06.09.2021 **National Association of Practising Psychiatrists**

Re: Honeysuckle Health and nib application for Authorisation AA1000542

Response to MinterEllison 'Response to submissions following the pre-decision conference' on behalf of nib health funds limited (nib) and Honeysuckle Health Pty Ltd, dated 9th August 2021

"3.6 Consumers will often not become aware of a medical specialist's gap until the first consultation, as their GP will generally not have information about gaps on hand when recommending a specialist to their patients… After the first consultation, consumers are then reluctant to switch specialists even if the gap payments will be large. The Applicants submit that there is greater potential for economic coercion of consumers in the current state."

Psychiatric and other medical specialists and / or their administrative staff routinely provide patients with information re fees and rebates, usually at the time of booking the first appointment(s). This is part of financial informed consent. The unreferenced statement by MinterEllison misrepresents medical practitioners and is used to advance their own interests.

"9. Appropriateness of value-based contracting for mental health

9.1 Several submissions raise concerns that value-based contracting is not sufficiently developed to link payments to short term outcomes within mental health, due to the episodic nature and ongoing treatment of mental health problems.[16] They note that many patients require ongoing treatment over a period of years and that linking contractual terms to outcomes may further create a financial disincentive for psychiatrists to see complex patients with treatment-resistant conditions.[17] Further, even where a diagnosis is achievable, Dr Gary Galambos' submission notes that this is not a good predictor of the need or duration of an admission.[18]

9.2 The Applicants appreciate the complexity of introducing value-based contracting for mental health hospitalisations compared to say, joint replacements. HH does intend to develop value-based contracts in mental health. The contracts will be developed in consultation with hospitals and psychiatrists. They will be based on clinical best practice, respect the primacy of the specialist/patient relationship and look to address the existing gaps in care that are created by existing funding models."

NAPP communicates its deep concern that despite the applicants acknowledging that they "appreciate the complexity of introducing value-based contracting for mental health hospitalisations", they go on to state "HH does intend to develop value-based contracts in mental health". This demonstrates that the applicants have disregarded the advice of the specialist health professional bodies that represent the experts in diagnosis, research, advocacy and treatment of mental disorders. The maintained intention to progress the development of value-based contracts in mental health, despite experts in the field strongly communicating against this line of action indicates already that collaborative consultative processes will not be possible.

Given the current mental health system is at the beginning of longer-term processes of increasing psychiatrist numbers to meet clinical need, the system cannot afford the reductions in effectiveness, efficiencies and quality of mental health care that such contracting and its requirements will deliver. NAPP asserts that the impacts will be significantly detrimental at the level of the individual patient-clinician therapeutic relationship and more broadly at the level of the mental health care system. NAPP maintains that the value of such contracting is maintained at the level of financial return for the applicants.

NAPP notes further that nib and HH have not identified any existing gaps in care that are created by existing funding models as part of their application processes. An implication is that HH only intends to force value-based contracts on mental health care for its own purposes.

"10. ICHOM standards

10.1 The National Association of Practising Psychiatrists has raised concerns over the use of the International Consortium for Health Outcomes Measurement (ICHOM) to determine the value of care under the Broad CPP.[19] Specifically, they suggest that ICHOM is not internationally recognised by the broad scientific community as a standard set of values and therefore question the appropriateness of its use in the Broad CPP. Further, they raise concerns that the concepts of ICHOM are inconsistent with the realities of psychiatric practice.

10.5 … the Applicants are open to working with each medical specialty college to determine if better measurement systems exist for their specific craft group if ICHOM is deemed as not appropriate."

NAPP maintains that the ICHOM standard set is not recognised internationally, is not in general use within psychiatric practice, and is not consistent with the realities of psychiatric practice. NAPP is concerned that the use of such standard sets, if implemented via ACCC approval of the HH application, will be detrimental to Australian patients and the Australian healthcare system. NAPP maintains that the complexity of psychiatric practice, bringing together biopsychosociocultural dimensions developmentally, and across conscious and unconscious domains, can only be limited and / or impacted detrimentally by such standard sets.

Further, NAPP asserts that the movement to standard sets introduces unnecessary bureaucratic processes into the therapeutic relationship and as such, function to change the very nature of the therapeutic relationship, which is itself an important component of mental health care and healing. NAPP notes that major healthcare insurers in the USA have misused similar standard sets or algorithms for reporting treatment utilization with detrimental effects on the quality and duration of outpatient psychotherapy and the denial of benefits to insurance beneficiaries. There is no reason the use of similar standard sets by HH may not incur the same problems.

NAPP also respectfully indicates that psychiatrists in Australia have multiple representative organisations, including RANZCP, the National Association of Practising Psychiatrists, the Australian Medical Association section of psychiatry, and the Australian Doctors Federation that should be consulted regarding any and all developments that will affect psychiatric practice.

NAPP submits its deep concerns regarding the net detriments and risks that will flow from ACCC approval of the HH application. NAPP asks the ACCC to reverse its draft decision on the HH application and reject the application in its entirety.

Dr Philip Morris AM President NAPP	Dr Vivienne Elton Vice President, NAPP	Dr Melinda Hill Secretary, NAPP