STRATEGIC PLANNING GROUP FOR

SPGPPS

PRIVATE PSYCHIATRIC SERVICES

REPORT AND RESOLUTIONS OF THE FORTY FOURTH (44TH) SPGPPS MEETING

HELD ON FRIDAY, 23 JUNE 2006 AT NEW FARM CLINIC 22 SARGENT STREET NEW FARM QUEENSLAND

Glossary of Acronyms and Terms

AG	Australian Government
AHIA	Australian Health Insurance Association
AHMAC	Australian Health Ministers Advisory Council
AMA	Australian Medical Association
APHA	Australian Private Hospitals Association
BOiMHC	Better Outcomes In Mental Health Care
CDMS	SPGPPS Centralised Data Management Service
CPoC	Consumer Perceptions of Care measure
DoHA	Australian Government Department of Health and Ageing
GP(s)	General Practitioner(s)
HCP	Hospital Casemix Protocol
HoNOS	Health of the Nation Outcome Scale
Health Fund(s)	Private Health Insurance Fund(s) that pay benefits for psychiatric care
Hospital(s)	Private Hospital(s) with psychiatric beds
IMWG	SPGPPS Innovative Models Working Group
ISC	AHMAC NMHWG Information Strategy Committee
ISWG	SPGPPS Information Strategy Working Group
MBS	Medical Benefits Schedule
MHC	AHIA Mental Health Committee
NMHWAC	AHMAC National Mental Health Workforce Advisory Committee
NMHWG	AHMAC National Mental Health Working Group
N_N	National Network of Private Psychiatric Sector Consumers and carers
RACGP	The Royal Australian College of General Practitioners
RANZCP	The Royal Australian and New Zealand College of Psychiatrists
SDWG	SPGPPS Substance Abuse and Dependency Working Group
SPGPPS	Strategic Planning Group for Private Psychiatric Services

1 PROCEDURAL MATTERS

1.1 Opening and Welcome

The Chair, Dr Yvonne White, opened the meeting at 9:30 AM. The following representatives were in attendance.

The Royal Australian and New Zealand College of Psychiatrists (RANZCP)

1. Dr Yvonne White — SPGPPS Chair
2. Dr Jo Lammersma
3. Mr Harry Lovelock — Proxy for Ms Sharon Brownie

Australian Medical Association (AMA)

4. Dr Martin Nothling — Chair SPGPPS Finance Committee
5. Dr Bill Pring — Observer, Chair SPGPPS CDMSMC

Royal Australian College of General Practitioners (RACGP)

6. Dr Brian Kable

Consumer Representative

7. Ms Janne McMahon — Chair, National Network (N_N)

Carer Representative

8. Mrs Ruth Carson

Private hospitals with psychiatric beds (Hospitals)

9. Ms Moira Munro — SPGPPS Deputy Chair
10. Ms Carole Turnbull

Private health insurance funds that pay benefits for psychiatric care (Health Funds)

11. Ms Deborah Stephenson
12. Mrs Judy Hardy

Australian Government

13. Ms Suzy Saw — proxy for Maria Jolly
14. Mr Peter Callanan — DoHA Private Health Insurance Branch

SPGPPS Secretariat

15. Mr Phillip Taylor — SPGPPS Executive Officer, Chair SPGPPS IMWG
16. Mr Allen Morris–Yates — SPGPPS Principal Information Officer

Apologies

1. Mr Maurie O'Connor — AG Department of Veterans' Affairs (DVA)
2. Ms Maria Jolly — DoHA Priorities and Suicide Prevention Branch
3. Ms Sharon Brownie — RANZCP

1.2 Report of the 43rd SPGPPS Meeting

Resolution

1. *That the SPGPPS approves and adopts the Report of the 43rd SPGPPS Meeting, held on 24 March 2006 in Sydney, as a true and accurate record of proceedings and directs that the Report be made available on the SPGPPS website.*

Action: Secretariat

1 PROCEDURAL MATTERS (continued)

1.3 Progress Report on Actions Arising from the 43rd SPGPPS Meeting

The SPGPPS noted and updated the following Table of Progress.

