primary health TASMANIA

Mental health services for adults with complex and severe mental illness

Commissioning Intentions Document

Version 1

phn TASMANIA

An Australian Government Initiative

Contents

Primary Health Tasmania
t: 1300 653 169
e: info@primaryhealthtas.com.au
www.primaryhealthtas.com.au

Australian Government

phn TASMANIA

An Australian Government Initiative

Primary Health Tasmania Commissioning Intention

Primary Health Tasmania will work with communities and our service provider partners to develop innovative service models for primary mental health services for adults with complex and severe mental illness within a stepped care approach.

Our commissioning process aims to:

1. understand service priorities for the Tasmanian community
2. determine agreed priorities and identify the targeted service solutions and associated performance criteria that Primary Health Tasmania can implement to contribute to improved health and well-being outcomes
3. implement new primary mental health services from 30 June 2018
4. build the capacity of the primary mental health service sector.

Executive Summary

In May 2016, Primary Health Tasmania was given responsibility by the Australian Government for commissioning services for people with complex and severe mental illness.

The existing providers enrolled under the former Australian Government funded Mental Health Nurse Incentive Program (MHNIP) were re-funded by Primary Health Tasmania until June 2018.

Primary Health Tasmania is now seeking to commission a state-wide clinical care and treatment service provided by mental health nurses for adults with complex and severe mental illness being managed in a primary care setting.

These intended outcomes of this program are:

- improved coordination of care and services between health and other sectors
- an appropriate range of services to meet patients' needs (including comorbidities) within a stepped care model
- reduced hospital bed-days for adults with complex and severe mental health conditions
- improved equity of access to appropriate intensity services for adults with complex and severe mental illness
- reduced symptoms and improved quality of life for adults with complex and severe mental illness.

Interventions provided by services will need to be evidence-based and provided by a suitably skilled and qualified mental health nurse workforce, working within their scope of practice.

The sum of $1,162,813 (GST exclusive) is available for this program for the 2018/19 financial year.

What is commissioning

At its simplest, commissioning means planning and buying services to meet the health needs of local populations. It involves understanding localised priority issues and procuring appropriate services to address those issues in the most effective and efficient manner. Commissioning is different to the way we have been purchasing health and community services in the past; with a strong focus on ensuring outcomes for communities and populations, rather than a focus on delivering activity.

As well as planning and procuring, our commissioning model involves a continuous cycle of engagement and collaboration with communities, service providers and other stakeholders to ensure fit-for-purpose services and initiatives are designed and delivered to improve the health and well-being of Tasmanians.

Primary Health Tasmania's commissioning model involves four phases in a cyclical process.

1. **Assessing Needs** – understanding what local communities need and working out the local priorities we can address based on this information.
2. **Designing Solutions** – working with others to identify the most efficient and effective ways we can address the identified priorities.
3. **Implementing Solutions** – procuring quality health services and initiatives and proactively working with providers to monitor performance and progress towards agreed outcomes.
4. **Evaluating Outcomes** – assessing the efficiency and effectiveness of services and initiatives (including value for both health gains and money) against outcomes and informing priorities for future investment in successive commissioning cycles.

While described as four phases, the commissioning cycle is a fluid process, requiring consideration of all elements of commissioning through each phase of the cycle. For example, during the assessing needs phase, measuring and evaluating outcomes needs to be considered early as part of understanding the priority needs and identifying what we want to change. The design and implementing solutions phases then need to lead to measurable and achievable outcomes.

Engagement and collaboration with partners is essential to ensure improved health and well-being outcomes in Tasmania.

What is the purpose of this document

The Australian Government Department of Health has contracted Primary Health Tasmania to commission services within Tasmania. Accordingly, the purpose of this document is to outline the commissioning process Primary Health Tasmania will undertake to form its investment in primary mental health services for adults with complex and severe mental illness from June 2018.

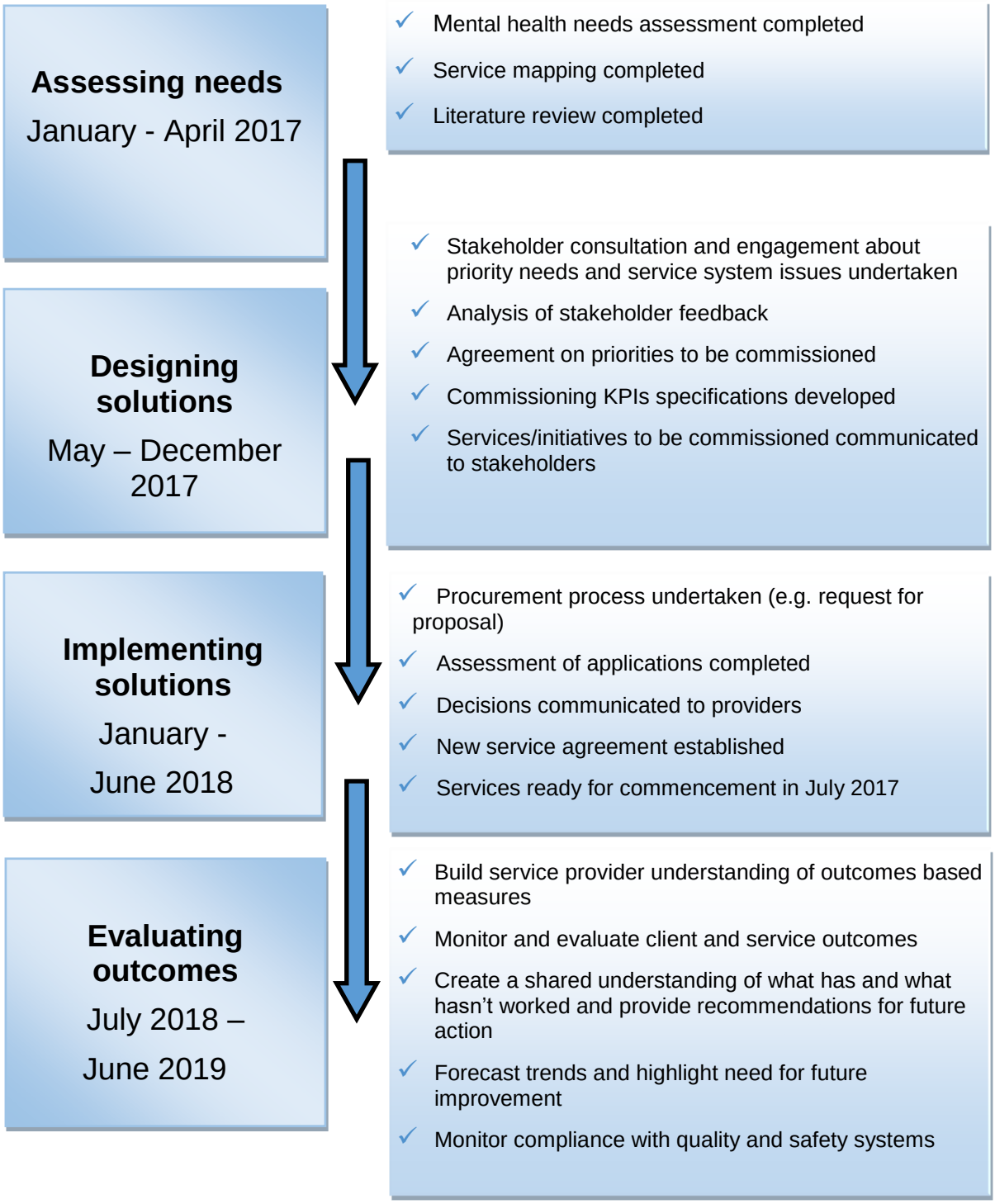
This document describes the commissioning cycle, including the approach the organisation will take and the information we will gather to inform service and sector capacity building commissioning.

