering the spectrum from prevention and connection to treatment for less severe conditions, to dedicated centres to improve the lives of young people experiencing psychotic illness. These measures will also complement the expansions of the Access to Allied Psychological Services (ATAPS) program and access to e-mental health psychological therapies.

Secondly, by providing greater opportunities to assess children's social and emotional development and helping their families access assistance through a universal three year old health check, providing training for a variety of professionals in education and early childhood, providing additional targeted early intervention services, and enhancing data collection to help target further interventions.

The following package of measures will provide clearer referrals to help families, and more services for children and their families, including the vulnerable and at-risk.

Budget Measure: Health and Wellbeing Check for 3 year olds and Expert Group in Child Mental Health - \$11.0 million over the next five years

Intervening early means building strong and resilient children, and avoiding behavioural or mental health issues that can persist for the rest of a person's life. Internationally renowned experts are telling us there is a growing body of evidence showing that you can identify kids with (or at risk of) conduct disorders or poor development very early – from three years old.

The Government will establish an Expert Group to advise on the inclusion of an evidence-based mental health and wellbeing check as part of the current Healthy Kids Check for three and four year old children, and map child mental health services nationally for inclusion in the National Health Call Centre Network.

This measure is complemented by additional child and family mental health services through the expanding ATAPS program.

Budget Measure: Family Mental Health Support – 40 additional services - \$61.0 million over the next five years

The Government will increase from 40 to 80 the number of Family Mental Health Support Services (FMHSS). These services operate alongside family relationship services and provide a way for families to get help for their children who are suffering from, or at risk of mental illness, outside of the clinical mental health system.

These new support services will provide more than 30,000 children and young people with, or at risk of mental illness with support such as counselling, and support in their own home to help them attend school and build better relationships with family and friends.

The new services will also actively work with schools, and other key agencies including Centrelink, state child protection and child and adolescent mental health services where families and children need more assistance.

Budget Measure: Australian Early Development Index (AEDI) – Ongoing national implementation - \$29.7 million over the next five years, at no net cost to the Budget

The Australian Government has committed to ongoing three yearly cycles of the Australian Early Development Index (AEDI). This represents an investment of approximately \$28 million every three years.

The AEDI is a population based measure of how children have developed by the time they start school across five areas of early childhood development: physical health and wellbeing, social competence, emotional maturity, language and cognitive skills, communication skills and general knowledge.

The AEDI was implemented nationally for the first time in 2009 and was a key component of the Australian Government's early childhood reform agenda. The AEDI has also been endorsed by COAG as a national progress measure for early childhood development.

The Government's ongoing commitment will enable data to be collected nationally every three years (2012, 2015, 2018 etc) from approximately 270,000 children in their first year of full-time school.

The AEDI results will provide governments and communities with the information they need to inform policy and planning around early childhood development. Key information about children's mental health and wellbeing will be collected through data on their social, emotional, behavioural and physical development which will be linked to the communities in which they live.

The AEDI data will be publicly available for around 96 per cent of Australian local communities, including regional, remote and Indigenous communities. The results will be provided through a national report, online community maps and community profiles. Researchers will also be able to access the AEDI dataset and undertake data linkage activities with other datasets.

This initiative includes funding for AEDI State and Territory Coordinators and AEDI Local Champions. AEDI Coordinators will continue to work directly with communities, schools, teachers and government agencies to support participation and engagement with the AEDI. AEDI Local Champions will work directly with local community groups and service providers to support early childhood initiatives within nominated communities.

Budget Measure: Social Engagement and Emotional Development (SEED) survey of children aged eight to fourteen years - \$1.5 million over the next five years, at no net cost to the Budget

The Government will invest in the development of national data specifically for young people in their middle years through a SEED survey for 8 – 14 year olds.

The survey will:

- Use repeated open-ended group and individual interviews with a small number of children to identify dimensions of wellbeing among children and young people in the middle years, especially those who experience disadvantage.
- Use these qualitative data to contribute towards development of an internationally comparable school based survey to measure Australian children's wellbeing in the 'middle years'. The survey will likely be administered by children themselves, using a computer interface.
- Analyse the survey data to understand patterns and variation in Australian children's wellbeing across groups and in international comparison, with a particular emphasis on children who experience disadvantage; and to propose how policy can more effectively support 'whole-child' approaches to improving Australian children's wellbeing.

The national middle year's survey is intended for repeated long term use and will monitor trends in children's wellbeing in the middle years, among different groups of Australian children, and among Australian children in international comparison.

This measure will support early identification and intervention and will inform future policy to respond to the social, emotional and mental health needs of children and young people in their middle years.