Table of progress – Agenda Items 43rd SPGPPS Meeting	RESPONSIBILITY	STATUS
Report on the 43rd SPGPPS Meeting		
Draft and circulate Report of 43rd SPGPPS Meeting for comment	Secretariat	Completed
Revise Report based on comments received and prepare final	Secretariat	Completed
Agenda Item 44th SPGPPS Meeting	Secretariat	Completed
1.2 Report on the 42nd SPGPPS Meeting		
Post Report on the SPGPPS website @ spgpps.com.au	Secretariat	Completed
2.1 SPGPPS Finance Committee (FC)		
Agenda Item 44th SPGPPS Meeting	Secretariat	Completed
2.2 CDMS Management Committee Report		
Agenda Item 44th SPGPPS Meeting	Secretariat	Completed
2.3 SPGPPS Progress Report 2005		
Forward Progress Report to the Parties to the *AMA Agreement for Services 2004–2006*	Secretariat	Completed
Post Progress Report on the SPGPPS website at: www.spgpps.com.au	Secretariat	Completed
Circulate Progress Report to contacts on SPGPPS Database	Secretariat	Completed
2.4 SPGPPS, CDMS & N_N Business Plan 2007–2009		
Circulate detailed Indicative Budgets to SPGPPS with as much detail as possible	Secretariat	Completed
SPGPPS to forward any changes to Indicative Budgets to SPGPPS Secretariat asap	SPGPPS	Completed
Revise Summary Budgets in Business Plan based on changes received	Secretariat	Completed
Business Plan to Parties to the *AMA Agreement for Services 2004–2006* by end of April	Secretariat	On hold
Agenda Item 44th SPGPPS Meeting	Secretariat	Completed
3.1 Innovative Models Working Group Report (IMWG) Report		
Agenda Item 44th SPGPPS Meeting	Secretariat	Completed
3.2 Substance Abuse and Dependency Working Group (SDWG) Report		
SDWG to consider SPGPPS amendments to wording of Position Statement	SDWG	Completed
Agenda Item 44th SPGPPS Meeting	Secretariat	Completed
3.3 Mothers and Babies Working Group (MBWG) Report		
AHIA MHC to advise if proposed dot point is acceptable as determined by SPGPPS	Stephenson/Hardy	Completed
Include dot point as part of the next review of the Guidelines for Determining Benefits	Secretariat	Completed
3.4 National Network of Private Psychiatric Sector Consumers and Carers Report		
Refer the issue of involuntary patients and referral to A & E Departments to NMHWG	Chair	Completed
Write to Dr Rosen	McMahon	*Pending*
Agenda Item 44th SPGPPS Meeting	Secretariat	Completed
4.1 AHMAC National Mental Health Working Group Report		
Agenda Item 44th SPGPPS Meeting	Secretariat	Completed
4.2 Hospitals		
Agenda Item 44th SPGPPS Meeting	Secretariat	Completed
4.3 Psychiatrists		
Agenda Item 44th SPGPPS Meeting	Secretariat	Completed
4.4 General Practitioners		
Agenda Item 44th SPGPPS Meeting	Secretariat	Completed
4.5 Health Funds		
Agenda Item 44th SPGPPS Meeting	Secretariat	Completed
4.6 Australian Government		
Agenda Item 44th SPGPPS Meeting	Secretariat	Completed
5 Next Meeting		
Organise 44th SPGPPS Meeting for 23 June 2006 @ New Farm Clinic Brisbane	Secretariat	Completed
Prepare and circulate Agenda and Papers for 44th SPGPPS Meeting	Secretariat	Completed

2 FINANCIAL AND OPERATIONAL MATTERS

2.1 SPGPPS Finance Committee Report

The Chair of the Finance Committee, Dr Martin Nothling, reported on the activities of the Committee and clarified several questions concerning the 2006 Budgets.

Resolutions

3 *That the SPGPPS adopts the Report of the 9th SPGPPS Finance Committee Meeting, held via teleconference on 7 March 2006.*

4 *That the SPGPPS notes the Draft Report of the 10th SPGPPS Finance Committee Meeting held via teleconference on 6 June 2006.*

5 *That the SPGPPS notes and approves the Statements of Income and Expenditure for the SPGPPS, its CDMS, and the* N_N*, prepared by the Australian Medical Association, for the period 1 January 2006 to 31 March 2006.*

2.2 CDMS Management Committee Report

The Chair of the CDMS Management Committee, Dr Bill Pring, reported that the Management Committee last met on 22 June 2006 in Brisbane to coincide with the 44th SPGPPS Meeting. Dr Pring summarised some of the issues considered at that meeting as follows.

- The AHIA Board position concerning participation in the SPGPPS, CDMS and N_N beyond 2006 was noted. The range of possible implications for the CDMS that may arise from the outcome of the negotiations that are currently taking place were discussed at length.
- The need to ensure the proper operation of the CDMS up until the expiry of the current *AMA Agreement for Services 2004–2006* on 31 December 2006.
- The difficulties that will still be involved in coding outreach services, despite the changes to the Hospital Casemix Protocol (HCP) that will be implemented from 1 July 2006. Mr Allen Morris–Yates will keep a watching brief with Hospitals participating in the CDMS.
- The Australian Government is moving ahead with a project on procedure coding for treatments in different settings. Mr Morris–Yates will brief the Management Committee on developments.
- Some Hospitals participating in the CDMS are interested in using the CDMS data in different ways. One suggestion is to do HoNOS at step down, or after two weeks of the patient being in Hospital, and examine what happens with people with different diagnosis and comorbidities etc. The Management Committee believes it is important that such projects are reported so that the industry can learn from them.

