A Brief Overview of the Mental Health Inquiry Report

Speech to the Mental Health Coordinating Council, 6 May 2021

Stephen King, Commissioner

Thank you to the Mental Health Coordinating Council for inviting the Productivity Commission to present to today's forum. Over the next few minutes, I would like to provide a brief overview of the Commission's Mental Health Inquiry.

The Inquiry Report was released by the Prime Minister on November 16 last year. It has 21 Recommendations covering 103 different Action Items, so I will only touch on a few of these.

The Commission's starting point is simple.

Mental ill-health affects all Australians either directly or indirectly. Almost one in five Australians experience some form of mental illness in any given year. This includes around 2.3 million Australians with mild mental illness, 1.2 million with moderate mental illness and 800,000 people with severe episodic or persistent mental illness.

All of us know someone who has or will have mental illness. That is just a statistical fact as almost half of all Australian adults will meet the diagnostic criteria for a mental illness at some point of their lives.

Unlike physical chronic health conditions, like arthritis and diabetes, mental illness impacts the young. People aged between 16 and 25 years have the highest prevalence rate of mental illness and the effects of mental illness on this group can be devastating. Poor educational and social outcomes early in life can affect an individual over their entire lifetime.

But these statistics hide real people, such as the many courageous consumers and carers who told their stories to us during our Inquiry. I would like to thank them. Without their input our Inquiry would not have been possible.

Currently, however, many people with mental ill-health do not receive the treatment and support they need. As a result, too many people experience preventable physical and mental distress, disruptions in education and employment, relationship breakdown, stigma, and loss of life satisfaction and opportunities. This has a

significant cost for the individuals themselves, their carers, families and friends, and for the broader Australian community.

The Commission estimates that the cost to Australia of mental ill-health and suicide is around $200 to $220 billion per year. This includes direct economic costs of around $40 to $70 billion per year, such as:

- the cost of services including healthcare, housing and justice services
- the cost of lost productivity due to reduced employment opportunities, absenteeism and presenteeism
- the cost of care services provided by family and friends.

It also includes a large cost — around $150 billion — due to people experiencing diminished health and reduced life expectancy. This is an imperfect attempt to measure the social and emotional costs of pain, suffering, exclusion and in some cases, premature death, that accompany mental illness.

The total, $200 to $220 billion per year, is a very big number. It is around $550 to $600m per day. It is the size of approximately one-tenth of everything Australia produced in 2019. It is a cost to the individual and a loss to the community as a whole, from not fully having the unique and valued contribution of a significant group of people.

Scope of the Productivity Commission's Mental Health Inquiry

So, what did the Productivity Commission's Inquiry cover?

The Mental Health Inquiry was one of the largest conducted by the Productivity Commission. The scope was broad, covering Australia as a whole, and considered the roles and responsibilities of different levels of government. The Inquiry considered the full spectrum of mental ill-health, including people needing low intensity support for mild mood or anxiety problems through to those requiring complex supports for severe and ongoing illness. We looked beyond the clinical aspects of mental health and considered the role of community services to support the economic and social participation of those with mental ill health. We also looked beyond health services and made recommendations about how education, employment, social services, housing and justice can also lead to improved mental health and ultimately to better economic and social outcomes across the population.

There are, however, some areas that are not included in the report. We did not consider mental healthcare provided under the National Disability Insurance Scheme. We also did not consider the support specific to military personnel and veterans. These are both considered at length in other Commission inquiries.

The Commission's vision is for a person-centred mental health system. This is consistent with the National Mental Health Commission's *Vision 2030* statement. But what does a person-centred system mean?

It means that the mental health system focuses on the consumers and carers. It means that services are evaluated based on their outcomes. But these outcomes are the outcomes that matter to consumers. A service is only valuable if it is providing benefits that are valued by the consumer. It means that services are designed with real input from consumers and carers, to add to the value and effectiveness of the clinical or support service. It means that the consumers, not providers, are the focus of the mental health system.