Budget Measure: headspace – funding to provide additional and sustainable youth mental health centres and reduce waiting times - \$197.3 million over the next five years

Only 25 per cent of young people with mental illness access services, and for most there is a long delay between the start of symptoms and when they receive help. *headspace* is an evidence-based model of proven effectiveness for delivering mental health services for people between 12 and 25 years of age, but existing services cannot keep pace with demand.

Currently there are 30 operating *headspace* sites, and the 2010-11 Budget provided funding for up to 30 additional sites. Of these, the locations and lead agencies for the first 10 new sites have already been announced.

In this Budget, we are building on current funding and providing full national coverage of *headspace* services – taking the total to 90 sites across the country. We are also increasing funding for all *headspace* services, so they can support more young people each year. Through national coverage, *headspace* will be able to help up to 72,000 young people each year – more than tripling the existing service capacity.

Budget Measure: Additional Early Psychosis Prevention and Intervention Centres (EPPIC) - \$222.4 million over the next five years

Presently, youth psychosis is not well managed, with scarce specialist assistance and lengthy delays between the first experience of symptoms, diagnosis and services actually being delivered. Intervening early allows young people to get the specialist clinical care they need and to stay in or resume education or employment, and better manage their illness – instead of leading to a lifetime of isolation. The EPPIC model – an Australian innovation – has been taken up internationally.

The Government committed to fund four additional EPPIC sites through the 2010-11 Budget, in partnership with interested states and territories. Through this Budget, the Government will seek to engage states and territories to share the cost of 12 additional sites, and ensure that all sites are supported to offer the full range of community care services to keep people at home and out of hospital.

A total of 16 EPPIC sites nationally will have the capacity to assist more than 11,000 young Australians with, or at risk of developing, psychotic mental illness; promoting an early and positive experience of managing mental illness and protecting them from poor education and employment outcomes, homelessness and other forms of disadvantage.

These measures illustrate the significant steps of the Government's ten year commitment to improving prevention, referral and service for children and young people with mental illness.

Our aims, over time, are to ensure that:

- children are given the opportunity by the age of five years to reach desirable emotional and developmental milestones, and are ready to learn by the time they start school;
- children under 12 with emerging childhood disorders (and their families) such as conduct disorder and anxiety disorders will receive prompt and specialised treatment;
- vulnerable children and young people up to 16 years at risk of mental illness or showing early signs of mental illness will receive services with their families if appropriate tailored to their needs;
- teachers, parents and the education community have the knowledge and capacity to recognise risks to mental health behaviours and to support student resilience and wellbeing; and

- National coverage of headspace and EPPIC sites will reduce delays in accessing treatment for the spectrum of mental disorders experienced by young people, and ensure that young people are able to reach out to mental health professionals and other support workers who understand their issues.

A NATIONAL PARTNERSHIP AGREEMENT ON MENTAL HEALTH

The Australian Government's mental health specific program responsibilities span mental health prevention and promotion, primary care services, workforce development, community based social support, employment and education support, and programs to target the needs of specific populations with mental illness.

The key role of states and territories in mental health care is providing specialised community mental health services and inpatient care, which is principally provided to people with severe mental illness. Many individuals who use these services require treatment in an inpatient setting at some stage in their lives. Their need for care and support spans clinical services, community support, stable accommodation, and support to engage in education and employment where they have capacity to do so.

States and territories also provide the majority of non-government organisation (NGO) based support programs for people with mental illness, and by far the majority of clinical and accommodation services for people with severe and debilitating illness.

State and territory service systems share much common ground but differ in significant ways, such as the availability of services and which aspects of the mental health system have been identified as priorities in that state. States and territories have increased their investment in mental health in recent years, including through the COAG National Action Plan on Mental Health 2006-2011.

Under National Health Reform, all governments have agreed to work in partnership to fund 50 per cent of the efficient growth in public hospital services from 2014-15, including public hospital services delivered in the community. The Australian Government's reforms will take pressure off state and territory hospital systems, which are currently the default providers of treatment for many Australians with severe mental illness.

Building on this, the Australian Government will take a national leadership role in encouraging states and territories to improve their mental health systems and to ensure a better response to the needs of people with severe and debilitating mental illness so they stay well and lead functional lives. This includes accommodation support and the hospital interface, particularly emergency departments.

The investment in accommodation support under this National Partnership on mental health will complement the Government's commitment to spending more than \$5 billion to address homelessness, including building thousands of new homes for people who are homeless and increasing support services. Mental illness is both a risk factor and a potential outcome of homelessness, and this investment will help to break the cycle of homelessness among people suffering from severe mental illness.

Budget Measure: A National Partnership Agreement on Mental Health - \$201.3 million over the next five years

The Commonwealth will negotiate a National Partnership Agreement with the states and territories ('states') to help improve state services, particularly in the priority areas of accommodation support and presentation, admission and discharge planning in emergency departments.

States will competitively bid for funds from a common pool, with funding not guaranteed for any state. This also recognises that where there are service gaps they are not uniform across states. Improvements will be measured according to clear outputs and outcomes.

