

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Budget Estimates 2011-2012, 30/31 May 2011

Question: E11-106

OUTCOME 11: Mental Health

Topic: BETTER ACCESS PROGRAM

Written Question on Notice

Senator Fierravanti-Wells asked:

During the Budget estimates hearings the Department was asked about the amount of consultation they did with sectors affected by the decision to strip money from the Better Access program's medical rebates. In evidence given by Jane Halton on May 30 2011 during those estimates she said, and I quote, "the bottom line is that significant numbers of people were party to these evaluations." Ms Halton went on to say, and I quote, "indeed the review of Better Access was discussed at one of those meetings. " (The expert working group).

- a) How can those two statements co-exist when the reference is made to only one meeting where the proposed changes to Better Access were discussed?
- b) How many consultations were held with those involved in the Better Access program before these changes were announced?
- c) Who were "the people" referred to by Ms Halton?
- d) It's claimed that the reallocation of resources driven by the Budgetary changes to the Better Access program would, "ensure that we will get better outcomes for people with mental illness in Australia." What analytical evidence can you provide to support that contention?
- e) Could you provide details of what exactly is the Health expenditure on an annual basis, year by year and in real terms?

Answer:

a), b) and c)

Consistent with the Department of Health and Ageing's evidence at the Estimates hearing on 30 May 2011, the Government consulted extensively with a broad range of stakeholders in the development of the mental health reform package announced in the 2011-12 Budget.

Just one example of these stakeholder consultations were discussions with the Mental Health Expert Working Group (MHEWG). As stated by Secretary Halton at the Estimates hearing on 30 May 2011 (refer to official Hansard page 71) the Better Access evaluation was specifically discussed by the MHEWG members at one of their meetings. However, the Minister for Mental Health and Ageing, the Hon Mark Butler MP, met with the MHEWG on several occasions to discuss what would comprise a balanced mental health reform package (also refer to official Hansard page 71).

In addition to the MHEWG the Government discussed reform options with the National Advisory Council on Mental Health, and heard the views of numerous consumers, carers and other stakeholders which helped to inform the development of the Budget package.

For example, the Minister attended, in November and December 2010, 14 face to face forums around the country with mental health consumers and carers to hear first hand their experiences and views on options for progressing mental health reform into the future. The Minister also heard views from young people during an online forum hosted by the Inspire Foundation on 8 December 2010.

The Better Access evaluation was widely known about in the mental health sector and significant numbers of stakeholders were included in the evaluation. The Department reiterates the evidence it provided at the 30 May 2011 Estimates hearing and in answers to several Questions on Notice from the February 2011 hearing in this regard.

This process included national as well as state and territory peak professional organisations, consumers and carers, individual experts, non-government organisations mental health service providers, public mental health service providers, private inpatient mental health services, private health insurers, general practitioners, psychiatrists and individual private providers, including allied mental health professionals. Consultations were undertaken at a national, state, regional and sub-regional level. The evaluation included a stakeholder consultation component focusing on stakeholder experiences, perceptions and opinions with regard to the effectiveness and appropriateness of the Better Access initiative (Component D). A broad range of more than 1,200 stakeholders were consulted as part of this component of the evaluation.

The Department also provided updates on the progress of the Better Access evaluation:

- at key stakeholder meetings and forums including the National Advisory Group on Mental Health; and
- in monthly COAG progress reports which are available on the Department's mental health website at:

<http://www.health.gov.au/internet/mentalhealth/publishing.nsf/Content/coag-lp>

In addition, information on the evaluation was provided to numerous members of the public who wrote the Minister for Health and Ageing, the Hon Nicola Roxon MP, and the Minister for Mental Health and Ageing regarding the Better Access initiative.

- d) After almost five years of operation, and a comprehensive and independent program evaluation released in March 2011, the Government has a much clearer understanding of how the Better Access program is being used by both consumers and private providers.

