Marathon Health Submission

Productivity Commission Mental Health and Suicide Prevention Agreement Review

March 2025

Introduction

Marathon Health is a not-for-profit, registered charity with a vision of enabling communities to thrive through equitable health and wellbeing. We're passionate advocates for equitable access to quality health services for people, wherever they choose to live. We employ the largest non-profit allied health workforce in regional NSW, contributing $25.2 million in wages into regional Australia in 2023-24, and delivering 62 contracts on behalf of a range of government, non-government and philanthropic funders and partner organisations across NSW.

We deliver a range of high-quality programs that focus on providing supportive care in a person-centred environment. This year, 54% of our work is focused on mental health, within a recovery-oriented framework. This includes programs across the mental health stepped-care spectrum, ranging from our six headspace centres to psychosocial support for people with severe mental illness, psychology support for people with mild to moderate mental illness and supporting people with psychosocial disability under the NDIS.

Our workforce of 300 includes more than 120 accredited allied health professionals, with psychologists, a developing workforce of provisional psychologists and social workers among them.

We have a strong focus on workforce development, including:

- A successful psychology intern program to attract and grow a mental health workforce to regional NSW, in partnership with industry.
- An organisation-wide graduate recruitment and student placement program that represents partnerships with universities across NSW, the ACT and Victoria to develop employment pathways. In 2023-24, we supported 61 students across 10 disciplines on clinical placement.
- An Aboriginal Workforce Development Initiative that has supported 29 learners across 10 Western NSW communities to earn while they learn. They gained valuable experience and insights that will allow them to continue to provide vital mental health supports in their local community.

We applaud the Productivity Commission's focus on delivering quality care more efficiently and acknowledging the central importance of mental health and suicide prevention to Australia's overall wellbeing. We also welcome the opportunity to provide insights that may be useful in supporting quality and productivity improvements in the effectiveness and operation of mental health and suicide prevention programs.

Our experience and recommendations

Workforce challenges

Our experience

It is widely acknowledged that Australia's rural health services face chronic workforce shortages[1] at a time when an increasing number of people are seeking support for their mental health. Across rural, regional and remote Australia workforce challenges are the biggest issue facing the mental health system. Marathon Health is committed to developing an allied health workforce pipeline through our student and graduate pathways. Last financial year, we supported 61 students on clinical placement – a contribution that comes at considerable cost in terms of staff supervision time, as well as the provision of office space and IT equipment for students to work effectively.

Our experience shows that exposing allied health students to rural practice, where they experience community life and work in a positive, friendly and supportive workplace, is key to attracting them to work in rural NSW. A study of the barriers and enablers to rural placements[2] confirmed our experience and found the barriers hampering the rural placement experience included financial costs (lost earnings, food, accommodation, fuel), transport and care responsibilities. Further, many communities lack qualified clinicians to supervise students.

Providing student supervision is a significant commitment that we have been willing to make for the benefit of the industry. However, it is our firm view that the industry needs improved collaboration and coordination across governments and sectors to address student placement challenges and other workforce issues. We have seen the success of this kind of collaboration in our work over the past two years, as demonstrated by these examples:

> **Psychology internship model**: We partnered with Western NSW Primary Health Network (PHN) in 2022 to deliver the first cohort of provisional psychologists under our Core Connect internship model - a pathway to registration with the Psychology Board of Australia that has supported 36 provisional psychology interns across four partner organisations who share the supervision and professional development responsibilities. A regional Community of Practice supports the interns during their time in regional NSW. We have secured funding through the Federal Department of Health and Aged Care's Supporting Provisional Psychologists to Practice Grant to offer an additional 36 psychology internships in Western NSW over the next three years - helping to remove barriers in the workforce pipeline and supporting new graduates to settle in.
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> **Early Career Program**: We received funding from headspace National for part-time clinical supervisors at four of our six headspace centres, in recognition of the additional impost of hosting early career graduates and students on clinical placement. The early career mental health clinicians

[1] Bradley, D, et al, Experiences of Nursing and Allied Health Students Undertaking a Rural Placement – Barriers and Enablers to Satisfaction and Wellbeing, Australian and International Journal of Rural Education, Vol.30 (1), 2020.
[2] Ibid.

will be recruited by headspace National and placed at headspace centres for two years, with half of their time to be spent in a non-metropolitan setting.

