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The Hon Kevin Rudd MP
Prime Minister
Parliament House
CANBERRA ACT 2600

Re: Reshaping mental health services

29th April 2010.

Dear Prime Minister,

We write to you in response to your announcement of “an historic agreement to reshape mental health services.”

We welcome your commitment to reshape mental health services and look forward to your Government announcing a plan to achieve change on a genuinely historic scale. Major change in mental health is urgently needed and we are committed to working with the Australian Government to develop an appropriately planned, resourced and coordinated program to achieve this change.

We also welcome the Minister for Health and Ageing’s announcement of “a new national leadership role for the Australian Government in delivering much-needed service improvements for people with mental illness and their carers in this country.” It is our shared view that the unifying goal of the Australian Government’s new role in mental health must be to end the inequality in access to quality care between mental health and physical health. We therefore request that your Government explicitly makes its core policy objective in mental health achieving parity of access to quality care between physical and mental health.

We further welcome the announcement that mental health will be on the agenda at COAG in 2011. We believe addressing the deep structural and funding issues that underpin low rates of access to quality care for Australians with mental ill-health requires sustained attention from heads of governments over a number of years. However, we equally believe that the need for reform is urgent, that significant additional announcements in mental health are required over the coming weeks and months and that a long-term approach must not delay actions that are achievable immediately.

In particular, we note with concern that the new health funding announcements may exacerbate one of the key structural barriers to change – that mental health’s share of the health budget (6%) is significantly less than both its share of Australia’s health burden (14.2%) and of the recommendation of the 2006 Senate Select Committee on mental health (9-12%). We note that the 2006 COAG agreement was described by the then Prime Minister as the first step of an ongoing process of reform and that the new funding announced at that time represented just 20% of the total requirement identified by the Senate Select Committee.

The \$116m of new mental health specific funding announced as part of the new COAG health agreement represents just over 2% of the \$5.4bn of new health funding for 2010-11 through to 2013-14. This figure will improve if mental health secures a significant portion of the new funding announced for sub-acute beds. But much more is needed to begin addressing the structural underfunding of the mental health sector.

Overall, we believe that through its agreement with States and Territories, the Australian Government has created an opportunity to fundamentally reshape the mental health system to the benefit of the millions of Australians who experience mental ill-health each year. To realize the potential of this opportunity, we recommend that the Australian Government:

- commit to achieving equal access to quality care between physical and mental health
- work in partnership with State and Territory governments and the mental health sector to develop, resource, publish and implement a plan to achieve the equal access goal
- comprehensively strengthen community mental health services by investing in both further expanding the youth mental health models of care supported in the COAG announcement and by substantially enhancing supports for other key points in the lifespan – particularly for children and older adults

We are committed to playing our role in supporting the Australian Government in achieving these goals.

Prof. Patrick McGorry

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