This commissioning intentions document is a key resource to ensure we work with local stakeholders to develop a shared understanding of the priority issues to be addressed for Tasmania. It outlines the outcomes of data analysis and consultations to inform priorities for service design.

This commissioning intention document provides a detailed overview of the types of services Primary Health Tasmania is seeking to purchase, what activities are out of scope for the funding available, what outcomes will be evident through the delivery of

services and how these will be measured and information to applicants regarding preparing and submitting a response to tender. This document also includes a range of background information to inform applicants of existing mental health issues in Tasmania and what services and programs are currently in place to address these.

Commissioning timeframes



Who will we work with

Stakeholder engagement is a critical element for each phase of the commissioning cycle. Primary Health Tasmania has undertaken stakeholder analysis and identification to ensure that services, community peak bodies and individuals with an interest in intervention for adults with complex and severe mental health needs are informed and engaged during the commissioning process.

Primary Health Tasmania, through a separate Communication and Stakeholder Engagement Strategy, will identify a range of mediums through which to engage, inform and solicit opinion from key stakeholders and other interested parties.

Evaluating our approach

As commissioning is a relatively new concept for the Australian health system and for Primary Health Tasmania, it is important that the commissioning cycle is evaluated as part of a continuous quality improvement process for the organisation and to ensure that we are achieving the desired results.

We will evaluate the commissioning cycle to understand:

- if we are undertaking the process in the best way possible
- how we can improve processes to make it easier for providers over time
- how we can assess and respond to changes in health and well-being outcomes
- if we are engaging with our stakeholders in a meaningful and effective way.

Phase 1 – Assessing needs

1.1 Understanding mental health

Mental health

Mental health is defined by the World Health Organization, as a state of well-being in which the individual realises his or her own abilities, can cope with the normal stresses of life, can work productively and fruitfully, and is able to make a contribution to his or her community.[1]

A mental illness

A mental illness, that is clinically diagnosed, is a health problem that significantly affects how a person feels, thinks, behaves and interacts with other people. The diagnosis of mental illness is generally made according to the classifications systems of the Diagnostic and Statistical Manual of Mental Disorders (DSM) or the International Classification of Diseases (ICD).[2] The term mental disorder is also used to refer to these problems. A mental illness is present when such feelings of anxiety, fear, tension or sadness become so disturbing and overwhelming that people have great difficulting coping with day to day activities, such as work, enjoying leisure time, and maintaining friendships.[3]

A mental health problem

A mental health problem also interferes with how a person thinks, feels and behaves but to a lesser extent than mental illness. Mental health problems are more common and include mental ill health that can be experienced temporarily as a reaction to the stresses of life. Mental health problems are less severe than mental illness, but may develop into a mental illness if they are not effectively managed.[4]

Severe mental illness

Severe mental illness is characterised by a severe level of clinical symptoms and degree of disablement to social, personal, family and occupational functioning. An estimated 3.1% of the Australian population have severe disorders, equivalent to 690,000 people. About one third of the severe group have a psychotic illness, primarily schizophrenia or bipolar disorder. The largest group (approximately 40%) is made of people with severely disabling forms of anxiety disorders and depression.[5]

---

[1] World Health Organization (2005). Promoting Mental Health: Concepts, Emerging evidence, Practice: A report of the World Health Organization, Department of Mental Health and Substance Abuse in collaboration with the Victorian Health Promotion Foundation and the University of Melbourne.

[2] Australian Government *Response to Contributing Lives, Thriving Communities- Review of Mental Health Programmes and Services* (2015) *Retrieved from*: http://www.health.gov.au/internet/main/publishing.nsf/Content/mental-review-response

[3] Australian Government. What is mental illness? *Retrieved from:* http://www.health.gov.au/internet/main/publishing.nsf/Content/F602B63256E116BBCA257BF00020AACF/$File/whatmen2.pdf

[4] ibid

[5] Australian Government – Department of Health- *PHN Primary Mental Health Care Flexible Funding Pool Implementation Guidance – Severe mental illness*

Severe mental illness is often described as comprising three sub categories.

- Severe episodic mental illness – refers to individuals who have discrete episodes of illness interspersed with periods of minimal symptoms and disability or even remission. This group comprises about two thirds of all adults who have a severe mental illness.
- Severe and persistent mental illness – refers to individuals with a severe mental illness where symptoms and/or associated disability continue at high levels without remission over long periods (years rather than months). This group represents about one third of all adults who have a severe mental illness.
- Severe and persistent illness with complex multiagency needs – the most disabling of the severe category requires significant clinical care (including hospitalisation), along with extensive support from multiple agencies to assist in managing most of the day to day living roles (e.g. housing support, personal support worker domiciliary visits, day program participation).

For the purpose of this document, the concept of severe and complex mental illness is not aligned directly to any one of the above three groups. A proportion of all three groups may have complexities associated with their mental illness that requires additional services and care. Complexities can include medical comorbidities such as chronic illness that causes disability, high risk of suicide or the need for coordinated assistance across a range of health and disability support agencies.

1.2 Prevalence of mental illness

Around 7.3 million Australians aged 16-85 will experience a common mental health-related condition, such as depression, anxiety or substance use disorder in their lifetime.[6]

Disorder prevalence

The National Survey of Mental Health and Wellbeing reported that 1 in 5 Australians experienced a mental illness in the previous 12 months. Anxiety disorders were the most common, affecting 14% of the adult population, followed by affective disorders such as depression (6%), and substance use disorders including alcohol dependence (5%).[7]

Mental illness also includes low-prevalence (less common) conditions. Low-prevalence conditions include psychotic illnesses, eating disorders and severe personality disorders, among others. It is estimated that 64,000 people in Australia aged 18-64 have a psychotic illness and are in contact with specialised public mental health services each year. This equates to 5 cases per 1,000 people, or 0.5% of the population. [8]

In addition, a proportion of the population experience mental health problems without having a diagnosed mental illness.

Disorder severity

It is estimated that 2-3% of the Australian population have a severe, 4-6% have a moderate and 9-12% have a mild mental health disorder where severity is judged by diagnosis, intensity and duration of symptoms and degrees of disability. For Tasmania, these estimates equate to 14,860 people living with severe, 29,721 with moderate and

[6] 2007 ABS National Survey of Mental Health and Wellbeing.
[7] ibid
[8] 2010 National Survey of Mental Health and Wellbeing Survey of People Living with Psychotic Illness

59,442 people living with mild mental health disorder.

Suicide and self-harm

Suicides, suicide attempts and self-harm are prominent public health concerns and come at high personal cost for families, friends and communities.

Tasmania has the second-highest rate of suicide behind the Northern Territory. In 2015, Tasmania recorded the second highest suicide rate in Australia – 16.3 Tasmanians out of 100,000 died by suicide compared to 12.7 of 100,000 Australians overall. Suicide rates in males are three times that of females. The highest rates were observed among men aged 40-54 years.