2 FINANCIAL AND OPERATIONAL MATTERS (continued)

- The major project Mr Morris–Yates is working on at present is coordinating the revision of the HSMdb and updating the training manuals for HoNOS and the MHQ–14. Mr Morris–Yates is aiming to have this work completed by the end of August. After that he will be able to conduct some training workshops for Hospitals.
- *Key Man Insurance* has been purchased to cover for Mr Morris–Yates to the level of $142,860 at a cost of $311.43 per annum.
- In the private sector, eight Hospitals are participating in the Consumer Perceptions of Care Study (CPoC). Those Hospitals started offering the NRI/MHSIP Survey questionnaire to patients on 19 June 2006. In the public sector, Queensland Health will start offering their questionnaires at the beginning of July.

Resolution

6. *That the SPGPPS adopts the Report and Recommendations of the First Meeting of its Centralised Data Management Service (CDMS) Management Committee, held on 23 March 2006 in Sydney.*

2.3 SPGPPS, CDMS and N_N Beyond 2006

In preparation for discussion of this major item, the meeting first noted the following background.

2.3.1 Background

On 31 December 2006 the current *AMA Agreement for Services 2004–2006* (hereafter AMA Agreement) between the AMA, RANZCP, DoHA, APHA, AHIA and beyondblue (the Parties), which supports the activities of the SPGPPS, CDMS and N_N will expire. At the 24 March 2006 (43rd) SPGPPS Meeting Members were asked to consult with their respective stakeholder groups and the Chief Executive Officers of their respective organisations about whether they wish the SPGPPS, its CDMS and the National Network to continue beyond 31 December 2006 and advise this (44th) SPGPPS Meeting.

To assist with these deliberations, the Secretariat prepared a **non–binding** draft *SPGPPS, CDMS and N_N Business Plan 2007–2009* (Business Plan), based on the current arrangements and the experiences of the past ten years. The Business Plan was intended to provide advice concerning the funding that would be required for the continuation and expansion of activities for a further 3 years beyond 2006. The 43rd SPGPPS Meeting had agreed that the general wording of the Business Plan was appropriate. Several SPGPPS representatives, however, felt that the Summary Budgets contained in the Business Plan represented an ideal situation, and did not reflect what the Parties to the current AMA Agreement could realistically afford over the next three years. The 43rd SPGPPS Meeting agreed that each of the detailed Indicative Budgets for SPGPPS, CDMS and N_N, from which the Summary Budgets had been derived, should be reviewed, as a matter of urgency, to reflect what was affordable for the Parties to the AMA Agreement for consideration by the SPGPPS. The SPGPPS Executive Officer and the SPGPPS Information Officer subsequently forwarded these Budgets to the SPGPPS on 29 March 2006, after they had included as much detail as possible on how the detailed Indicative Budgets had been derived.

2 FINANCIAL AND OPERATIONAL MATTERS (continued)

SPGPPS Representatives were asked to then advise the Secretariat where they thought costs reductions could be made in the Indicative Budgets. It was envisaged that the final version of the Business Plan with the final Budgets included would circulated by the end of April 2006 in time to meet the budget cycles of each Party.

After the 43rd SPGPPS Meeting, the SPGPPS Hospital representatives and the Chair of the APHA Psychiatry Sub–committee, met and determined where they felt cost reductions could be made in the Indicative Budgets and submitted their revised version to the SPGPPS Secretariat.

At the time that the AHIA Mental Health Committee was meeting to determine where it felt cost reductions could be made, the AHIA Board of Directors issued a notice of the intention of the AHIA to cease funding of the SPGPPS, CDMS and N_N from 1 January 2007. Consequent to that withdrawal, no changes to the Indicative Budgets were received from the AHIA Mental Health Committee. In response, the SPGPPS Secretariat circulated the changes proposed by the SPGPPS Hospital Representatives to the SPGPPS and advised that the contingencies associated with the AHIA withdrawal would not allow the draft Business Plan and its Summary Budgets to be finalized until after this meeting of the SPGPPS. In the interim, the Secretariat welcomed any further suggested changes other SPGPPS stakeholders might wish to make to the draft Indicative Budgets. Some suggested changes were received from the AMA. Concurrently, the AMA organised a meeting with the AHIA for 19 June 2006 to determine the reasoning behind the decision of the AHIA Board and to ascertain whether that decision might be reconsidered.