The Productivity Commission's report explicitly provides a guide to reform. We prioritised reforms based on four criteria: the potential to improve lives, the economic benefits, the ease of implementation and the of timing of reforms — what reforms need to go first to provide the foundations for further reform. Where possible, we estimated the benefits and costs of recommended reforms.

In total we estimated that the recommended reforms would lead to a gain of around $21 billion per year to Australians — including approximately $18 billion in terms of improved health and quality of life — at a cost of up to $4.2 billion per year. Almost 90% of these gains flow from the priority reforms, which have a cost of up to $2.4 billion per year and generate savings of up to $1.2 billion per year.

An agenda for reforming mental healthcare

The package of reforms presented in the Inquiry report cover five broad and mutually reinforcing areas. These are: prevention and early intervention, mental healthcare, services beyond the health system, mentally healthy workplaces, and reforms to the overarching system architecture.

First, the Commission considers **prevention and early intervention** — both early in life and early in the course of ill-health. Our recommendations support new parents, prioritise the social and emotional development of school children, reduce stigma and discrimination associated with mental illness and provide follow-up care for people who attempt suicide. In particular, indigenous Australians should be empowered so that effective, culturally competent suicide prevention programs are provided in their communities.

One priority in this area is to have the National Mental Health Commission drive a national stigma reduction campaign. As we read in the submissions and heard in our meetings and hearings, stigma encourages individuals to hide their mental health issues. Let me quote from one participant at our Sydney hearing, who was reflecting on stigma, leading to her hiding her mental illness and autism:

> I was experimentally trying to be quite open about my disability for a while there and it hasn't really worked for me.

As we heard in our Canberra hearings, stigma is an issue at the service level as well as the community level. To quote:

> Stigma, and discrimination are huge barriers and often where you wouldn't expect it most within the mental health sector itself and within services that are there to in some ways help people.

Stigma is a barrier to effective participation, support and reform in the mental health system. Reducing and, hopefully eventually eliminating, this stigma is a key foundation for improvement.

Second, the Commission considers reforms to **mental healthcare**.

We provide a set of recommendations that, in concert, will create a person-centred mental health system that helps people find evidence-based services that are right for them, when they need them.

Unfortunately, the existing mental healthcare system involves significant service gaps. One is the gap in services that would enable those with more severe mental illness to spend more of their lives within their community and, if their condition deteriorates, gain timely support. It is sometimes called the 'missing middle'. As we heard in Melbourne:

> What is missing? Access to services, pathways when you've got a crisis.

We recommend, for example, expanding community-based mental healthcare and providing alternatives to emergency departments that meet the needs of people with mental illness. Increased access to care coordination services is also necessary to meet the needs of people with complex illnesses. As we heard in Sydney:

> … what I would like to see is a case manager. I shouldn't have to chase five different organisations to get one whole integrated service. Because I'm having to call this, call that person, …, I'm playing snakes and ladders on the phone every week and I am bloody sick of it.

The Commission recommends as a priority that governments and regional commissioning bodies should assess the number of people with complex needs who require care coordination services and ensure that care coordination programs are available to match local requirements. We also recommend that governments agree to an explicit target to reduce the gap in life expectancy between people with severe mental illness and the general population and develop a clear implementation plan with annual reporting against the agreed target.

The Commission also noted the gap in low-intensity care services. For many people with mild mental ill-health or who are first experiencing the symptoms of mental illness, there are few if any services between Dr Google and a visit to the GP. While

GPs are a critical gateway to health services, the end result is often a prescription for medication and/or a referral for face-to-face therapy. These are important services, but they are not for everyone and they are not always optimal for the consumer. For example, in Sydney, we heard the worst possible consequence of medication side-effects:

> On Tuesday morning my daughter drove her car to the top of the local multistorey shopping centre car park and fell to her death. … The note that she left said she could not stand this pain any longer.

We recommend expanding access to non-pharmaceutical treatments and supports, including supported online treatments, group therapy and access to mental health care via telehealth. We also recommend increased support for GPs through on-line assessment and referral, and additional measures to ensure that consumers are aware both of the potential side-effects from medication and of evidence-based alternatives.