Details will be negotiated with states, with the National Partnership to be finalised by COAG in 2011. COAG has agreed to consider mental health this year. This funding is not intended to fully fund the existing gaps in the system, but to provide an incentive to address known shortfalls and increase states' accountability.

The measure will particularly benefit people with severely disabling, persistent mental illness, who are frequent users of emergency departments and need stable accommodation as a cornerstone to keeping well and breaking the cycle of hospitalisation and homelessness.

INCREASED ECONOMIC AND SOCIAL PARTICIPATION BY PEOPLE WITH MENTAL ILLNESS

One of the most detrimental features of mental illness is the impact it has on a person's ability to participate economically and socially through employment and education, and in society more generally. We know that active participation in these aspects of life is important in improving outcomes for people with mental illness.

People with mental illness that are not participating in work and education, or who are disconnected from social relationships can enter a cycle that finds them marginalised and increasingly reliant on income support, with adverse impacts on their mental health.

With the introduction of Job Services Australia (JSA) and Disability Employment Services (DES) there has been an improvement in the service to people with mental illness. In particular, there has been an increase in employment outcomes for people with mental illness participating in DES. As at 31 December 2010 31 per cent of participants in DES had a primary disability of mental illness. Thirty three per cent of the total job placement outcomes achieved in DES were achieved by job seekers whose primary disability was mental illness. Eighty three per cent of JSA job seekers with a mental health condition are in the highest support Streams 3 and 4.

Major new initiatives to improve assistance for job seekers, including those with mental illness, are included in the *Building Australia's Future Workforce* Package and reforms to employment services from 2012. These include the expansion of funding for training and flexible supports for job seekers as well as new, expanded wage subsidy programs for job seekers with disability. Measures to improve assistance to

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those who have been very long term unemployed will greatly advantage job seekers with mental illness who are disproportionately represented in that population.

This proposal complements these major initiatives by expanding and building on the current services available, working with employment services providers and employers to raise awareness of the benefits of employing people with mental illness and building on the work already being done to improve outcomes.

Budget Measure: Increased employment participation for people with mental illness - \$2.4 million over the next five years plus substantial new investment in the *Building Australia's Future Workforce* package

A flexible whole of system partnership approach that includes the involvement of all players is crucial to improvements in overall outcomes for people with multiple disadvantage such as mental illness.

Job seekers with mental illness are supported by significant Government investments in employment services. As at June 2010 there were 96,000 job seekers identified with a mental health condition on the caseloads of these Job Services Australia (JSA) and Disability Employment Services (DES), comprising 10 per cent of the total caseload. Around 85,000 (88 per cent) of these job seekers receive the highest levels of support in employment services - either in Stream 3 or 4 of JSA or through DES. The Government has invested a total of \$6.4 billion in employment services over the current contract.

In addition, there is a range of new initiatives for employment services in *Building Australia's Future Workforce* package to assist disadvantaged job seekers, and people on the Disability Support Pension (DSP), to participate in the workforce, many of whom have mental illness.

Key initiatives are:

- New participation requirements for people under the age of 35 years on the DSP with some work capacity to encourage them to engage in work, training and other community activities. DSP recipients with some work capacity will be required to attend regular participation interviews and be referred to employment and other services where appropriate.
- New rules to allow all people on the DSP to work up to 30 hours a week for two years without affecting DSP qualification.
- Greater assistance for very long term unemployed, of whom 17 per cent (almost 47,000) are estimated to be job seekers with mental illness. To support new participation requirements for this highly disadvantaged group, a new \$1,000 payment will be provided under the Job Services Australia Employment Pathway Fund. This will provide greater assistance for training and support services.
- A new wage subsidy of around \$250 per week for six months will be provided to support entry into employment for very long term unemployed JSA and DES participants. Disability Employment Services will also be able to access a new enhanced wage subsidy providing employers with \$3,000 and at a total cost of \$11.3 million.

To complement these major reforms the Government will invest an additional \$2.4 million over five years on a number of specific measures to further increase the economic and social participation of people with mental illness.

The first component will build the capacity of employment services providers and Department of Human Services staff to identify and assist people with mental illness to gain employment and to better connect them with the appropriate services. Staff will be provided with the skills to develop effective employment strategies for the recruitment of job seekers with mental illness.

Budget Measure: Increased employment participation for people with mental illness - \$2.4 million over the next five years plus substantial new investment in the *Building Australia's Future Workforce* package - *continued*

The second component expands on the JobAccess information and advice service to include professionals in mental health who will offer information, mediation and direction to services and program support relating to the employment of people with mental illness. JobAccess will also be funded to further promote their services to employers and the community at large with an enhanced focus on mental illness and the benefits of employing people with disability.