The Secretariat circulated with the agenda and papers for this 44th SPGPPS Meeting a copy of the AHIA notice of withdrawal, and all subsequent correspondence that has been received on this matter, together with copies of the draft Business Plan.

2.3.2 AMA Meeting with the AHIA

The Chair reported that the AMA met with the AHIA President, Mr Terry Smith and Chief Executive Officer, The Hon. Dr Michael Armitage on Monday, 19 June 2006 in Sydney. The outcome of the meeting was an indication that the AHIA Board may be amenable to reconsidering its decision concerning its participation in the SPGPPS, CDMS and N_N beyond 2006. Final Indicative Budgets for all three entities for 2007 – 2009, as reduced and agreed by this meeting of the SPGPPS, would have to be provided with the Business Plan to Dr Armitage next week.

Ms Deborah Stephenson reported that at the teleconference with Dr Armitage held on the Thursday, 22 June, Dr Armitage had give a clear indication that the AHIA Executive has only agreed to support the CDMS. While the Executive wishes to look at the revised budgets, it is highly unlikely that the decision not to participate in funding the activities SPGPPS and the N_N beyond 2006, will change.

The SPGPPS noted that the AMA was also in the process of organising a meeting of <u>all</u> the Parties to the current AMA Agreement to discuss the future of the SPGPPS, CDMS and N_N, beyond 2006.

2.3.3 Position of the Other Parties

An open and frank ‘in camera” discussion followed in light of all that had happened since the last SPGPPS meeting. It was agreed that, while this meeting would

2 FINANCIAL AND OPERATIONAL MATTERS (continued)

proceed to finalise an agreed budget for the SPGPPS, its CDMS and N_N for the period 2007–2009, it was important to first re–confirm the current position of each stakeholder group.

APHA

Ms Moira Munro reported that the APHA is committed to the continuation of SPGPPS, CDMS and N_N beyond 2006, but the costs involved need to be reduced. All the current stakeholders have to continue to participate including the AHIA.

Australian Government DoHA Health Priorities and Suicide Prevention Branch

Ms Suzy Saw reported the DoHA supports the continuation of a truly representative alliance of the private sector that allows participation in activities of national significance with representative consumer and carer input via the N_N. DoHA has also made a significant investment in outcomes measurement and would like to see the work of the CDMS continue.

AMA

Dr Martin Nothling reported that the AMA believes the SPGPPS to be a highly effective group that plays an important role for the private sector. The AMA supports the continuation of the SPGPPS, CDMS and N_N as a package for the private sector in their current form. The AMA does not support the CDMS being separated from governance by SPGPPS. The AMA would like to see funding continued for SPGPPS, CDMS and N_N on the basis of previous contributions with a gradual increase to account for increases in CPI etc. The AMA, however, would have difficulties with any substantial increases in costs.

RANZCP

Dr Jo Lammersma reported that the RANZCP sees the SPGPPS as an essential organisation for the private sector whose strength lies in all the stakeholders being at the table. If it ceases to be an alliance of all the major stakeholders, then the RANZCP would see no point in continuing. SPGPPS was established so that there were better lines of communications and significant achievements have arisen out of the SPGPPS process, particularly the CDMS and the N_N. Areas that have slowly been won will be lost if the SPGPPS is disbanded. This may not be a concern for any particular stakeholder but it is a concern for the industry as a whole. The RANZCP agrees with the AMA position concerning the budgets for all three entities.

Consumers and Carers

Ms McMahon felt that consumers of private sector mental health services, their families and carers would be the most affected if the SPGPPS does not continue. Because of the SPGPPS there are now many links between the providers, funders and consumers and carers. The SPGPPS alliance is critical to that engagement continuing. Consumers would have major concerns over the CDMS being taken forward as a separate entity without the governance of the SPGPPS. Consumers and carers also believe that there is a strong need for the N_N to continue.

RACGP

Dr Brian Kable reported that the RACGP is very supportive of the SPGPPS as a private mental health alliance. What the SPGPPS does impinges quite significantly on the work of GPs. The RACGP sees the achievements of the SPGPPS as quite remarkable. Bringing such a disparate group of stakeholders together with quite

2 FINANCIAL AND OPERATIONAL MATTERS (continued)

different agendas so successfully for so long is an achievement in itself. If stakeholders start to step away from the table then that success will be in jeopardy.

Australian Government DoHA Private Health Insurance Branch (PHI)
It is current government policy to promote the private sector and work in tandem with groups like the SPGPPS. The PHI Branch would find it quite difficult to continue to participate if the AHIA were not part of any continuance of the SPGPPS.