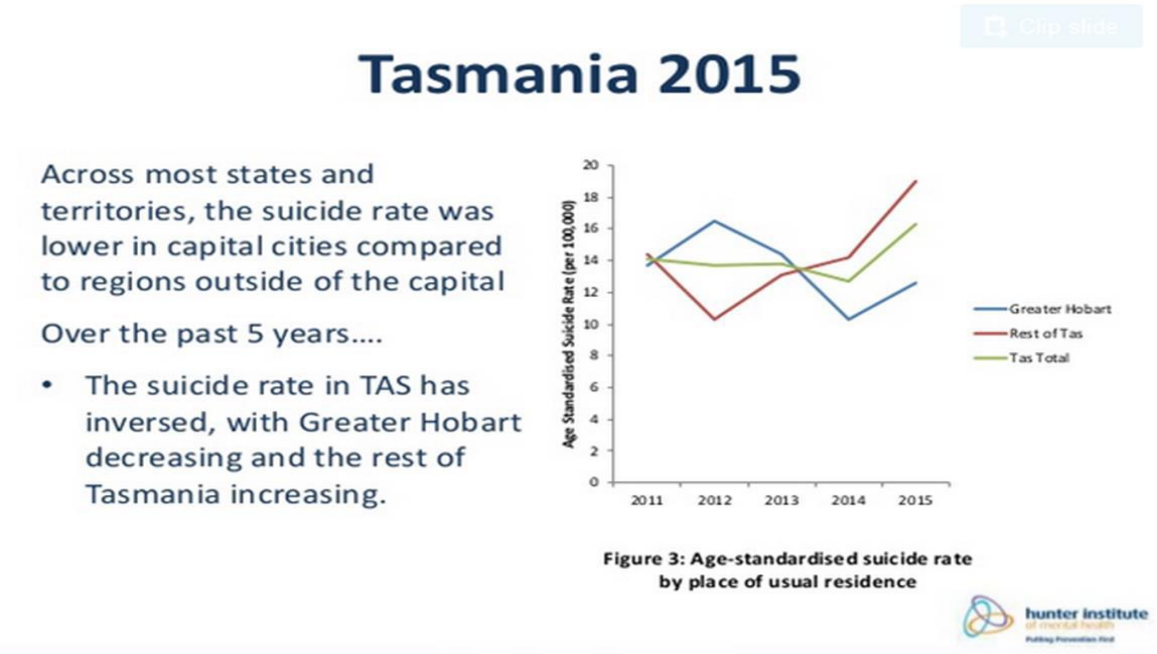


Figure 3: Age-standardised suicide rate by place of usual residence

1.3 Understanding the mental health context in Australia

The Mental Health Commission in its 2014 report: *Contributing lives, thriving communities - Report of the National Review of Mental Health Programmes and Services* (the Report), identified that a stepped care approach can support people to take greater responsibility for their own mental and physical wellbeing, when accompanied by the appropriate services and supports. The Report stated that the mental health system has fundamental structural shortcomings due to the overall impact of a poorly planned and badly integrated system. This has led to a massive drain on people's wellbeing and participation in the community — on jobs, on families, and on Australia's productivity and economic growth.

In response, the Report recommended:

- focussing on managing and supporting people in the community as much as possible
- increasing the focus on early intervention and prevention within the mental health service system to reduce the need for crisis and acute responses
- shifting funding priorities from hospitals and income support to community and primary health services.[9]

[9] Mental Health Commission. Summary- Review of Mental Health Programmes and Services. 2014. *Retrieved from:* http://www.mentalhealthcommission.gov.au/media/119896/Summary%20%20-%20Review%20of%20Mental%20Health%20Programmes%20and%20Services.PDF

Alongside the reforms announced by the Australian Government, the Tasmanian Government undertook an in-depth review of the mental health service system in Tasmania. This culminated in the release of *Rethink Mental Health - A long-term plan for mental health in Tasmania 2015-2025.*

The review identified the need for greater access to community support to reduce demand for public mental health services, including inpatient services. It noted that long-term supported accommodation and sub-acute outpatient services are effective alternatives to hospital care. The review noted that personalised support services, group support services and self-help groups were also effective models of care. The Tasmanian Government committed to implementing stepped care models of mental health support and to reviewing current funding to community sector organisations.

1.4 Understanding the mental health context in Tasmania

Mental health - and mental health related services are provided in a variety of ways, including: admitted patient care in hospital and other residential care, hospital based outpatient services, community mental health care services, and consultations with both specialists and general practitioners. Within Tasmania, the mental health sector is made up of government, state, community sector and private service providers.

Those services are provided by a range of professionals including specialists, nurses, peer workers, alcohol and drug workers, educators, as well as counsellors, psychologists, psychiatrists, pharmacists, social workers, general practitioners, emergency department workers, community workers, and other generalist health professionals. Mental health is also supported by services out of the health sector (e.g. education, employment).

1.5 Mental health service use in Tasmania

There is an increasing trend over time for Tasmanians seeking professional help for mental health related problems.[10] However, compared to other jurisdictions, Tasmania has the lowest number of community mental health care service contacts per 1 000 population (293 vs approx. 375 nationally).[11]

General practitioners were the most common mental health service provider (1.2 million services). [12]

The number of recorded mental health related public hospital emergency department occasions has increased over time by approximately 5% per year.[13]

In terms of state residential health services, Tasmania has the highest rate of episodes of care (14.6 per 10,000 people vs 3 per 10,000 nationally). Tasmania also has the highest rate of residential care days per 10,000 population (799 vs 123) (2013/14 data).[14]

Access to Allied Psychological Services

Access to Allied Psychological Services (ATAPS) was an Australian Government funded program introduced in 2001 in response to low treatment rates for common mental health disorders. It allowed general practitioners to refer patients to receive free or low-

[10] Tasmanian Population Health Survey 2016
[11] Mental Health Services in Australia, "State and Territory Community Mental Health Care Services." Australian Institute of Health and Welfare, Accessed 2016, https://mhsa.aihw.gov.au/services/community-care
[12] MBS online data, Accessed 12 September 2016
[13] Ibid
[14] Australian Institute of health and Welfare, 'Residential Mental Health Care,' AIHW, Accessed September 2016, https://www.aihw.gov.au/reports/mental-health-services/mental-health-services-in-australia/data

cost evidence-based mental health care. In 2014 – 2015, ATAPS service use in the west and north west of Tasmania was more than twice the state average.

Table 1: ATAPS services per 100,000 population, Tasmania 2014 – 2015

SA4 region	ATAPS services per 100,000 population
Hobart	526
Launceston and north east	1,147
South east coast	1,320
West and north west	2,980
Tasmania	1,301

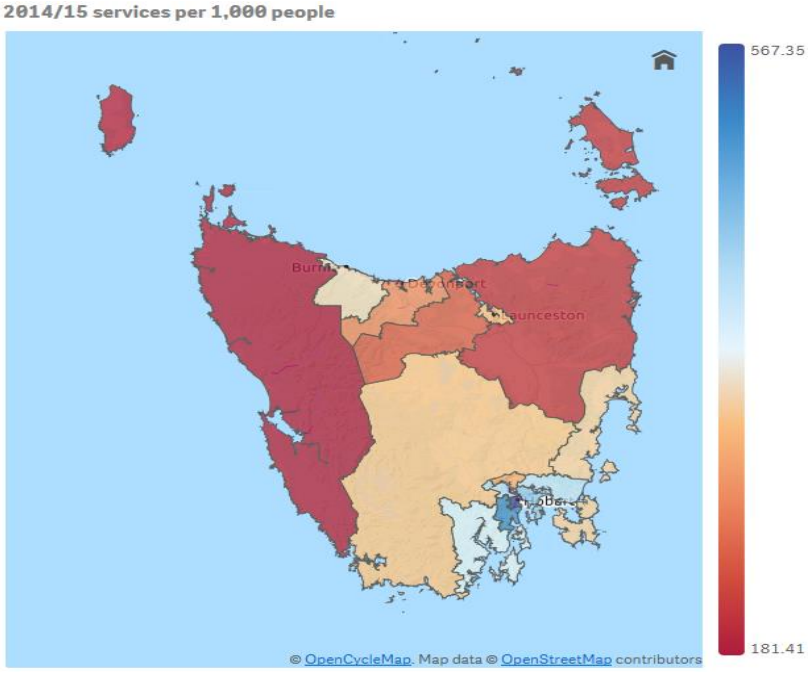
In 2016, ATAPS was replaced with the Community-based Short-term Psychological Intervention Mental Health Services program, funded by the Australian Government through PHT.

