NSW GOVERNMENT | Health

H15/2283-2

Dr Tony Sherbon
Chief Executive Officer
Independent Hospital Pricing Authority
1 Oxford Street
SYDNEY NSW 2000

Dear Dr Sherbon

Development of the Australian Mental Health Care Classification: Public Consultation Paper 1

Please find attached a submission from NSW Health in response to the Australian Mental Health Care Classification (AMHCC) public consultation paper.

NSW supports the development of a mental health classification, with broad clinician engagement and involvement, and considers this an important component of the Activity Based Funding work program. I enclose a detailed NSW Health response, and highlight key aspects as follows:

- To ensure the data collection burden on Local Health Districts is minimised, data requirements should be part of the normal administrative and clinical processes of patient care;
- NSW supports reinforcing the principle of 'Clinical Meaning' throughout development of the AMHCC;
- The principles outlined in the National Mental Health Services Planning Framework and Fourth National Mental Health Plan provide good context for classification development;
- Some new data elements are not well developed which may reduce data quality and confidence, particularly Phases of Care and the Mental Health Intervention Classification; and
- Clarification is required on whether Drug and Alcohol (as co-morbidities) will be considered in-scope for the AMHCC.

NSW looks forward to participating in future development stages of this classification. If you would like to discuss the NSW submission, please contact Jacqueline Ball, Director, Government Relations on 9391 9469 or jball@doh.health.nsw.gov.au.

Yours sincerely

Elizabeth Koff
A/Deputy Secretary, Strategy and Resources
12/2/15

Encl. *NSW submission on Development of the Australian Mental Health Care Classification: Public Consultation Paper 1*

NSW Ministry of Health
ABN 92 697 899 630

73 Miller St North Sydney NSW 2060
Locked Mail Bag 961 North Sydney NSW 2059
Tel. (02) 9391 9000 Fax. (02) 9391 9101
Website. www.health.nsw.gov.au

Development of the Australian Mental Health Care Classification: Public Consultation Paper 1

NSW HEALTH SUBMISSION

This submission provides comments on Public Consultation Paper 1 prepared by the Independent Hospital Pricing Authority (IHPA) on the development of the Australian Mental Health Care Classification (AMHCC).

Mental health care classification in Australia and internationally

Consultation question:

1. What are the most important factors to draw from international experiences in classifying mental health care?
2. What are the most important considerations in the national context?

The development of the AMHCC is an important component of the Activity Based Funding (ABF) work program regardless of the Commonwealth's decision to cease funding jurisdictions through an ABF approach from 1 July 2017.

NSW suggests that those clinical decisions that are necessary pre-classification steps (such as when the Mental Health care type will apply) have clear business rules to ensure greater consistency of use between jurisdictions.

While strongly supporting the development of the AMHCC, it must be recognised that there is the potential for increased data collection, thereby increasing the burden on Local Health Districts. When a new data element is being introduced, it must be either unique or aligned with an existing data element. At a minimum, data requirements should be part of the normal administrative and clinical processes of patient care.

Noting that there is much to be done in developing the classification, NSW supports reinforcing the *Clinical Meaning* principle for classification development. This would go some way towards grouping those factors that impact on communities, as described under the New Zealand approach to mental health care classification (e.g. complexity, age, DRG, co-morbidities, geographic location, legal status, ethnicity and length of stay).

NSW also notes that the use of any clinical assessment tool for the measurement of clinical outcomes should not be compromised by its use in a classification or funding model.

Key considerations in building a mental health classification

Consultation question:

3. Are there any other principles that should be considered in developing the AMHCC?
4. Are there further data or other limitations of which the AMHCC should be aware?
5. Are there any other key considerations that should be taken into account in developing the AMHCC?

NSW agrees with the principles for classification development, noting above the desire to reinforce *Clinical Meaning*.

The principles outlined in the National Mental Health Services Planning Framework provide a useful context for classification development, and as such they should be considered throughout the development process in addition to the current principles. NSW also believes that a number of the principles in the Fourth National Mental Health Plan would add value, particularly in relation to service delivery models and diversity.

Clarification is required on how socio-economic factors (which affect costs) will be managed in classification development. NSW suggests that IHPA include a greater explanation of whether socio-economic factors will be incorporated into the classification or considered as a pricing factor outside the classification.

The proposed Mental Health care type definition states that a clinician is someone "...with specialised expertise in mental health", which therefore does not limit a clinician to a specified professional background. As such, the data elements should be sufficiently universal as to not require specific professional training or qualifications.

NSW acknowledges that the National Mental Health Costing Study is a first step in classification development. However, some new data elements that IHPA is testing (particularly Phases of Care and the Mental Health Intervention Classification) are not well developed. There is concern that this may reduce data quality and confidence around using these data elements in the classification.

As these two data elements are not part of national administrative data collections, NSW is not currently in a position to provide these data items in 2016-17. Furthermore, introducing Phase of Care as a unit of count presents a significant data collection system challenge which will require an increase in resources and appropriate lead time to implement if included in the final classification.

Other data considerations that IHPA should take into account are as follows:

- Outcome measures – timeliness, quality, quantity.
- Consultation Liaison activity.
- Handling of clients not assessed (Triage Only Clients).
- Unidentified client handling – which is an issue for Mental Health services.
- Sub-acute inpatient stays – unclear whether the classification will cover this.

As noted in the Consultation Paper, the Mental Health care type is intended to apply to care delivered in non-specialist and specialist mental health services. Therefore, IHPA should consider the ease of data collection and reporting in each of these environments. There will also be a need to develop educational and supporting materials to ensure national consistency.

Cost drivers of mental health care

Consultation question:

6. Are there other cost drivers that should be considered in the development of the AMHCC?

NSW would appreciate further detail on whether Drug and Alcohol (as a co-morbidity) will be considered in-scope for the AMHCC. This is not made explicit in the Consultation Paper.

Proposed approach

Consultation question:

7. Are there any further considerations in relation to the proposed architecture?
8. Is there any further evidence that should be considered in testing the proposed architecture?
9. Which psychological interventions, if any, may be of significant in understanding the cost of care?

The proposed architecture creates a new unit of count in Mental Health, which will require:

- Education of clinicians and relevant service providers.
- Clear definitions and business rules.
- Significant information system infrastructure changes.

NSW suggests that IHPA consider taking into account social factors (such as age and Indigenous status) in relation to the proposed architecture.

Most jurisdictions are unable to provide palliative care activity and cost data at a phase level. NSW recommends further investigation of the causes of these limitations as they may inform the challenges ahead for the AMHCC.

In testing the proposed architecture, it is imperative that relevant clinicians are actively sought for feedback (including in the area of psychological interventions), particularly on utility from a clinical care perspective.

Developing AMHCC versions 1.0 and 2.0

Consultation question:

10. Are there particular aspects or areas of the AMHCC that should be prioritised in its development, or aspects that should be developed at a later stage?
11. Are there any further considerations that should be taken into account when developing the AMHCC?

NSW believes that non-admitted and sub and non-acute care should be prioritised because, unlike acute admitted care, there is currently no alternative pricing mechanism.