For example:

- The evaluation found that the program is increasing the community's access to mental health care¹. However, while the evaluation shows that access for hard to reach populations has improved to some extent, those groups traditionally less well served by Medicare continue to miss out on the mental health services they need. As a universal scheme delivered through Medicare, Better Access provides fee for service rebate services with no targeting.
- In particular Better Access continues to struggle to adequately service hard to reach and vulnerable groups like young people, men, people living in rural and remote regions, Indigenous Australians and people living in areas of high socio-economic disadvantage.
- The evaluation confirmed that the distribution of services across the community is relatively poor: the further people live from a General Post Office, the fewer services they

¹ Evaluation of the Better Access to Psychiatrists, Psychologists and General Practitioners through the Medicare Benefits Schedule initiative: Summative Evaluation.

<http://www.health.gov.au/internet/main/publishing.nsf/Content/mental-ba-eval-sum>

receive. In rural Australia – and especially in remote Australia – service levels drop off dramatically. The use of services is approximately 12 per cent lower for people in rural areas and approximately 60 per cent lower for people in remote areas, compared to people living in capital cities.

- The evaluation data also showed a clear difference in access according to socio-economic status: use of Better Access services were approximately 10 per cent lower for people living in the most socio-economically disadvantaged areas (48.5 persons per 1,000 population in 2009) compared to people living in relatively more advantaged areas (between 52.4 and 53.6 persons per 1,000 population in 2009). In 2009 the richest quintile of Australians accessed two and a half times the number of services, attracting three times the Medicare dollars in rebates compared to the poorest quintile of the community.

In the context of the evaluation findings and other data about Better Access item usage, and the current fiscal environment, the Government will redirect a proportion of the more than \$4 billion which is otherwise projected to be spent on this program over the next five years, to services which are targeted to those people most in need.

Savings generated from these changes are enabling additional mental health services to better serve some of the most disadvantaged people and their carers, through services provided at low to no cost to the consumer and through innovative and expanded services delivered in a primary care setting. For example:

- Nationally, Access to Allied Psychological Services will grow from \$36.1 million in 2010-11 to \$108.7 million in 2015-16 and a total of \$432.7 million over the next five years. This expanded funding will be directed at addressing imbalances in access to Medicare mental health services and will particularly target children and their families, Indigenous people and those in lower socioeconomic areas.
- A single portal for online therapy and clinical support will bring together and improve awareness of and access to existing services. An additional 45,000 people will have access to web-based therapies over five years, particularly benefiting those in areas with limited access to face to face services or who fear stigma and discrimination.
- The successful headspace model is being expanded to achieve 90 fully sustainable sites across Australia by 2014-15. Once all 90 sites are fully established, headspace will help up to 72,000 young people each year.
- Funding will also support better coordinated care for people with severe, persistent mental illness and complex needs by providing a single point of contact – a care facilitator – and flexible funding to plug service gaps for around 24,000 people with severe and persistent mental illness and their families.

e) The table below represents a “snapshot in time” estimate of Commonwealth expenditure on mental health and estimated projected Commonwealth expenditure on mental health. This table has been adjusted from the same data provided in the response to question E11-573. Future figures have been calculated on anticipated indexation and inflation and may vary.

Category	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
	\$m									
Pre-Existing funding levels	1,558.5	1,932.2	2,160.8	2,215.1	2,412.1	2,392.5	2,438.7	2,559.7	2,682.7	2,805.7
2010-11 Budget and MYEFO initiatives					39.7	139.2	134.6	136.3	106.5	107.3
2011-12 Delivering National Mental Health Reform Package						47.3	210.6	312.9	437.5	490.9
TOTAL (Nominal \$)	1,558.5	1,932.2	2,160.8	2,215.1	2,451.8	2,579.0	2,784.0	3,008.9	3,226.7	3,403.9
TOTAL (Real \$)	1,810.9	2,148.3	2,368.0	2,355.5	2,549.9	2,579.0	2,683.4	2,815.7	2,931.5	3,017.1