Developing a mental health classification system in Australia

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Introduction
As part of the National Health Reform Agreement, the Independent Hospital Pricing Authority (IHPA) is committed to implementing Activity Based Funding (ABF) for mental health services.

At present, there is no single classification used for mental health services. Implementing ABF has been more complex for mental health than other medical and surgical services because existing classifications do not predict resource consumption as well as they do for other services.

Methods
In 2012, IHPA engaged the University of Queensland (UQ) to develop a definition of mental health care for ABF purposes and define the cost drivers. IHPA has since undertaken a six-month costing study with states and territories across a range of mental health services including regional services to test UQ's hypotheses. A first draft of the AMHCC has been released and is being piloted.

Results
The first draft of the new mental health classification will be presented at the conference, as well as performance statistics, pilot testing results and planning for version 2 of the classification.

Conclusions
The AMHCC will improve the clinical meaningfulness of mental health classification, leading to an improvement in cost predictiveness, and will support new models of care. This paper explains how the AMHCC is being constructed with a focus on regional services, how it will be applied, what has been learnt from the regional sites participating in the costing study, areas for future development, and ongoing opportunities to participate in this work.

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