In summary, the Chair felt that it had only been in the last few years that the SPGPPS had been recognised throughout the industry, as evidenced by the number of organisations seeking the SPGPPS views on a whole range of issues. The SPGPPS is also becoming increasingly involved in a number of other groups, such as COAG and the NMHWG.

2.3.4 Private Mental Health Alliance

A discussion followed of what might assist the AHIA in the reconsideration of its position and enhance the participation of all stakeholders. It was agreed that in recognition of the importance of mental health and the changes being foreshadowed by COAG, the remainder of 2006 would be an appropriate timeframe to restructure the SPGPPS into a Private Mental Health Alliance (PMHA). The meeting agreed that the following key principles should be taken into account in any restructure.

- That the focus of a PMHA should be at the national level. Issues related to the conduct of any sub–members, be they private hospitals, private health insurers, practicing psychiatrists, or any group or member thereof, are not be countenanced by the other members of the group.
- That other constituent groups, such as psychologists, should be considered for inclusion in a PMHA that can enhance the interface between the private and public sectors.
- That all constituent groups represented on a PMHA, except for consumers and carers, should have to contribute financially.
- That an independent Chair should be appointed to ensure the Chair is not aligned with any particular stakeholder group or vested interest.
- PMHA should be the major vehicle for representing the private sector in all national forums with a clear idea of what it can and cannot achieve.
- That the CDMS should be the mechanism for monitoring and accountability under the governance of the PMHA. CDMS should allow scrutiny of activity, monitoring of changes, and ensure competition within the stakeholder groups in terms of benchmarking activity across hospitals and other activities.
- PMHA should operate on a financial year budget cycle rather than a calendar year.
- It is critical to have private health insurance funds represented on the PMHA**.**

It was agreed that the above principles should be forwarded to the AHIA in a letter from the AMA with the final budgets for SPGPPS, CDMS and N_N attached. The current Business Plan should be held in abeyance until after the reconsidered position

2 FINANCIAL AND OPERATIONAL MATTERS (continued)

of the AHIA Board is known, and the AMA has convened the meeting of all the Parties to the current AMA Agreement.

2.3.5 Indicative and Summary Budgets 2007–2009

The SPGPPS worked through the Indicative and Summary Budgets line item by line item. These Budgets had been compiled by the SPGPPS Secretariat based on all the suggestions received to date and the assumption that the AHIA may continue to provide financial support for the SPGPPS, CDMS and N_N. Some of the significant decisions that were agreed in order to reduce the SPGPPS, CDMS and N_N Budgets for 2007 to 2009 are summarised below.

- Meetings of the SPGPPS will be reduced from four face–to–face per year to three.
- Meetings will be held in Melbourne at the offices of the RANZCP, or at private hospitals or the offices of Health Funds.
- There are to be no face–to–face meetings of SPGPPS sub–groups, except for the CDMS Management Committee, which will continue to meet back–to–back with the three face–to–face meetings of the SPGPPS each year. All other sub–groups will meet via teleconference.
- The SPGPPS Executive Officer, will no longer attend meetings of the AHMAC National Mental Health Working Group (NMHWG), or meetings of the N_N.
- No Practice Allowances are to be paid for non–salaried SPGPPS representatives attending meetings of the NMHWG or the NMHWG Safety and Quality Partnership Group.
- The Australian Government will provide financial support as an equal partner to the activities of the N_N.
- The will be no SPGPPS Administrative Officer Position to assist in supporting the activities of SPGPPS, CDMS and the N_N. SPGPPS acknowldeged that this reduction in resources would carry the following implications for the SPGPPS, CDMS and N_N from 2007 on.

  (a) The preparation and circulation of agenda and papers for meetings of the SPGPPS and sub–groups thereof will become fully electronic, with representatives responsible for printing and compiling their own meeting agenda and papers.

  (b) SPGPPS and sub–groups thereof will move to action–oriented resolutions. The detail of the discussions that led to those resolutions would no longer be recorded in reports of meetings. Meetings will continue to be recorded electronically with a copy of the recording being retained by the Secretariat.

  (c) SPGPPS Executive Officer will undertake maintenance of SPGPPS database and the SPGPPS website.

  (d) Production of a quarterly SPGPPS Newsletter will cease.

  (e) CDMS will be formally located at the office of the SPGPPS Information Officer in Adelaide.

2 FINANCIAL AND OPERATIONAL MATTERS (continued)

(f) CDMS will move to fully electronic circulation of CDMS Standard Quarterly Reports (SQRs) to Hospitals and Health Funds.

(g) Hospitals who are unable to meet the CDMS data submission deadlines will not be included in SQR runs. Hospitals and Health Funds will be informed of any effects this may have on the SQRs.

