

# Submission to the Productivity Commission Draft Report on Issues Paper on Introducing Competition and Informed User Choice into Human Services: Reforms to Human Services

National Mental Health Commission

July 2017

The National Mental Health Commission (the NMHC) provides cross sectoral leadership on policy, programs, services and systems that support better mental health and social and emotional wellbeing in Australia. The Productivity Commission (PC) draft report on *Introducing Competition and Informed User Choice into Human Services: Reforms to Human Services* (the draft report) considers a number of issues relevant to people with lived experience of mental illness, and the NMHC welcomes the opportunity to provide comment in this context.

While the draft report does not explicitly address service use by people with mental illness, their often complex needs are spread across multiple human service areas including acute and community based health, social and family care. The implications of reform for service providers and for service users in these domains should be considered in the context of two significant reforms currently underway in service delivery for mental health:

- Implementation of the National Disability Insurance Scheme (NDIS) introducing greater levels of choice and control for service users with psychosocial disability associated with mental illness.
- Enhanced roles for Primary Health Networks (PHNs) in mental health commissioning; matching local community need with appropriate options of varying intensity.

These reforms are driving substantial systems change, with both significant positive impacts as well as more challenging transitional issues for consumers and providers of services. Given the high level of reform activity currently underway, interactions between systems are critical for the PC to consider, with the NMHC counselling caution in recommendation of reforms demanding further adjustments by service users and providers within a short timeframe. This reflects the finding of the draft report that 'the characteristics of family and community services do not lend themselves to the introduction of greater user choice at this time' (p17).

The NMHC also urges the PC to explicitly take mental health into account when considering the characteristics of the users of human services examined in the draft report, acknowledging reference to high rates of mental illness amongst clients of social housing and analysis of the need for supported decision making to help people with mental illness identify, plan and coordinate the services they need. The NMHC suggests that the PC consider subsequent impacts for people living with mental illness of introducing greater choice or different commissioning approaches into those service systems, and inclusion of a statement in the final report giving regard to:

- the system stewardship role of governments in relation to family and community services (a category of human services which arguably includes psychosocial supports delivered both within and outside of the NDIS)
- the benefits of and need for tailored services to support choice amongst higher need populations who access human services, including the particular support needs for people with mental illness. On this issue, the NMHC also suggests it may be useful for the PC to

consider how lessons from the NDIS roll-out could help to inform the introduction of greater choice for other services frequently accessed by people with mental illness.

- the circumstances in which market-based, fee-for-service approaches may not be appropriate and could instead be provided through block-funded, commissioned arrangements. The NMHC notes that the PC's commentary on this issue could be particularly instructive around the provision of assertive outreach services under the NDIS for people with psychosocial disability
- the core components of effective approaches to commissioning family and community services, which could also be instructive for PHNs in commissioning services for people with mental illness.

Pertaining to the draft recommendations the NMHC:

- suggests the inclusion of a specific recommendation around the provision of (i.e. not just assessment of eligibility for) tenancy support services that are tailored to the needs of tenants, including the provision of decision-making supports and linkages to health, mental health and family and community services, as appropriate.
- notes, per draft recommendation 7.1, the importance of data driven mapping and planning being undertaken in areas of human services, and the need to link these initiatives in order to develop comprehensive and truly person-centered understandings of the services available and the ways in which these are accessed by users.
- advises further consideration by the PC of the potential challenges and benefits of implementing outcomes-focussed measures in family and community services and of blanket application of standardised outcomes across all systems (recommendation 7.3), especially those accessed by people with complex needs, as well as by Indigenous Australians in regional and remote communities.

The NMHC would be pleased to discuss the above points in more detail, should that be of assistance to the PC as it develops its final report.