Healthcare reforms require workforce reforms. The greater use of supported online treatments and group therapy will help to free up psychologists and other care providers to assist those with more complex needs. But there will still be workforce shortfalls in some specialisations and in some locations. Workforce planning and changes to workforce education, over time, can help reduce both these workforce shortages and professional stigma.

Third, the Commission looks **beyond the health system**, for reforms to improve the quality of life for people with mental illness while also reducing the demand for more intensive and costly health services in the longer run.

Recommendations in this area include expanding community support services to better match demand, with governments estimating the shortfall in psychosocial supports and committing, overtime, to increase funding to meet the estimated shortfall.

We recommend increasing assistance for police and other first responders, and increased access to legal representation for people facing mental health tribunals.

The Commission also recommends that governments commit to monitor and report on a nationally consistent policy of not discharging people with mental illness out of hospitals and other institutions and into homelessness.

Fourth, the Commission makes recommendations to promote **mentally healthy workplaces**, including making psychological health and safety in the workplace as important as physical health and safety, and promoting the adoption of ‘no liability’ clinical treatment for mental health-related workers compensation claims.

Finally, the Commission considers the **overarching system architecture** that our Governments need to put in place to improve outcomes in mental health. This has three levels:

- government coordination
- local planning and commissioning
- independent oversight.

We recommend a whole-of-government commitment to a new *National Mental Health and Suicide Prevention Strategy.* This Strategy should integrate the health and non-health services and supports for people with mental ill-health, at both the Commonwealth and State and Territory levels.

We recommend the clear identification of responsibility and accountability for consumer outcomes. Put simply: who is responsible for what and who pays for what?

The need for, and access to, mental health services differ substantially across Australia. Decisions on what services are needed must be made at a regional level — with input from the local people with lived experience who rely on those services — and be underpinned by comprehensive regional-level planning.

This requires regional bodies, either existing primary health networks and local hospitals working together, or new bodies answering to State and Territory governments. The first task for these bodies is to determine local level service demand, to compare this to existing service levels, to identify the gaps and then, with government support, to fill the service gaps over time.

To cultivate a mental health system that seeks to continually improve itself, transparent monitoring and reporting is essential. The Productivity Commission recommends that the National Mental Health Commission be given statutory authority to monitor and report on reform progress, including on the regional commissioning of mental health services.

The recommendations for reform presented in the Inquiry report are designed to work together to provide a mental health system that meets and responds to the needs of the people who rely on it, is evidence-based and cost-effective. While many individual reforms have stand-alone value, the recommended reforms are complementary, and the benefits will be maximised by taking the reforms as a package.

What should be done first?

How do we move forward? What are the first steps for reforming our mental health system?

The Commission's report highlights reforms that have a large impact on the lives of many Australians for a moderate net cost. These include:

- helping schools to support the social and emotional wellbeing and mental health of their students

- augmenting community ambulatory services
- meeting gaps in demand for psychosocial supports.

We also highlight reforms that can improve the lives of those most in need while reducing government costs and increasing economic output through increased participation. These are reforms that both improve lives and have a net economic benefit. For example:

- expanding supported online treatment
- increasing support for new parents in the perinatal period
- instigating a national campaign for stigma reduction.

The Productivity Commission's report provides estimates of cost and benefits — both economic benefits and benefits in terms of quality of life — for a wide range of reforms. This analysis, together with our prioritisation, can help guide government policy decisions.

Whole-of-government commitment — that first stage of government action in our recommendations on system architecture — is needed to create the foundations of an improved mental health system. It needs to be high on the government 'to do' list. And governments are moving towards a new national agreement to underpin reform.

Reform will not be straightforward, and it will take time. But I hope that in ten years we will look back on 2021 not just as the year that we escaped the COVID-19 pandemic, but also as the year when we started the transformation of Australia's mental health system.

Thank you.