Better Access to Psychiatrists, Psychologists and General Practitioners through the Medicare Benefits Schedule (Better Access) initiative

The Better Access initiative aims to improve outcomes for people with a clinically-diagnosed mental disorder through evidence-based treatment. The initiative provides access to Medicare Benefits Schedule (MBS) subsidised mental health services.

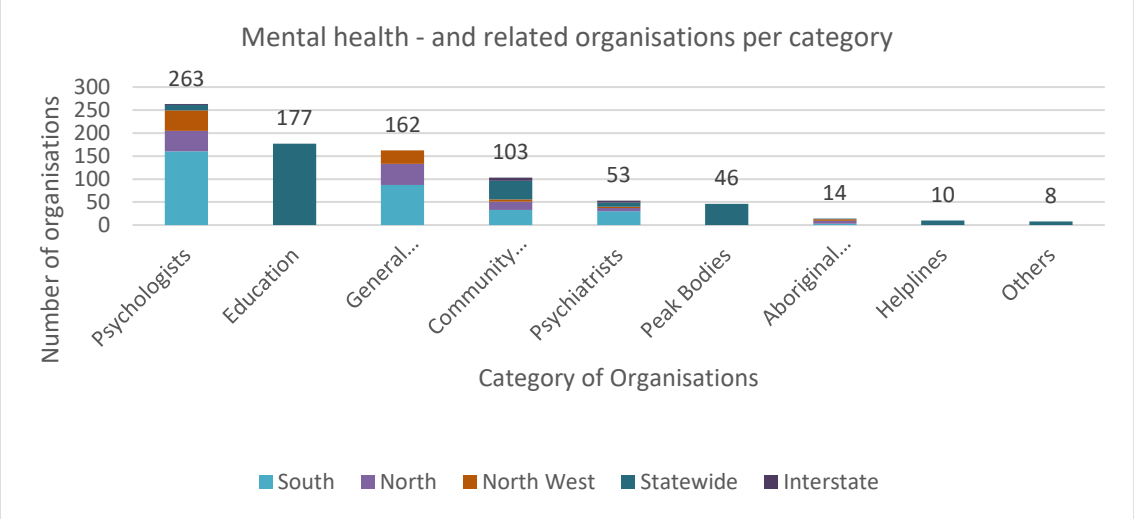
Rates of access to MBS subsidised mental health services in Tasmania are similar to other state and territories. In 2011 Tasmania had the highest proportion of the population in Australia accessing PBS mental health medication.

Figure 1: Per capita rates of access to MBS-subsidised mental health services in Tasmania in 2014 – 2015.



In contrast to ATAPS access (Table 1) there are higher rates of access to MBS-subsidised mental health services (Figure 1) in the greater Hobart area, whereas ATAPS access is greater in the north and north west of Tasmania.

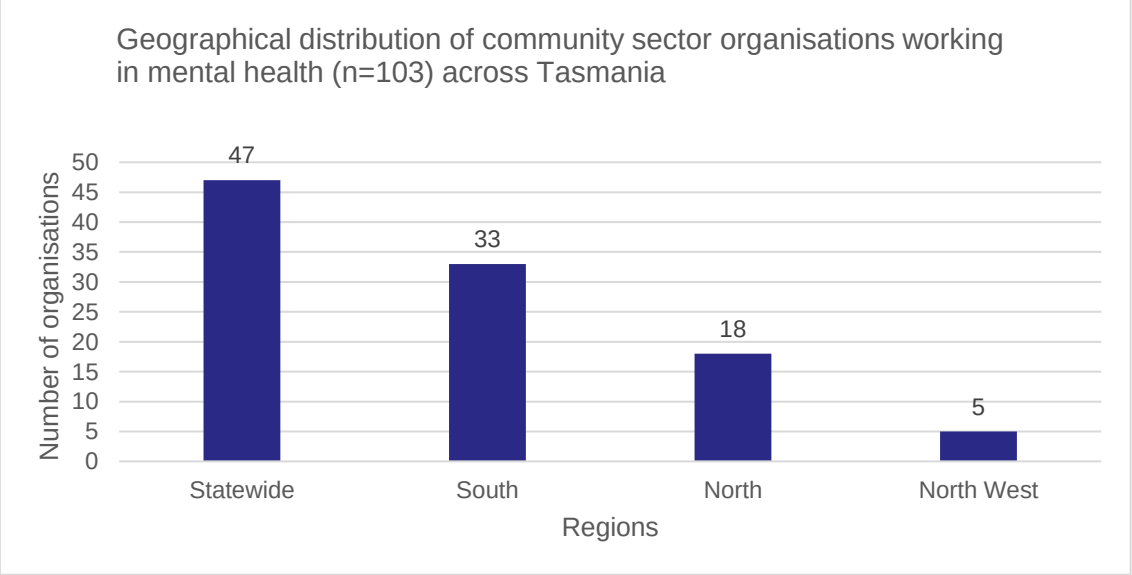
Graph 1 Geographic distribution and relative numbers of organisations/individuals working with people with mental illness across Tasmania (as per Primary Health Tasmania database).



Where services are provided?

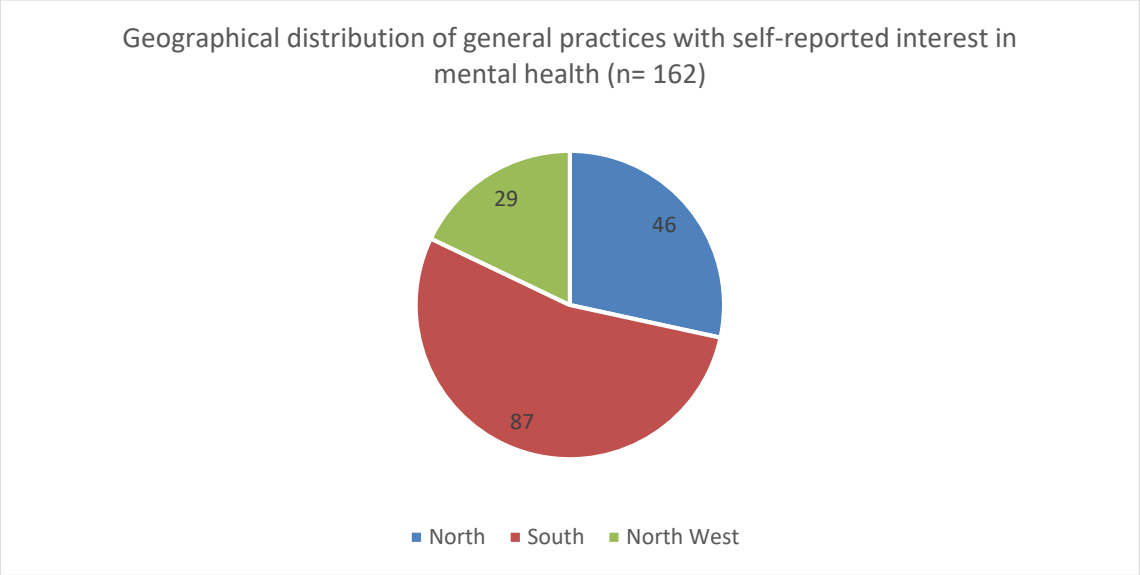
Community sector organisations are not-for-profit organisations that provide psychosocial support to the community. Most organisations provide a state-wide service with a few being either based in the south, north or north west of the state.