(h) SPGPPS Information Officer will undertake all current support activity provided by the SPGPPS Administrative Officer for Hospitals participating in the CDMS. This will include:

- liaison and support of participating Hospitals;
- overseeing Hospital data submission schedules;
- reception of HSMdb data and input to CDMS;
- preparing electronic quarterly SQRs for Hospitals and Health Funds;
- maintaining the CDMS contacts database; and
- annual reporting on CDMS.

(i) The SPGPPS Information Officer will work 0.6 Full–Time–Equivalent (FTE) on the CDMS activity and 0.2 FTE on SPGPPS activity.

(j) N_N Chair and Co–Chair will undertake the preparation of agenda and papers for meetings of the N_N, and record and report on proceedings of meetings. The Secretariat will produce and circulate a hard copy of the agenda and papers for N_N Members.

(k) N_N Members will make all their travel and accommodation arrangements for face–to–face meeting of the N_N through the Chair and AMA Travel.

A copy of the final agreed budgets appear at Attachment 1 of this Report.

Resolutions

7 *That the SPGPPS notes the correspondence dated 21 April 2006 from the Chief Executive Officer of the Australia Health Insurance Association (AHIA), The Hon Dr Michael Armitage, advising of the decision of the AHIA to cease funding for the SPGPPS, its CDMS and the N_N from 1 January 2007. The subsequent exchange of correspondence from SPGPPS, AHIA, N_N, APHA, and AMA concerning this matter is also duly noted.*

8 *That the SPGPPS notes that the AMA met with the AHIA President, Mr Terry Smith and Dr Armitage on 19 June and reached agreement that the AHIA may amenable to reconsidering its decision, pending provision of final indicative budgets for SPGPPS, CDMS and* N_N *for 2007 – 2009, as reduced by the 44th SPGPPS Meeting.*

2 FINANCIAL AND OPERATIONAL MATTERS (continued)

9 *That the SPGPPS notes the advice from Maxim Chartered Accounts, that the following costs would be involved for the incorporation of the SPGPPS and the provision of administrative services, outside of the current arrangements with the AMA.*

Rental cost for commercial premises

Suburb	*Rent Rates (GST exclusive)*
Barton	*Grade A – $360m Grade B – $310m*
Deakin	*Grade A – $330m Grade B/C – $290m*
City	*Grade A – $370 m Grade B – $290m Grade C – $200 – $250m*

Incorporation cost

Company setup cost (one–off) $1,210 (gst inclusive)
Annual ASIC fees $212

Fees per quarter for financial control and administrative services

Accountant	*$6,600*
Senior Manager	*$1,380*
Partner	*$1,050*
Total per quarter (gst exclusive)	*$9,030 ($36,120 pa)*

10 *That the SPGPPS endorses the Indicative Summary and Detailed SPGPPS, CDMS and N_N Budgets for 2007–2009 as amended and agreed by the 44th SPGPPS Meeting for circulation to the AHIA under cover of a one–page letter that makes the following points.*

- *That the SPGPPS stakeholder members believe AHIA should be represented on the SPGPPS and that the AHIA should be encouraged to reconsider its position concerning participation in the SPGPPS, CDMS and* N_N *beyond 2006.*
- *That the SPGPPS will be restructured into a true Private Mental Health Alliance (PMHA) with a focus on issues of national significance and that its title be changed to reflect that focus.*
- *That the focus of the PMHA be at a national level. Issues related to the conduct of any sub–members, be they private hospitals, private health insurers, practicing psychiatrists, or any group or member thereof, are not be countenanced by the other members of the group.*
- *That an independent Chair be appointed to ensure the Chair is not aligned with any particular stakeholder group or vested interest.*
- *That the CDMS become the mechanism for monitoring and accountability under the governance of the PMHA from 2007 on. It will allow health funds to scrutinize activity, monitor changes, and to ensure competition within the stakeholder groups in terms of benchmarking activity across hospitals and other activities.*

2 FINANCIAL AND OPERATIONL MATTERS (continued)

- *All the current parties want the AHIA to be part of the new alliance and have agreed that other constituent groups, such as psychologists, will be included to enhance the interface between the private and public sectors.*
- *The alliance will be the major vehicle for representing the private sector in all national forums.*
- *All stakeholders have agreed to move to a financial year budget cycle rather than the current calendar year.*

11 *That the SPGPPS notes that the AMA will shortly convene a meeting of all Parties to the current AMA Agreement for Services 2004–2006 to consider the future of the SPGPPS, CDMS and N_N beyond 2006. The SPGPPS directs that the further development of the Draft SPGPPS, CDMS and N_N Business Plan 2007–2009 be held in abeyance until the outcome of the AMA meeting with all Parties is known.*

3 SUB–GROUP REPORTS

3.1 Innovative Models Working Group (IMWG)

The Chair of the IMWG, Mr Phillip Taylor, updated the SPGPPS on the activities of the IMWG.