The final component is a review of the Supported Wage System (SWS). The SWS assists people with disability who are not able to work at the same productivity levels as their co-workers due to the effects of their disability. A review of the SWS program will be conducted to assess whether enhancements could be made to SWS to improve its applicability to job seekers with mental illness (particularly having regard to the episodic nature of the condition).

This suite of measures recognises that people with mental illness often require a more intensive level of support to obtain and stabilise their employment, and that employers, job seekers, employment services providers and mental health services are all involved in achieving sustainable employment outcomes.

Through these and other important 2011-12 Budget measures the Government will help support individuals with mental health participate – economically and socially – in the community.

ENSURING QUALITY, ACCOUNTABILITY AND INNOVATION IN MENTAL HEALTH SERVICES

There is significant opportunity to increase accountability and transparency in the current mental health system to better link the investments made by governments to measurable improvements in outcomes for people with a mental illness. People have also said that they want a mechanism for improving the mental health services they receive by telling us what works, what doesn't and where the gaps are.

The Australian Government will establish Australia's first National Mental Health Commission that will be positioned in the Prime Minister's portfolio and publicly against agreed indicators of performance across relevant service sectors and embed Australian Government leadership into mental health policy and services.

The establishment of the Commission will be complemented by focused applied research in priority areas nominated by the Government, the continuation of funding for national surveys and datasets, and the implementation of a new mental health consumer body to ensure a strong and consolidated consumer voice which will contribute to more responsive and accountable policy and program directions within the sector.

Budget Measure: Establishment of a National Mental Health Commission - \$12.2 million over the next five years

For a number of years, key advocates in Australia have sought the establishment of a national mental health commission to operate as an independent body able to advise government on service effectiveness and to identify gaps in providing services.

The Government will establish Australia's first National Mental Health Commission, signalling a new approach to mental health leadership and reform in this country. The Commission will promote best practice and measure the performance of the mental health system, including through the production of an Annual National Report Card on Mental Health and Suicide Prevention, which will highlight the gaps in the system. This will strengthen public accountability and transparency by monitoring whether services deliver lasting outcomes for people experiencing a mental illness.

The Commission will also provide cross-sectoral leadership in mental health, including for consumer and carer activities, and give policy advice to Government.

It will be established within the Prime Minister's portfolio as an executive agency, and provide the Annual Report, through the Prime Minister, to Parliament. This is testament to the importance of the Commission's role, and the fact that it must monitor the full range of services needed by people with mental illness – whether that be health or non-health related.

This initiative underlines the Government's commitment to planning more effectively for the future mental health needs of the community, and creating greater accountability and transparency in the mental health system.

Budget Measure: Continuation of Leadership in Mental Health Reform: information and evidence to support national mental health reform and accountability - \$56.8 million over the next five years, at no net cost to the Budget

Access to, and development of, mental health information at a national level is critical to making decisions, informing policy, shaping services and guiding service reform across all governments.

This measure is at the heart of the Australian Government's national leadership role in mental health. It funds essential national data and reform activities, such as the development of a National Service Planning Framework, which will, if adopted, help ensure more consistent availability of services across all levels of government.

This initiative is also critical to the success of the new National Mental Health Commission.

Funding will also be provided to create a new national mental health consumer representative body, which has been long awaited by the sector.

To enable essential evidence building, infrastructure and advocacy arrangements to continue, the Government will continue funding for the *Leadership in Mental Health Reform* program.

Budget Measure: Strategic investment in mental health research priorities through the National Health and Medical Research Council (NHMRC) - \$26.2 million over the next five years, at no net cost to the Budget

Coordinating research and translating it into actual services are vital to improving the quality of mental health services nationally and to improve outcomes for the one in five Australians with mental illness. Currently there is no strategic research capacity in the mental health sector to address critical policy and investment issues.

The NHMRC is committed to the development of evidence for better treatment and health services in mental health. It has named mental health as a strategic priority for the coming years and has been working actively to embed mental health research into its activities and to consult with the sector.

Consistent with its strategic plan and responsive to the Government's priorities, NHMRC will dedicate \$26.2 million over a five year period (a minimum of \$5 million per year) from the Medical Research Endowment account for such activities. This will not preclude applications for mental health related research projects to the NHMRC's normal competitive process.

It is important for all Australians to have access to information on how their health system is performing. The Annual National Report Card on Mental Health and Suicide Prevention will be a positive addition to the present suite of annual mental health reports: the National Mental Health Report; the AIHW Mental Health Services in Australia report; the mental health chapter of the Report on Government Services; and the Annual report on progress of the Council of Australian Governments National Action Plan on Mental Health (2006-2011).

The National Mental Health Commission, coupled with ongoing development of performance indicators, national mental health data collection and strategic research will direct the Australian Government's agenda for mental health reform and inform future investment in mental health.