Graph 2: Geographical distribution of community sector organisations working in mental health across Tasmania (as per Primary Health Tasmania database).

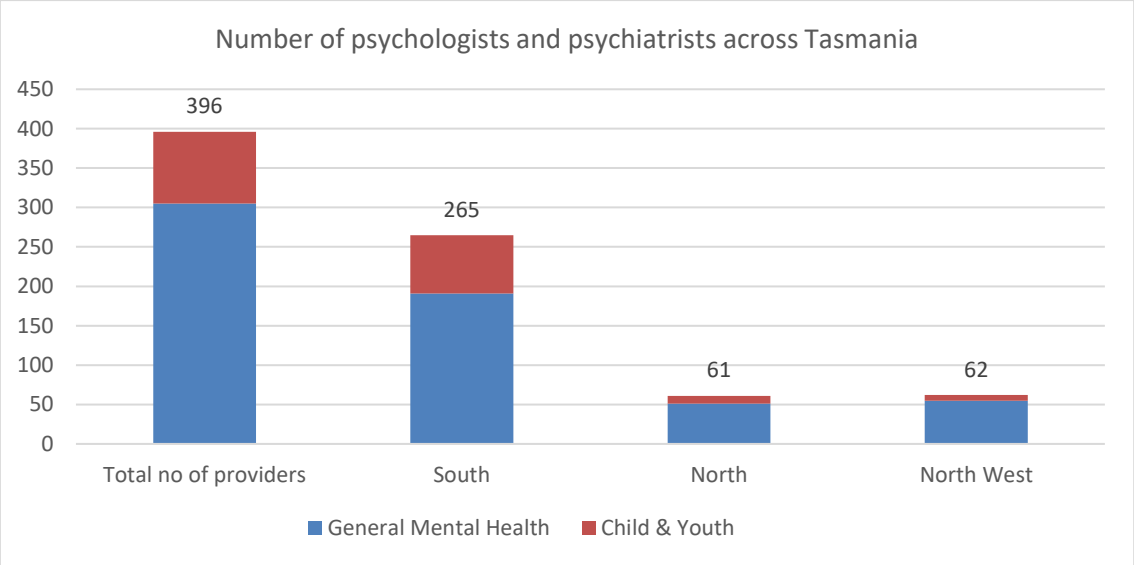


Whilst these organisations may not be able to meet some of the complex needs of their clients they may refer the client on to a clinical service. In primary health, the general practitioner therefore plays an important role for referrals.

Graph 3: Geographical distribution of general practices with self-reported interest in mental health (as per Primary Health Tasmania database).



Graph 4: Number of psychologists and psychiatrists per region in Tasmania (as per Tasmanian Health Directory).



Full-time psychiatrists have declined steadily from 53 in 2010 to 46 in 2013. The number of full-time registered psychologists has remained steady over the last 3 years. The number of psychologists per 100,000 population in Tasmania is 78.9/100 000 and 82% of those employed are clinical psychologists. Most psychologists work in the south (Graph 4).

Tasmania has below national average full time equivalent employment rate per 100,000 psychiatrists (nine versus 13 nationally) and psychologists (65 versus 86 nationally).

1.6 Services for people with severe mental illness

Mental Health Nurse Incentive Program

The Australian Government has funded the Mental Health Nurse Incentive Program (MHNIP) from July 2007. This program will cease in June 2018.

The purpose of the program was to provide a non-MBS (Medicare) incentive payment to community based general practices, private psychiatric practices, Divisions of General Practice, Medicare Locals and Aboriginal and Torres Strait Islander Primary Health Care Services to engage mental health nurses to assist in the provision of coordinated clinical care for people with severe mental disorders.[15]

In May 2016, Primary Health Tasmania was given responsibility by the Australian Government for commissioning services for people with complex and severe mental illness. The existing providers enrolled under MHNIP were re-funded by Primary Health Tasmania for the 2016-18 financial years.

There are currently nine providers engaged in the MHNIP within Tasmania, which operates from eight general practices and a psychiatry clinic. In summary:

- six of these practices are located in the south
- three of these practices are located in the north
- there are no practices in the north west
- in a number of instances, the same mental health nurse works across multiple practices.

The table below details the practices with mental health nurses.

Southern Providers		Northern Providers
Barrack Street Practice	Dodges Ferry Medical	Dr Surinder Johl
Franklin Street Clinic	Grosvenor Street General Practice	Northern Midlands Medical Service
North Hobart Medical Centre	Snug Medical Centre	Prospect Medical Centre

Mental health nursing is a specialised field of nursing which focuses on working with clients to meet their recovery goals. Mental health nurses consider the person's physical, psychological, social and spiritual needs, within the context of the person's lived experience and in partnership with their family, significant others and the broader community.

Mental health nurses support clients and their families during life crises and transition periods. They liaise with a range of health care providers, provide information and education on mental health maintenance and restoration, coordinate care and provide talking therapy.

Mental health nurses work across the full range of clinical and service settings and they play a significant role in the health care system and have the qualifications, skills and

[15] Australian Government – Department of Health and Ageing – Evaluation of the Mental Health Nurse Incentive Program: Final Report (2012)

experience to provide high quality mental health nursing care in all contexts. The mental health nursing workforce needs to be flexible and responsive and able to work with people across the life span, and in a variety of workplace settings.

Evidence suggests that a full-time mental health nurse should have, averaged over three months, a minimum caseload of 20 individual patients per week. The expected annual caseload managed by a full-time mental health nurse is 35 people with a severe mental disorder, most of whom will require ongoing care over the year. A full-time mental health nurse would on average, provide 25 hours of clinical contact per week with the remaining time spent on related tasks such as interagency liaison, case planning and coordination, clinical briefings to the relevant GP or psychiatrist and travel.

Adult Community Mental Health Services

Adult Community Mental Health Services, funded by the State Government, provide specialist clinical mental health services across the state to the 3% of Tasmanians with severe mental illness. This equates to 293 service contacts per 1,000 population.

Crisis Assessment Treatment and Triage services

Crisis Assessment Treatment and Triage services (CATT) provide a mental health crisis response including assessment and triage. CATT services are delivered through community mental health services.

In comparison to national data, Tasmania has the lowest number of service contacts per 1,000 population (293 vs 375 nationally).

Hospital services

Mental health problems account for approximately 5% of all public and private hospital admissions in Tasmania. Hospital admission rates for mental health problems have been rising significantly in Tasmania since 2008. Nationally the trends have been stable (3%).

There are 5 psychiatric units in public acute hospitals with a total of 131 beds. There is significant regional variation in inpatient service provision and cost in Tasmania:

- 76% of all hospital admissions are in the south, 13% in the north west and 11% in the north.
- There is no difference between Tasmania and Australia for average length of stay. However, in Tasmania, the north west has a 23% higher average length of stay and costlier inpatient services than the north and south.

The number of recorded mental health-related emergency department presentations has increased over time by 5% per year. The most common diagnoses were neurotic, stress-related and somatoform disorders, mental and behavioural disorders due to psychoactive substance abuse, mood disorders, and schizophrenia.

Residential services

Tasmania has the highest rate of episodes of care in residential units – 14.6 in 10,000 vs 3 in 10,000 nationally).

Nationally, the rate of residential care days was 123 per 10,000 population in 2013 – 2014 with Tasmania reporting the highest rate of 799 per 10,000 population. When principal diagnosis was specified, schizophrenia was the most common diagnosis for people in residential care, followed by depressive episodes and schizoaffective disorder. When principal diagnosis was specified, schizophrenia was the most common diagnosis for people in residential care, followed by depressive episodes and schizoaffective disorder.

