

# Mental Health and the National Disability Insurance Scheme

# **POSITION PAPER**

November 2013

Phone: (02) 6285 3100 | Email: josh.fear@mhca.org.au | Website: www.mhca.org.au

Address: Level 1, 9-11 Napier Close, Deakin, ACT 2600

## Introduction

The National Disability Insurance Scheme (NDIS) represents a major opportunity to deliver much-needed services and support for people with a range of disabilities. The Mental Health Council of Australia (MHCA) supports the NDIS, especially given the bi-partisan commitment to increasing funding to support people with significant ongoing disabilities over the next few years. It is absolutely appropriate that the scheme includes people with a psychosocial disability related to mental illness.

However, the MHCA has strong concerns about the implications of the scheme for mental health consumers, carers and service providers. These concerns relate to the design of the NDIS, the status of existing services, and the likely impact on future mental health programs.

This position paper outlines the current challenges and provides some suggestions on how to resolve them.

## Eligibility

Under the NDIS legislation, in order to qualify for an individualised package of support a person needs to have a 'permanent impairment'. While permanency may be a meaningful concept for some kinds of disability, in the context of mental illness it is less clear. Most people with psychosocial disability have needs (and impairments) that fluctuate in severity and in nature over their lifetimes, and it is often difficult or impossible to predict which people will need long-term support and who will exit the 'system'. The MHCA is very concerned about the implications for the very large numbers of people with a mental illness who will not be eligible for the NDIS because they are not deemed to have a permanent impairment or because their disabilities are not deemed sufficiently debilitating.

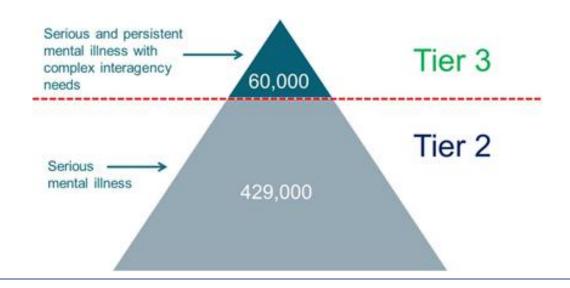
The MHCA doubts that the permanency principle currently embedded in the scheme can be reconciled with these realities. Feedback from the launch sites indicates that these requirements are already causing confusion.

Of the 489,000 people with serious mental illness in Australia, the Productivity Commission estimated that only 60,000 would qualify for an individualised package of support ('Tier 3') because they have a serious and persistent mental illness with complex interagency needs (as shown in Figure 1, below). Among this group, just 6,000 people with psychosocial disability associated with mental illness (that is, only 10 per cent of people with serious and persistent mental illness with complex interagency needs) were said to require the most intensive support – a figure that the MHCA believes lacks any credibility and vastly underestimates the level of need in the community. In deriving these numbers, the Commission acknowledged major limitations in the available data and the need for further

analysis of the target population. Worryingly, these still appear to be the only estimates available to the National Disability Insurance Agency (NDIA).<sup>1</sup>

While not all 489,000 people with serious mental illness will require an individualised package of support, many more than 60,000 will have significant disability warranting long-term support. The forthcoming National Mental Health Service Planning Framework, being undertaken by Queensland Health and NSW Health in partnership with the Federal Department of Health, may help clarify the gap between the original estimate and the actual level of community need.

Figure 1: Estimated numbers of people with serious mental illness who will be eligible for an individualised package of support



If someone with a serious mental illness does not qualify for an individualised package of support (i.e. they are assessed as 'Tier 2' participants), it is not at all clear how the NDIS will benefit them. On the contrary, current indications are that Tier 2 participants will need to rely on existing systems of referral and support, the very systems that are responsible for far too many people falling through the cracks and not getting the assistance they need on their recovery journey. As noted below, many of these existing programs also appear to have uncertain futures as they are absorbed into the NDIS through the current funding arrangements.

