

30 March 2023

Prof Michael Pervan
Chief Executive Officer
Independent Health and Aged Care Pricing Authority

By email to: submissions.ihacpa@ihacpa.gov.au

Dear Prof Pervan

Re: Draft IHACPA Work Program and Corporate Plan 2023–24

The Royal Australian and New Zealand College of Psychiatrists (RANZCP) welcomes the opportunity to provide input into the public consultation on the draft Independent Health and Aged Care Pricing Authority (IHACPA) Work Program and Corporate Plan 2023-24 (the draft Work Program).

The RANZCP is the principal organisation representing the medical speciality of psychiatry in Australia and New Zealand and is responsible for training, educating and representing psychiatrists on policy issues. The RANZCP represents more than 7900 members, including more than 5600 qualified psychiatrists in Australia and New Zealand and is guided on policy matters by a range of expert committees.

The RANZCP acknowledges the IHACPA's efforts to work with jurisdictions and key stakeholders to refine the Australian Mental Health Care Classification (AMHCC) Version 1.0 for admitted and community mental health care. The RANZCP is committed to lead and collaborate on initiatives that reduce barriers and promote equitable access to psychiatric treatment, care, and support and would welcome being consulted by the IHACPA on improvements to the AMHCC. The RANZCP supports refinements to the AMHCC to ensure care classification is improved and updates to the admitted and community setting complexity models are based on most recently available national data.

It is the RANZCP's view that refinement and continued development of hospital and aged care activity classification systems is also required to ensure that all patients are classified appropriately accordingly to the treatment they require. The RANZCP supports the IHACPA's objective of refining and improving costings for hospital and aged care services.

The RANZCP would also like to raise the following points for consideration regarding more flexible and contemporary costing models in aged care, to cover episodes where:

- The unit is under the governance of psychiatric services or nonpsychiatric services.
- The episode is an acute, subacute or non-acute stay where the primary diagnosis for the acute and subacute stays is dementia or another Acquired Brain Injury (ABI) code

(e.g., behavioural symptoms within Huntington Disease).

- For non-acute stays where the person is awaiting transfer to a residential aged care facility.

As the transition to Activity Based Funding (ABF) occurs, the RANZCP would like to reiterate areas which the IHACPA should consider addressing in its work program. The RANZCP is concerned that a generic 'one price' model will not be sufficiently specific and will not capture the level of care provision of complex mental health presentations across perinatal and infant, consultation-liaison (C-L) psychiatry, and old age psychiatry settings. It is the RANZCP's position that pricing of services must reflect the complexity of mental health service provision, and that it also needs to reflect the difference between patient cohorts.

It is the RANZCP's view that costing studies will need to address longstanding concerns in C-L psychiatry. While the Twelfth Edition of the Australian Classification of Health Interventions includes a new code for C-L psychiatry, development of management plans and specific patient therapeutic consultations provided by C-L psychiatrists outside multi-disciplinary team settings remains unfunded. It is the RANZCP's view that therapeutic consultations by C-L psychiatrists should be funded adequately to ensure retention and growth of the C-L workforce in public health settings.

While the RANZCP acknowledges the IHACPA's commitment to continue working with jurisdictions to implement the Australian Teaching and Training Classification, the RANZCP suggests that the work program consider how research and training could be included in funding calculations. The RANZCP is committed to supporting research, training, continued learning, and education to facilitate the delivery of high-quality psychiatric care to the community. It is the RANZCP's view that a separate research classification would enable training and education activities to be accounted for independent of each other, which would ensure funding is utilised for its intended purpose.

The RANZCP welcomes further consultation with the IHACPA to inform its draft Work Program and Corporate Plan 2023–24 and to provide advice on the funding of perinatal and infant, C-L, and old age psychiatry services. If you would like to discuss any of the items raised in this letter, please contact Nicola Wright, Executive Manager, Policy, Practice, and Research via nicola.wright@ranzcp.org or on (03) 9236 9103.

Yours sincerely



Associate Professor Vinay Lakra
President

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