National Disability Insurance Scheme

The National Disability Insurance Scheme (NDIS) is the Australian Government program providing support for Australians with disability, their families and carers.

The NDIS will provide about 460,000 Australians under the age of 65 with a permanent and significant disability with the reasonable and necessary supports they need to live an ordinary life. The NDIS takes a lifetime approach, investing in people with disability early to improve their outcomes later in life.

A staged roll-out is occurring within Tasmania and by 1 July 2019, all eligible Tasmanians, aged 0 to 64, will become NDIS participants. Within Tasmania the National Disability Insurance Agency (NDIA) has continued the trial partnership with Baptcare Ltd, in Tasmania's north and south west and Mission Australia, in Tasmania's south east and north west, to deliver Tasmanian Local Area Coordination (LAC) services during the NDIS transition, which runs until 30 June 2019.

People with complex and severe mental illness are potential participants in the NDIS if they meet the disability requirements of the scheme's operational guidelines. Participants would need to be assessed for the in relation to the permanency and functional impact that their psychiatric illness has and their ability to undertake certain activities throughout their lifetime.[16]

Psycho-social programs

Support for Day to Day Living in the Community (D2DL)

The "Support for Day to Day Living in the Community (D2DL): a structured activity program" provides funding to improve the quality of life for individuals with severe and persistent mental illness by offering structured and socially based activities. The initiative recognises that meaningful activity and social connectedness are important factors that can contribute to people's recovery.

The aims of the D2DL program are to:

- support people with severe and persistent mental illness who experience social isolation
- increase the ability of people with severe and persistent mental illness to participate in social, recreational and educational activities
- assist people with severe and persistent mental illness to improve their quality of life and live successfully at an optimal level of independence in the community
- expand the capacity of the non-government organisation sector to offer structured day programs for people experiencing social isolation through severe and persistent mental illness and
- increase community participation by assisting participants to:
    - develop new skills and/or relearn old skills
    - develop social networks
    - participate in community activities
    - develop confidence
    - accomplish personal goals.

[16] Australian Department of Human Services, National Disability Insurance Scheme Operational Guidelines, Section 24 (1)(a) and (b)

Partners in Recovery

Partners in Recovery (PIR) aims to better support people with severe and persistent mental illness with complex needs and their carers and families, by getting multiple sectors, services and supports they may come into contact with (and could benefit from) to work in a more collaborative, coordinated, and integrated way.

Through system collaboration, PIR promotes collective ownership and encourages innovative solutions to ensure effective and timely access to the services and supports required by people with severe and persistent mental illness with complex needs to sustain optimal health and wellbeing.

The objectives of PIR are to improve the system response to, and outcomes for, people with severe and persistent mental illness who have complex needs by:

- facilitating better coordination of clinical and other supports and services to deliver person centred support individually tailored to the person's needs
- strengthening partnerships and building better links between various clinical and community support organisations responsible for delivering services to the PIR target group
- improving referral pathways that facilitate access to the range of services and supports needed by the PIR target group
- promoting a community based recovery model to underpin all clinical and community support services delivered to people experiencing severe and persistent mental illness with complex needs.

PIR commenced in Tasmania in January 2014 and services are provided through a consortium of five organisations:

- Anglicare Tasmania
- Colony 47
- Relationships Australia Tasmania
- Richmond Fellowship Tasmania
- Wellways.

PIR will cease as a stand-alone program once full roll-out of the NDIS mental health disability process is complete.

Better Access

The purpose of the Better Access initiative is to improve treatment and management of mental illness within the community. The Better Access initiative is increasing community access to mental health professionals and team-based mental health care, with general practitioners encouraged to work more closely and collaboratively with psychiatrists, clinical psychologists, registered psychologists and appropriately trained social workers and occupational therapists. Under the initiative MBS rebates are available for GPs to provide early intervention, assessment, treatment and management of patients with mental disorders as part of a GP Mental Health Treatment Plan.

Stepped care

Stepped care is defined as an evidence-based, staged system comprising a hierarchy of interventions, from the least to the most intensive, matched to the individual’s needs. Within a stepped care approach, an individual will be supported to transition up to higher intensity services or transition down to lower intensity services as their needs change.

In a stepped care approach, a person presenting to the mental health system is matched to the intervention level that most suits their current need. An individual does not generally have to start at the lowest, least intensive level of intervention in order to

progress to the next ‘step’. Rather, they enter the system and have their service level aligned to their requirements.[17]

Primary Health Networks are expected to commission services within a stepped care approach.

Primary Health Tasmania is currently working with the Tasmanian Department of Health and Human Services and the Tasmanian Health Service to develop a stepped care approach in Tasmania.

1.8 Stakeholder consultation outcomes

In 2012, MHNIP was externally evaluated at a national level by Healthcare Management Advisory Pty Ltd, on behalf of the then Department of Health and Ageing. Key findings from the evaluation identified that the program:[18]

- had a level of unmet need
- was effective in supporting patient compliance with treatment plans
- increased levels of employment and improved connections for participants
- reduced acute hospital admissions and that when acute hospital admissions did occur there was a reduction in the average length of stay.

The evaluation recommended:

- improving access to the program to make the program more equitable
- developing clear eligibility criteria for triaging patients at a practice level
- developing a standardised approach to clinical governance.

The evaluation also noted that workforce shortages impacted on program delivery in some regions across Australia.

Since the responsibility for the delivery of services for adults with complex and severe mental illness were handed to Primary Health Tasmania in 2016, we have engaged with and sought feedback from MHNIP providers regarding the planned cessation of the current program and the future of services for adults with complex and severe mental illness.

Providers identified that, for those who have access to MHNIP, there have been positive health outcomes. However, there are a number of issues with the service as it currently stands, including:

- inequitable geographic distribution across the state which results in a significant access barrier for those living outside of the southern and northern regions
- program access issues (with patients unable to access the mental health nurse services if they are not a patient of the practice where the mental health nurse is employed)
- the program is not always targeting the appropriate patient cohort of those at risk of hospital admission or who have recently had an acute hospital admission
- some patients may be better suited to other mental health services or programs

[17] Australian Government – Department of Health- *PHN Primary Mental Health Care Flexible Funding Pool Implementation Guidance - Stepped Care*

[18] Australian Government – Department of Health and Ageing – Evaluation of the Mental Health Nurse Incentive Program: Final Report (2012)

- the mental health nurses are sometimes working outside of their clinical scope of activity, including spending considerable time on coordination activities which could be undertaken by other psycho-social support services (e.g. Partners in Recovery)
- the need to ensure coordination between mental health nurses and the various psycho-social services and other relevant agencies/organisations.

In November 2017, Primary Health Tasmania contracted Leadership and Change Consultants to undertake a range of key stakeholder consultations to inform our approach to the commissioning of services for adults with complex and severe mental illness, and produce a report outlining the outcomes of these consultations.

Consultations were held via face-to-face interviews, phone, small group and via Primary Health Tasmania's online engagement platform, Engagement HQ. A total of 58 individuals participated in the consultation. These included consumers, carers, mental health nurses, GPs, current service providers and psychiatrists.

The key findings from the consultation included:

- acknowledgment that the current Mental Health Nurse Incentive Program provides good outcmes for thouse who can access it
- further intergration of the program with existing mental health service system would improve access
- flexibility in how the avaliable funding can be used would allow for a more equitable and accessable program across the state
- the need to develop a set of operational principles under which all providers would operate to ensure consistancy
- the development of a file sharing protocol to enable patients to move across practices
- acknowledgment that there are workforce avalaibility issues and that models that do not rely soley on credentialed mental health nurses would assist in addressing this in the short-term.