Resolutions

12 *That the SPGPPS adopts en bloc the following reports of its Innovative Models Working Group.*

- *Report of the 17th SPGPPS Innovative Models Working Group Meeting, held on 6 February 2006 in Adelaide.*
- *Report of the 18th SPGPPS Innovative Models Working Group Meeting, held on 7 April 2006 in Melbourne.*
- *Report of the 19th SPGPPS Innovative Models Working Group Meeting, held on 22 May 2006, via teleconference.*

13 *That the SPGPPS notes the Draft Report of the 20th SPGPPS Innovative Models Working Group held on 6 June 2006, via teleconference.*

14 *That the SPGPPS notes the SPGPPS Innovative Models Working Group, Discussion Paper, Options for Funding Service Delivery for Private Psychiatric Services, and endorses its circulation throughout the private sector for consideration and comment.*

Action: Secretariat

3.2 Substance Abuse and Dependency Working Group (SDWG)

In the absence of the Chair the SDWG Secretary, Mr Phillip Taylor, briefly updated the SPGPPS on current activity.

Resolutions

2 FINANCIAL AND OPERATIONL MATTERS (continued)

15 *That the SPGPPS adopts the Report of the 5th SPGPPS Substance Abuse and Dependency Working Group Meeting, held on 20 February 2006 in Adelaide.*

16 *That the SPGPPS adopts the Report of the 6th SPGPPS Substance Abuse and Dependency Working Group Meeting, held on 27 April 2006 in Brisbane. That the SPGPPS notes, as work–in–progress, the draft Position Statement titled, The Diagnosis and Treatment of Substance Abuse and Dependency in Private Psychiatric Services, prepared by the SPGPPS Substance Abuse and Dependency Working Group.*

3.3 N_N Report

The Chair of the N_N, Ms Janne McMahon, update the SPGPPS on activities.

Resolutions

18 *That the SPGPPS notes the Draft Report of the 12th N_N Meeting, held on 27–28 February 2006.*

19 *That the SPGPPS notes the N_N Promotional brochure Driving Change has been provided to psychiatrists in private practice in Tasmania and a second supply of the promotional brochure has been distributed to all private hospitals with psychiatric beds.*

20 *That the SPGPPS notes the N_N wrote to CEO's of Hospitals in NSW in an effort to expand the number of consumer/carer members on the NSW N_N State Committee, which resulted in additional numbers attending the March 2006 meeting of the NSW State Committee.*

21 *That the SPGPPS notes that, as a result of consultation with the APHA Psychiatry Sub–Committee, membership of State Committees in the smaller states will be expanded to include members of the N_N.*

22 *That the SPGPPS notes N_N State Co–ordinators are conducting a training needs analysis of members of 34 consumer and carer advisory committees or consumer consultants. The results will be collated and made available to Hospitals and the SPGPPS.*

23 *That the SPGPPS notes the N_N has developed a media protocol. A N_N Media Alert was released on 29th March 2006 raising concerns over comments made on ABC radio, which the N_N fears may operate to reduce the access of consumers to private psychiatrists, if implemented.*

24 *That the SPGPPS notes the N_N has written to all federal members of parliament enclosing their Driving Change brochure, promoting their presence, and offering their opinion regarding private mental health from a 'user and family member' perspective.*

25 *That the SPGPPS notes the N_N held a teleconference on 15 May to discuss the withdrawal of the AHIA, and the Hospitals' preliminary draft of their proposed funding beyond 31 December 2006.*

4 STANDING ITEMS

4.1 Council of Australian Governments (COAG)

The SPGPPS noted the following background to this agenda item.

4.1.1 Background

COAG has recognised that mental health is a major problem for the Australian community and has acknowledged that governments have made significant recent investments in the area but have agreed that additional resources will be required from all governments to address the current issues facing the public and the private sectors.

The Commonwealth and State and Territory Governments have agreed to collaborate on the development of a National Action Plan for Mental Health that is aimed at providing sustained improvement in services to the mentally ill.

The COAG communiqué of 10 February 2006 asked that the action plan to address the following.

- A renewed focus on promotion, prevention and early detection and intervention – including reducing the impact on mental health of substance abuse, including illicit drugs (such as cannabis and amphetamine–type substances) and alcohol.
- Getting the balance right between hospital care, community and primary care and the best type of accommodation for people who are unable to manage on their own.
- Improving and integrating the care system to enable the right care to be accessed at the right time, including mental health services, primary care, general practice, private psychiatric services and emergency department services.
- Improving participation in the community and employment, including greater use of non–government organisations and improved community–based and cross–sectoral supports for people with mental illness and their families such as supported accommodation, rehabilitation services and respite care.
- Addressing structural issues such as workforce changes including the roles of different professions.
- Increasing the role of psychologists and other health professionals in primary care.
- Increasing the health workforce available to address mental health issues.