#### Assessment

While the NDIS legislation stipulates that someone must have a permanent impairment to be eligible for an individualised package of support, the mental health sector is uncertain about what this means in practice. Almost uniquely among many kinds of disability, psychosocial

<sup>&</sup>lt;sup>1</sup> Productivity Commission 2011, *Disability Care and Support*, Report no. 54, Canberra, Appendix M.

disability associated with mental illness is often episodic in nature and can result in fluctuating needs – not only over a lifetime but over the course of weeks and months. One person's support needs may be not be immediately obvious at any point in time, but nevertheless be ongoing, while someone else's needs might be quite apparent while not necessarily being 'permanent' (depending on how permanent is defined). For these and other reasons, the outcomes of assessment may be different depending on when and how it occurs and who is able to contribute to it.

With these challenges in mind, it is crucial that the assessment process incorporate three features if it is to adequately cater to people with psychosocial disability. First, the process must involve carers, service providers and other support people to the maximum extent possible. Relying solely on conversations between consumers and NDIA assessors to determine the nature and extent of consumers' long-term needs is not sufficient.

Second, any tools used to conduct assessments must be designed for people with psychosocial disability related to mental illness, rather than being adapted from tools used for other kinds of disability. The MHCA is not confident that the tool currently being used by NDIA assessors is appropriate in this regard.

Third, NDIA staff conducting assessments must be trained and experienced in mental health issues. Understanding the needs of someone with psychosocial disability requires specialist skills and the ability to develop trust with consumers, carers and service providers.

## Mental health programs in-scope for the NDIS

Agreements have been reached between the Commonwealth and State/Territory Governments about which existing programs – and what proportions of their funding – are 'in-scope' for the NDIS. The mental health sector was not consulted at all before these decisions were made.

The NDIA has indicated that at the Commonwealth level, 100 per cent of the Personal Helpers and Mentors program (PHaMS), 70 per cent of Partners in Recovery (PIR), 50 per cent of Mental Health Respite for Carers and 35 per cent of Support for Day to Day Living in the Community are in-scope for the NDIS.

The Productivity Commission estimates noted above suggest that that corresponding proportions of people currently accessing these programs will not be eligible for the NDIS. For example, many stakeholders consulted by the MHCA believe that a significantly lower proportion of PHaMS and PIR clients will be eligible.

Another key question relates to what services will be available for people who do not gain access to NDIS support, either because they do not opt in (even though they meet the eligibility criteria) or because their disability is not deemed sufficiently significant or guarantee permanent. While of continuity of care is in place Commonwealth/State/Territory agreements) for current clients, no such guarantee exists for future clients, including clients of mental health programs that have a high rate of turnover from year to year.

If replicated nationally, decisions about in-scope programs are likely to lead to reduced services for large numbers of people with serious mental illness who are ineligible for the NDIS. Given the high levels of current unmet need and well-established under-investment in mental health in all jurisdictions, the MHCA is deeply concerned that the NDIS could exacerbate rather than ameliorate the problems that people with mental illness have in accessing timely and effective services in the community. The mental health sector and the broader Australian community need assurance that future mental health consumers and carers will not miss out on services, leaving them worse off, as an unintended consequence of a major initiative originally intended to deliver more support.

# Early intervention and psychosocial disability

Many of the mental health programs that are currently in-scope for the NDIS appear to deliver services that the MHCA suggests provide 'early intervention' rather than ongoing or life-long support. While these programs fund services for people with permanent illness/disability, they are usually not life-long solutions but rather they are often temporary (and even emergency) interventions to help people manage crisis or overcome negative circumstances that could rapidly escalate.

The fact that a person needs to have a permanent impairment before receiving an early intervention (which will in turn reduce that person's reliance on the service system in the future) is profoundly counterintuitive. Indeed, if early intervention services are reduced from existing levels, we will certainly see a greater burden on the service system, including additional presentations at emergency departments, increased reliance on crisis accommodation services and a greater risk of people with mental health issues encountering the criminal justice system. In the context of an insurance scheme which ought to reduce future risks, these arrangements appear misguided.