Phase 2 – Designing solutions

2.1 What are we commissioning

Commissioned primary mental health services must align with our overarching organisational Primary Health Network objectives as determined by the Australian Government to:

- increase the efficiency and effectiveness of medical services for patients - particularly those at risk of poor health outcomes
- improve the coordination of care to ensure patients receive the right care in the right place at the right time.

Primary Health Tasmania is seeking to commission a clinical care and treatment service provided by mental health nurses to adults with complex and severe mental illness being managed in a primary care setting.

The overarching objectives, evidence from the literature review, service mapping and stakeholder engagement have informed the outcomes that services for adults with severe and complex mental illness must deliver.

These outcomes are:

- improved coordination of care and services between health and other sectors
- an appropriate range of services to meet patients' needs (including comorbidities) within a stepped care model
- reduced hospital bed-days for adults with complex and severe mental health conditions
- improved equity of access to appropriate intensity services for adults with complex and severe mental illness
- reduced symptoms and improved quality of life for adults with complex and severe mental illness.

Interventions will be evidence-based and provided by a suitably skilled and qualified mental health nurse workforce.

Location of services

Primary Health Tasmania will procure mental health nursing 'hubs' based within each of the three (3) regions that align with the following local government areas.

South (62 phone code)	North (63 phone code)	North West (64 phone code)
• Hobart • Kingsborough • Glenorchy • Clarence • Brighton • Sorrell • Tasman • Huon Valley • Derwent Valley • Central Highlands	• Launceston • Northern Midlands • Break O'Day • Dorset • George Town • West Tamar • Meander Valley • Flinders Island	• West Coast • Waratah-Wynyard • Circular Head • Burnie • Central Coast • Kentish • Latrobe • Devonport • King Island

• Southern Midlands • Glamorgan-Spring Bay		

Organisations are encouraged to apply to deliver services in one, or more of the regions identified above. Organisations who wish to apply to deliver services across multiple regions will be required to establish a mental health nursing hub in each region.

The patient referral will be sent by the GP or psychiatrist to the regional hub closest to where the person lives, and a mental health nurse will contact the patient to arrange an appointment.

Services may be delivered in a range of settings, including professional rooms or clinics, in a patient's home or other location relevant to a patient's needs, and comprise individual and/or group work dependant on patient need.

In order to extend the reach of the service, a range of contact modalities may be required (e.g. skype). Assertive patient follow-up can be achieved through phone and text messaging. However, wherever possible, electronic means of communication should not replace face-to-face as the primary means.

In responding to this request, organisations are required to nominate which regional hubs they are tendering for.

Organisations are encouraged to consider joint applications with relevant partners to improve service integration, efficiency, access and reach.

Services to be commissioned

Primary Health Tasmania will fund the following mental health nurse core functions:

- Working with the GP or primary care based psychiatrist to provide clinical care coordination, which includes:
  - case conferencing and coordinating services (including arranging access to interventions) with GP's, psychiatrists and allied health workers
  - developing and/or maintaining links with state mental health services to enable ease of transition if required
  - contributing to the planning and care management of the patient
  - referring to and liaising with psychosocial support and care coordination programs (including but not limited to Partners in Recovery and Day to Day Living) when appropriate and required.
- Providing evidence-based mental health nursing services including:
  - establishing a therapeutic relationship with the patient
  - liaising closely with family and carers as appropriate
  - regularly reviewing the patients' mental status'
  - providing education to patients and carers as appropriate to facilitate self-management of mental and physical health
  - monitoring and supporting medication compliance
  - monitoring and assisting in the management and treatment of physical health problems that are because of a patients' mental illness.

Patient entry criteria

GP and psychiatrists will determine which patients are eligible for services from a mental health nurse. To be eligible, applicants must meet the following criteria.

- A diagnosed mental disorder (according to criteria defined in the Diagnostic and Statistical Manual of Mental Health Disorders – Fifth Edition of the World Health Organization Diagnostic and Management Guidelines for Mental Health Disorders in

Primary Care: ICD-10 Chapter V Primary Care Version) which is severe and either episodic or persistent in nature

- The mental health disorder significantly impacts the persons social, personal and/or occupational function
- The patient has been previously hospitalised for treatment for their mental disorder, or are at risk of hospitalisation
- The patient is expected to need long term management of their mental health disorder
- A GP or primary care based psychiatrist maintains responsibility for the patients' management
- They are over 18 years of age (services for young people with severe mental illness are provided through other specialised services)
- The patient provides consent to services from a mental health nurse.

Patient exit criteria

A patient is no longer eligible for services from a mental health nurse when they meet one or more of the following criteria.

- Their mental health illness no longer causes significant disablement to their social, personal and occupational functioning.
- They no longer require the clinical services of a mental health nurse.

Mental Health Treatment Plan

- A GP Mental Health Treatment Plan must be developed by the GP or an equivalent plan must be developed by a psychiatrist. It is expected that the mental health nurse will contribute to and be consulted in the development of these plans. Responsibility for formulating the plan will rest with the GP or psychiatrist as the person responsible for the clinical mental health care.

2.2 Services that are within scope

Clinical services to people with complex and severe mental illness that:

- provide evidence-based interventions to people with severe mental illness who can be appropriately managed in the primary care setting as part of their overall treatment
- complement and enhance existing GP, psychiatrist and allied mental health professional services available through the Medicare Benefits Schedule (MBS) and/or other funded programs.
- offer the right frequency and volume of services to meet the needs of people with severe mental illness
- are provided by a suitably skilled and qualified workforce
- are consistent with relevant standards and legislative/regulatory requirements, and align with the *National Standards for Mental Health Services 2010*
- promote recovery, and align with the *National Framework for Recovery Orientated Mental Health Services 2013* where relevant
- are coordinated with other health and support services for people with severe mental illness and complex needs

- provide links to other services within a stepped care approach to ensure people are matched to a service commensurate with their needs.

2.3 Services that are out of scope

In accordance with Australian Government guidelines, program funds cannot be used for:

- services that are not supported by an empirical evidence base
- services that duplicate existing services or would be more appropriately funded through another source such as the Australian or Tasmania government or through the Medicare Benefits Schedule and other national initiatives
- services that would be more appropriately delivered within an acute or hospital setting or by state based mental health services
- services that are solely focussed on providing social support services that are able to be provided by the disability support/non-health sector
- services that are relatively high cost compared to other available services
- the development of digital apps
- expenditure on capital works
- interstate travel/costs not associated with the funded service, any overseas travel or related expenses
- legal costs or compensation associated with employment related disputes or actions

2.4 How proposals will be assessed

In line with the commissioning intention, Primary Health Tasmania will assess proposals based on four criteria, as summarised at **Figure 1** and detailed at **Figure 2**

Figure 1: Assessment criteria summary

Criteria	**Weighting**
The service model	40%
Organisation capacity	20%
Workforce skills and capabilities	15%
Resource management	25%

Figure 2: Detailed assessment criteria

Criteria	**Components**
The service model Weighting: 40%	Outline the service model the organisation intends to implement. Describe: • which of the three (3) mental health nursing hubs are you applying for. • how will you ensure equitable and efficient service availability across the region/s for patients eligible for the service.