Aboriginal Workforce Development Initiative: This initiative was developed alongside the codesign of the headspace Outreach Program in Western NSW to create a culturally-safe and qualified workforce in 10 rural communities. Over the past two years, the program has equipped 29 local First Nations people with invaluable experience and insights that will allow them to continue to provide vital mental health supports in their local community. The learners received wraparound supports that allowed them to gain an accredited certificate qualification in mental health, First Nations primary health care or community services, while they were based with host employers (such as ACCHOs, General Practice, etc) in their local community to earn while they learn.

Our recommendations

1. **That funders work with industry and the education sector to initiate collaborative funding models that allow innovative workforce models** that respond to local community needs and overcome the barriers to training key workers, and an associated enabling workforce, to meet the mental health needs of rural and remote Australia.
2. **That the Government recognises the supervision burden involved in hosting students on clinical placement** and consider providing funding to support students who need to complete a placement away from home as part of their qualification.

Contracts and reporting

Our experience

In our experience, funding of mental health programs is regularly tied to short-term outcomes, with extensive administrative requirements for reporting outputs such as occasions of service that reduce service delivery capacity and place an unnecessarily high administrative burden on clinicians. At a time when resources are in short supply, particularly in remote communities, there needs to be a stronger focus on the integration of services and the collective impact mental health programs can have on the mental health of the people living in our communities and less reliance on standard minimum datasets.

We see opportunities to place a stronger focus on collaboration between funding bodies and service providers and allowing more authentic and insightful reporting of issues, challenges and success stories. This would create a more responsive, person-centred, integrated and equitable mental health system for communities and give funders a clear appreciation of:

- the issues impacting communities
- the approaches that do and don't make a difference
- the challenges that need to be addressed.

Very little funding is available in most mental health programs to provide the services that people are asking for – limiting the connection we can build in communities. For example, some models specify delivery of mental health services by psychologists, when social workers could be engaged more easily. Most programs are driven by the funder's focus on service throughputs (occasions of service delivered).

It is our belief that organisations with sound clinical governance frameworks in place that can demonstrate well-managed supervision arrangements should be allowed to offer a more flexible workforce model to address recruitment challenges and reflect the needs of communities. This might include the addition of social workers, counsellors, peer workers, health linkers and care navigators.

Our recommendations

3. **That funders be allowed the flexibility to deliver longer contracts** that allow providers to codesign, plan and deliver contracts – in collaboration with community - to retain and develop a workforce locally that meets community needs.

4. **That reporting against mental health contracts should focus on measuring impact and improving mental health outcomes** rather than on service throughputs such as occasions of service delivered.

5. **That Government procurement processes allow longer establishment periods for mental health contracts,** in recognition of the time it takes to build trust, tailor services that meet the needs within a community, and attract, grow and retain a workforce - particularly in more remote locations.

6. **That flexibility be introduced to allow the adaptation of national mental health service models to suit local community needs**, especially in thin markets where the workforce is limited.

Contract funding

Our experience

A key challenge in delivering mental health services under Government contracts is the mismatch between contract funds and increasing workforce and related service provision costs due to the absence of annual CPI increases. This forces employers to reduce their full-time equivalent workforce after the first year, while striving to deliver the same volume of services to meet contracted KPIs.

Our recommendation

7. **That multi-year contracts include annual CPI increases** to ensure providers can continue to deliver service expectations without the need to reduce staffing levels.

Conclusion

In summary, our experience in addressing the significant mental health workforce challenges in regional Australia shows that flexibility and innovation are key. When funders and commissioning agencies take workforce considerations into account at the program design stage and invest in workforce development alongside service provision, we can deliver effective solutions.

To achieve this, we believe that flexibility is needed in adapting service models to suit local communities and that procurement processes should allow communities to gain trust in programs and providers who have time to build relationships and prove they can make a difference.