The MHCA is eager to see the development of a definition of early intervention from the perspective of psychosocial disability. Such a definition can only be developed in close consultation with stakeholders in the mental health sector who have an intimate understanding of the nature of effective non-clinical early intervention services.

### Possible solutions

#### Scheme design issues

To address the concerns outlined above, the highest priority for governments is **to formally commit to maintaining or increasing existing funding and levels of service for current and future consumers of mental health services**, regardless of whether those consumers are deemed eligible for the NDIS or are accessing existing mental health services.

To develop a better picture of the implications of scheme design arrangements for the mental health sector, governments should support a project to map in-scope Commonwealth and State/Territory mental health programs and services and to compare the target populations for each program/service to the target population for the

NDIS (including projections of future demand). This would identify areas of need that will not be addressed through NDIS-funded services, and would provide a much clearer picture of what is likely to eventuate should such programs be subsumed (wholly or in part) by the NDIS. It would also provide stakeholders with a better understanding of what programs and services will be accessible by Tier 2 participants, and which will be accessible only by (or preferentially by) Tier 3 participants. Because most of the services in question are delivered through the non-government sector, it is essential that non-government stakeholders contribute substantially to this work.

In addition, it is vital that adequate early intervention services and supports be available and readily accessible to people with mental illness, regardless of whether they have been assessed as eligible for an individualised package of support through the NDIS.

#### Involving mental health stakeholders in policy development

Adequately addressing the issues described in this paper will require a significant and dedicated stream of work, with close and meaningful engagement and consultation with all relevant stakeholders. The MHCA therefore proposes **a formal process for developing and providing advice to the NDIA Board** about the best approaches to meeting the needs of people with psychosocial disability through the NDIS via a new Expert Advisory Group. Importantly, this group must include representation from a range of stakeholders including the non-government mental health sector, as well as carers and consumers, if its advice is to be meaningful and credible.

In providing advice to the NDIA and government, the Expert Advisory Group would:

- Identify the key differences between the service delivery model being supported by the NDIS and the services delivered by the broader mental health sector in Australia, including innovative approaches developed in the community mental health sector.
- Review access to, and services available through, the NDIS for people with a severe and persistent mental illness.
- Review the interaction between the NDIS and current programs and services for people living with mental illness to improve coordination and minimise unintended consequences of the move to the NDIS model.
- Consider developments in the launch sites, the lived experience of people living with severe and persistent mental illness in those locations, as well as feedback from the broader mental health sector.
- Make recommendations relating to:
  - Unintended consequences for the health system and other systems (like housing and employment) as a result of people living with severe and persistent mental illness not receiving assistance through the NDIS, both immediately and in the future.

Key reform opportunities building on the core principles of the NDIS and taking into account the needs of people living with severe and persistent mental illness.

#### Involving mental health stakeholders in evaluation and monitoring

The MHCA believes that the NDIA needs to involve mental health stakeholders to a much greater degree in monitoring and evaluating the effectiveness of the NDIS in meeting the needs of people with psychosocial disability. This engagement should include, at a minimum, an early warning system to identify and act on problems well before the formal evaluation of launch sites is complete, and a robust process to identify the extent and nature of unmet need and the barriers to those needs being addressed.

In addition, the MHCA urges the NDIA to regularly provide detailed information to mental health stakeholders on a range of critical issues, with a presumption in favour of releasing information publicly wherever possible. Such information should include or shed light on:

- How assessment is being conducted, including which assessment tools are being used for psychosocial disability, why these tools were chosen, and who is involved in the assessment process.
- De-identified data on the specific reasons why people with mental illness are being assessed as either eligible or ineligible for full participation in the NDIS, including information on how a determination of permanency of impairment is made in practice.
- How participants with psychosocial disability are supported to make decisions about their package of care that are in their best interests, including the roles of carers and service providers/workers who have a pre-existing relationship with those participants.
- A breakdown of NDIS funds spent on people with psychosocial disability associated with mental illness, matched to the funding commitments made by Commonwealth and State/Commonwealth Governments in bilateral agreements.

