



MICHAEL CARMAN CONSULTING

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The Commissioners

Productivity Commission Inquiry into Mental Health

via web lodgement at www.pc.gov.au/inquiries/current/mental-health/make-submission#lodge

Dear Commissioners,

Submission: Productivity Commission Inquiry into Mental Health

Thank you for the opportunity to provide a submission to this important Inquiry.

My consultancy specialises in performance analysis and improvement; I work principally in the government and not-for-profit sectors. As well as consulting and publishing articles on management issues, I periodically undertake research on my own behalf to promote the analysis of, and improvement in, performance in the government and not-for-profit spheres.

In this context I recently completed a research brief (attached as a separate document as part of this submission) which provides a quantitative analysis of whether community based care for patients with mental health issues in NSW provides better patient outcomes as measured by hospital readmission rates. The analysis suggests that post-discharge community care is strongly associated with lower hospital readmission rates for mental health patients.

Specifically, my research, which was based on analysis of publicly available data for each of the 15 local health districts (LHDs) in NSW, found that:

- a 10 percentage point increase in community care is associated with a 2.1 percent point reduction in hospital readmission of mental health patients;
- This relationship between community care and hospital readmissions was statistically significant; and

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- There is substantial variability in performance across LHDs: a patient with a mental health issue in Penrith had 18% less chance of receiving community care than a mental health patient in Gosford, with the patient in Penrith nearly twice as likely to be readmitted to an acute psychiatric inpatient unit.

The results suggest that community care not only provides a 'soft landing' for people suffering acute mental health issues on discharge from hospital, it can be used as a 'lever' to reduce the likelihood of those people being readmitted to hospital.

I thought that these findings may be of interest to the Commission, especially inasmuch as they bear on the following terms of reference:

- *examine the effectiveness of current programs and Initiatives across all jurisdictions to improve mental health, suicide prevention and participation, including by governments, employers and professional groups; and*
- *draw on domestic and international policies and experience, where appropriate.*

The attached research brief, which provides the substance of the research, includes details of the data sources and definitions, and output of the regression analysis underpinning the research.

If you would like further details or clarification, please don't hesitate to contact me.

Yours sincerely,

Michael Carman
Managing Director