

HCF Response to the Productivity Commission Issues Paper on Mental Health.

Introduction

HCF is Australia's largest not-for-profit private health insurer with over 1.5 million members across over 600,000 health insurance policies. The majority of our member base resides in NSW, however we have members in each state of Australia. HCF is also a service provider in the form of dental centres.

As Australia's largest not-for-profit health fund, we operate solely for the benefit of our members and are single-mindedly focused on putting people's health first. We firmly believe it is our responsibility to help protect our members' health and financial wellbeing by actively championing their interests in a costly and complex health environment. Our 2020 vision to make health care understandable, affordable and customer-centric gives us a clear focus on the difference we want to make in people's lives.

HCF appreciates the opportunity to provide comment on the Mental Health Issues Paper.

HCF's commitment to mental health and wellbeing

As a purchaser of private health care, HCF has outlaid significant funding related to the treatment of our members with mental conditions, including expenditure on acute, recovery and rehabilitation via admitted patient care and through supporting members with chronic conditions via access to specialist telephonic support services.

In FY18 HCF members experienced 33,637 episodes of admitted patient care with analysis based on claims to HCF with the 'Psychiatric' specialty illness code. That equated to 146,757 days of care and funds of almost \$90M paid to hospital and medical providers on the members' behalf.

HCF has also facilitated innovation in mental health care and support through our Catalyst program and through direct investment in health scale-ups. Through these investments we have facilitated public access to bulk-billed psychiatry teleconferencing (Psych2U) and aided the development of a digital peer support programs that has been very positively received by defence and first responder personnel.

Our commitment to improving mental health and wellbeing goes beyond the funding of services to our members and development of innovative new services. As a large employer with more than 1200 employees HCF has implemented a comprehensive 'Mentally Healthy Workplace' strategy which aims to increase awareness of Mental Health conditions, Support individuals with mental health conditions, and create an environment which reduces the stigma associated with mental health conditions.

HCF's commitment to mental health and wellbeing

HCF supports the purpose of the Productivity Commission inquiry, that is, to undertake an inquiry into the role of mental health in supporting social and economic participation, and enhancing productivity and economic growth.

As health care costs continue to escalate all participants need to be increasingly focussed on value for money in health care. The private health sector is an important supplier and funder

of mental health care and the challenge of affordability and sustainability of PHI and private health care is relevant to this review.

The trend of increasing mental health care claims and costs in PHI is a contributing factors to rising premium increases and the need for efficiency and effectiveness of all private health care is key to providing value for money to the PHI and through them to the member, for PHI participation rates to be sustained.

HCF welcome the inquiry's consideration of the cost-benefit analysis of current or proposed interventions. We would seek that the review and analysis consider the role and contribution of private health care and private funding to the supply and delivery of mental health care services and that private mental health care models of care and services are subject to this assessment. Current funding structures in the private sector incentivise care to be provided in the most expensive setting being in-hospital or admitted patient care, which may not the most effective or appropriate setting for the member's health needs.

We are particularly interested in the assessment of the effectiveness of current and alternative programs and supports. Through analysis and guidance developed through this process, HCF would aim to ensure that our members are accessing the most effective care options for their needs.

Ensuring consumers and the referring medical community are well informed on the full range of treatment options available and their relative effectiveness and appropriateness will be challenging to execute, however important to enable considered decision making by the consumer and to contribute to the affordability of care. The concepts of evidence based care need to be promoted to and understood by consumers as well as debated by providers.

We welcome the review of mental health services to consider how the public and private health sectors might operate more efficiently and effectively to better serve consumers in providing them with access to appropriate, timely and high quality mental health care services.

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