



## Government of Western Australia Mental Health Commission

### DEVELOPMENT OF THE AUSTRALIAN MENTAL HEALTH CARE CLASSIFICATION: PUBLIC CONSULTATION PAPER 2 (NOVEMBER 2015)

Thank you for the opportunity to provide feedback on the *Development of the Australian Mental Health Care Classification, public consultation paper 2* (November 2015). As the purchaser of specialised mental health services within Western Australia, the Western Australian Mental Health Commission (MHC) supports the development of the Australian Mental Health Care Classification (AMHCC). This is important to ensure that mental health activity can be appropriately classified and enable appropriate funding and benchmarking of services.

In relation to the consultation questions:

*Consultation question 1: Are the variables included in the draft AMHCC version 1.0 relevant to clinicians, health service managers and other stakeholders?*

- From the MHC's perspective, the proposed variables are relevant, with many of the variables readily available within current clinical systems.
- Newly proposed variables (such as phase of care) will require significant investment including training of staff and enhancements to existing clinical systems. The resourcing of these changes needs to be considered within the implementation of the AMHCC.

*Consultation question 2: Are there other variables that should be considered in later iterations of the AMHCC?*

- Noting that the Reduction in Variance (RIV) is currently low and that this is a first draft of the AMHCC, continual investment by Independent Hospital Pricing Authority (IHPA) and other stakeholders including States and Territories is required to enhance performance.
- Although the inpatient RIV is an improvement for the draft classification compared to AR-DRG v7, consideration needs to be given to the non-admitted settings, which are currently block funded, so that services are not penalised.

*Consultation question 3: Do the final classification groups have relevance to clinicians, health service managers and other stakeholders?*

- From the MHC's purchasing perspective, the final classification groups are relevant; however continual work with service providers will have to occur to ensure emerging models of care and service are reflected in the classification. This includes the development of further non-admitted services.

*Consultation question 4: Are the priorities for the next stages of development of the AMHCC appropriate?*

- The MHC strongly supports the ongoing development of the AMHCC, in particular enhancements to support the classification and costing of child and adolescent mental health services and older adult community mental health services.
- Piloting of the AMHCC in a range of service settings, particularly child and adolescent mental health services (both admitted and non-admitted), is suggested to continue to test and validate the robustness of the AMHCC.

*Consultation question 5: Are there any other issues which should be taken into account in the next stages of development?*

- The ongoing funding of residential mental health services will need to be considered while enhancing the AMHCC to appropriately address this service.
- Ongoing consideration needs to be given to the impacts and crossover with other significant National reforms, including the National Disability Insurance Scheme and the development of a fifth National Mental Health Plan.
- Education and training around the mental health phase of care, including detailed definitions will be very important to the implementation of the AMHCC. As identification of the mental health phase of care is a clinical decision, to ensure consistency and appropriateness across services, significant investment in training and enhancement to clinical systems will be required.
- The MHC suggests that as part of any implementation process some kind of 'funding floor and ceiling' is introduced for both admitted and non-admitted services so that purchasers and service providers are not penalised with funding fluctuations as has been seen recently. This is important while further refinements are made to the AMHCC, particularly for non-admitted services.
- Moving non-admitted services from a currently block funded arrangement to a classification system will mean that variability in data capture will occur over time. As mentioned, some kind of 'funding floor and ceiling' will need to be established to ensure that both purchasers and service providers are not penalised with the implementation of the AMHCC.
- The MHC strongly supports the consideration of community-managed mental health services which provide a range of supports which are currently considered out of scope.

The MHC remains committed to working with the IHPA and looks forward to the opportunity to provide further comment once further information is released.