Criteria	Components

	• what steps will be put in place to support awareness amongst all general practitioners in the hub region of both the service and the referral process.
	• the process you will use to receive and action referrals from general practitioners and psychiatrists within the hub region.
	• the evidence based interventions you will deliver and how these align with the relevant national standards, including but not limited to:
	  ○ *National Standards for Mental Health Services 2010*
	  ○ *National Framework for Recovery Orientated Mental Health Services 2013.*
	• how proposed services will complement and enhance existing general practitioner, psychiatrist and allied health services.
	• how you will improve coordination of care and services between health and other sectors, including referrals to appropriate social support services.
	• the processes and systems that will be used to collect data to assist in the evaluation of the service model and health outcomes.
	• what processes will support integration and collaboration internally and externally with other service providers that will facilitate program delivery.
	Outline the extent to which the proposed program has been developed in collaboration with relevant stakeholders, local service providers and organisations.
	Provide a summary of the key project activities and timeframes, including specific activities required to implement the approach.

Organisation capacity Weighting: 20%	Outline a response against the following considerations to ensure services provide safe, reliable and appropriate access to clients. • Detail the type of services that your organisation currently provides and provide evidence of organisational leadership and governance arrangements, including strategic, risk management, business and operational plans which relate to the performance and delivery of your proposal. • State whether the organisation is currently accredited or working towards accreditation (include to which health care standards and with which accrediting body) and provide relevant documentation and evidence. • If your organisation is not accredited – what continuous quality improvement does your organisation undertake to inform and improve service delivery? • How does your organisation ensure adherence and compliance with all relevant legislation, health care standards and regulatory requirements including workplace safety standards, systems and procedures? • Describe and evidence your organisation's clinical governance,

Criteria	Components
	safety and quality arrangements to ensure the service is safe, effective, and of high quality, including policies and protocols for managing clinical accountability and risk. • Describe and evidence what your organisation does to ensure adequate service access and consumer input and feedback into service design, delivery and evaluation. • Describe and evidence your organisation's processes and systems to record and act upon client compliments and complaints, and how you actively seek feedback. • Describe and evidence how you manage and inform client consent, confidentiality and health care rights and responsibilities. Include how you enable clients to easily access information. • Describe and evidence your organisation's processes to manage clinical service delivery and organisational risks, incidents (or adverse events) and near misses. Include how you enable open disclosure of these risks and incidents to clients/carers/families.
Workforce skills and capabilities Weighting 15%	Outline a response against the following considerations that ensure the proposed workforce has the appropriate skills and capabilities. • Describe your organisational systems that ensure you have appropriately credentialed and qualified staff to deliver quality and safe services. Include information on recruitment and orientation, scope of practice, performance review, relevant professional membership(s), and/or professional registration, supervision and ongoing development. • Provide the names, positions, brief CVs of the proposed key personnel who will undertake the works, and any relevant skills, training and credentialing. Advise if you will need to recruit some or all the required workforce, and/or if training would be required before staff can provide the services. • Outline any innovative workforce approaches you plan to implement as part of your proposed service model.
Financial and Asset Management Weighting: 25%	Provide a response against the following aspects to demonstrate that the organisation is financially sustainable: • Outline the systems within the organisation that ensure financial compliance and how financial acquittal and reporting obligations will be met. Include the experience and qualifications of both internal or external financial persons of the organisation. Applicants to include proof of the organisation's financial sustainability (e.g. letter from accountant, most recent audited financial report, summary financial statements for current trading year to date). • Describe how your organisation's proposal represents value for money. This may for example include such factors as resource sharing arrangements, advanced IT systems, multiple health

Criteria	Components
	outcomes. This will be assessed by benchmarking proposals against existing provider contracts for the provision of similar services including existing mental health nurse services, as well as providers of care coordination and case management services. • Provide a breakdown of all costs (exclusive of GST) associated with your proposal to deliver the services, including details of: ▪ Direct Costs: such as staff FTE numbers, hourly rates, training, vehicle, occupancy, travel, accommodation, materials and consumables, insurance, minor equipment. Expense totals and ratios will be benchmarked across applicants as well as against prior service delivery (where applicable). ▪ Indirect Overheads (Management & Administration) as a single figure: These are organisational overheads not associated with the specific service being delivered but rather attributable to the organisation itself such as: IT, HR, Finance, Governance, etc. This should fall within the range of 5-15% of total costs according to the 'economies of scale' of the organisation or consortium, and ▪ Any establishment, one-off, year-one costs (if applicable). These might include structural changes, new systems, technologies and/or licences required for this service. NB: Please use the attached budget template. This incorporates the above direct, indirect and transitional costs. It should also include a measure of activities which determines the average cost per activity. For example: client numbers, sessions held, referrals, etc. Applicants should provide sufficient details in the notes and comments sections to support your figures. Cost drivers such as travel to remote areas, extended hours or operation, additional IP licencing costs, etc. are example that may be applicable for example. • Outline the approach that your organisation takes to ensure that physical assets are managed in accordance with recognised best practice. • Provide details of current insurances including type, insurer, policy number, value of cover and expiry date. Provide copy of certificates of currency for each. This should include yet are not limited to: Public Liability, Workers Compensation, Professional Indemnity and any other associated with delivering this service. • If applicable, provide details of any litigation, arbitration, mediation, conciliation or proceeding including any investigations taking place, pending or threatened, against your organisation, where such proceedings will or have the potential to impact adversely upon either the organisation's capacity to perform and fulfil its obligations if contracted as a result of this request for proposal, or adversely affect the reputation of the organisation or Primary Health Tasmania as a contract party. • Provide details for organisations that you nominate as a referee,

Criteria	Components
	please include a contact name, phone number and email address.

2.5 Assessment Process

Primary Health Tasmania will form an assessment panel, which will include internal representatives, along with external expertise from the mental health sector and an independent probity advisor. The panel will be guided by several fundamental principles in undertaking this role. These are:

- independence
- expertise, knowledge and experience
- ethics
- conflict of interest and
- confidentiality and security of information.

Primary Health Tasmania will assess proposals based on the four (4) criteria using a weighted evaluation methodology (shown as percentages in Figure 1), along with consideration of:

- state-wide needs
- distribution of services and
- comparative value for money of proposals.

2.6 Contract term

1 July 2018 to 30 June 2019

An extension of the contract term will be dependent on the availably of funding beyond June 2019.

2.7 Available budget

Total available funding to commissioned services is $1,162,813

2.8 Preparing and submitting your proposal

Respondents should be aware that:

- all proposals must be submitted via Primary Health Tasmania's Tenderlink portal https://www.tenderlink.com/primaryhealthtas/
- respondents are encouraged to seek clarification on issues relating to the procurement process. All questions on clarifications received from applicants during the open process must be submitted in writing using the online forum within Tenderlink
- when a question is received, the Primary Health Tasmania procurement advisor receives all alerts around questions and will liaise with the project support officer/project manager to obtain the necessary response accordingly. Responses will be made available on the Tenderlink online forum and

- further information on the general terms and conditions can be found at Tenderlink.

Procurement Timeframes*

Date	Activity
Request for Proposal invitation and assessment milestones	
8 January 2018	Request for Proposal opened via Tenderlink at **4pm**
9 February 2018	Tender applications close at **2pm**
12 February – 9 March 2018	Tender evaluation, shortlisting and selection
19 March – 7 April 2018	Contract negotiations and execution (including finalisation of specific outcome measures, monitoring and contract reporting arrangements)
1 July 2018	Commissioned activity commences
30 June 2019	Contract completion

* Timeframes are indicative only

Resources available from Primary Health Tasmania

A range of resources are available on the Primary Health Tasmania website to assist with the planning and development of proposals. These can be found at: http://www.primaryhealthtas.com.au/commissioning/mental-health-services-commissioning

Primary Health Tasmania
t: 1300 653 169
e: info@primaryhealthtas.com.au
www.primaryhealthtas.com.au