A COAG Health Working Group has examined ways in which the Action Plan would be developed and has agreed to form a Mental Health Working Group with three sub–groups:

1 Promotion and Prevention (including substance abuse);
2 Improving and integrating the care system; and
3 Increasing participation in the community and employment (including accommodation and housing).

These sub–groups will develop proposed solutions in line with the COAG communiqué.

4 STANDING ITEMS

4.1.2 Confidential COAG Consultation

The COAG Health Working Group invited the SPGPPS Chair and one other representative from the SPGPPS to participate in a confidential consultation session relating to the COAG mental health reform agenda, and some of the options being considered by the Health Working Group. Dr Yvonne White and Mr Paul Mackey (as a proxy for Ms Moira Munro) attended this meeting on behalf of the SPGPPS. The SPGPPS noted that the consultation did not provide much more detail on the COAG reform agenda than what is described under 4.1.1 above. While COAG intends to establish mental health working groups in each jurisdiction, there was no commitment to funding, or consistency around service provision.

4.2 AHMAC National Mental Health Working Group (NMHWG)

Dr White, briefly reported on the NMHWG Meeting held on Friday, 12 May 2006 in Melbourne. A copy of the draft minutes of that meeting were noted.

Ms Suzy Saw reported on the review of AHMAC subcommittees and supporting structures undertaken by AHMAC over the last twelve months. Under the revised AHMAC governance arrangements, AHMAC will establish six principal committees, which will report directly to AHMAC. The AHMAC principal committees are set out below.

1 Health Workforce Principal Committee (HWPC) to be chaired by WA.

2 Health Policy and Priorities Principal Committee (HPPPC) to be chaired by NSW.

3 Clinical, Technical and Ethical Principal Committee (CTEPC) to be chaired by ACT.

4 Australian Population Health Development Principal Committee (APHDPC) to be chaired by NT.

5 Australian Health Protection Principal Committee (HPPC) to be chaired by the Australian Government.

6 Information Management Principal Committee (IMPC) to be chaired by Victoria.

On 1 July 2006, NMHWG will become a standing committee of the Health Policy and Priorities Principal Committee (HPPPC). The Standing Committee will report directly to the HPPPC. All national committees will be time limited with restrictions applied to their meeting frequency.

4.3 General Practitioner Report

Dr Kable reported on the recent meeting between the General Practice Collaboration and the Australian Government to discuss the COAG initiatives. The announcement that psychologists will be given access to the Medicare Benefits Schedule (MBS) was discussed in relation to the implications for the community and the health budget. There is some concern that if any GP can refer to psychologists then that may not necessarily improve the mental health of the community. The Collaboration has recommended that all GPs be trained in mental health, at least to Level 1. There is also inequality of access to psychiatrists particularly in rural areas and in under privileged inner city areas. Open access may operate to reinforce that inequity and it will be important shape access so that it does not reinforce the current inequities that

4 STANDING ITEMS

exist. Psychologists indicated that they were unsure of what the Commonwealth meant by the term used in their media release "accredited psychologists". The definition of that term is yet to be determined. The Collaboration has applied for three years funding, which will make staffing more stable. Dr Kable updated the meeting on levels of utilisation of several of the current MBS Items for mental health.

4.4 Health Funds Report

Mrs Hardy asked that the *Guidelines for Determining Benefits for Health Insurance Purposes for Private Patient Hospital–Based Mental Health Care* be revised and finalised before the end of 2006.

Resolution

26 That the SPGPPS requests that its Secretariat co–ordinate the revision of the Guidelines for Determining Benefits for Health Insurance Purposes for Private Patient Hospital–Based Mental Health Care.

Action: Secretariat

4.5 Australian Government Report

Ms Suzy Saw reported that the tender for the Review of the *National Standards for Mental Health Services* closed today. It includes scoping the Standards and consulting with the private sector.

Mr Callanan reported that consultations had commenced on the new arrangements for private health insurance. Mr Callanan also mentioned that arrangements were well underway for the 2006 Biennial Health Conference. Mr Morris–Yates will be attending and addressing this conference on the work of the CDMS.

5 NEXT MEETING AND CLOSE

The next (45th) meeting of the SPGPPS will be held from 9:30 AM to 4:00 PM on Friday, 23 June 2006 at the Perth Clinic, 29 Havelock Street, West Perth. There being no further business, the Meeting closed at 4:00 PM.

Dr Yvonne White
Chair

Mr Phillip Taylor
Secretary