

Commissioning approaches to Mental Health services within Western Sydney

Western Sydney Primary Health Network (WentWest)

Interactive Discussion

1. Context
2. **Theme One** – Strategic Commissioning
3. **Theme Two** - Procurement
4. **Theme Three** – Outcomes-Based Commissioning
5. Interactive Discussions



Challenges: recruitment
therefore constant
capacity & underspend
issues, delayed reporting,
LHD relationship, Waiting
List, Period of Funding

National program =
parameters outside
our control

High intensity, youth
mental health program
– operating 6 years,
same provider

Unsuccessful attempts
at reconfiguring
the program within the
current contract

Situation:

New Department of Health contract – extended end date
Consistent underspends = greater funding access

Opportunity:

Go to market – refresh requirements, analyse market, reset the contract, co-design a
new approach, implement regimented new contract structure, outcomes-based
approach



Strategic Commissioning





Problem Statement

A large, nationally-regulated, highly funded program has been commissioned for the past 6 years to a prominent provider in our region.

The provider knows the intricacies and complexities of the program, has established the relationships, and has been delivering the program adequately - but it was progressing into a challenging relationship with the provider due to a number of ongoing issues, and the program was no longer meeting expectations or proactively addressing community needs, young people missing out on the program due to long waiting time.



Given the context and the challenges experienced - do you maintain the contract with the current provider, or put in the time and resource investment to explore the market?

determinants of health
co-commissioning stakeholders
leadership population health
transformation primary health cultural competency
health relationships market analysis

strategic commissioning

innovation
equity
improvement
procurement
community
planning
outcomes
collaboration
excellence
co-design
engagement
capability



A photograph of a family of six people walking outdoors, overlaid with a blue and orange gradient. The family consists of two adults and four children. The children in the foreground are smiling and appear to be running or walking happily. The background shows a park-like setting with trees and a wooden chair.

Procurement



What is Procurement?

A process of identifying and contracting appropriate providers who can most efficiently and effectively support the delivery of primary health care services.



Why PHNs do it?

- To identify and secure providers to meet the local primary health care needs
- Harnesses the benefits of competitive processes to support patients and communities
- To achieve positive health outcomes for the community
- Provides insights into the capacity, capability and performance of current market
- Improve Health system integration



Process in the guidance?

- Design of the procurement process
- Specification of requirements
- Evaluation of submissions
- Selection of preferred supplier
- Contract negotiation and award



Problem Statement

WSPHN wanted to design a comprehensive, multi-stage procurement process to engage the market, include a co-design component, restructure the program to focus on outcomes, and developing detailed requirements to overcome prior challenges – all within a 9-month timeframe from conception to execution.



- What would be your procurement approach?
- Which stakeholders would you engage for each stage?
- What key components would you include within the evaluation criteria for each stage, to ensure that requirements and expectations are met, cultural competency is ensured, and that performance will improve?



Prepare



Plan



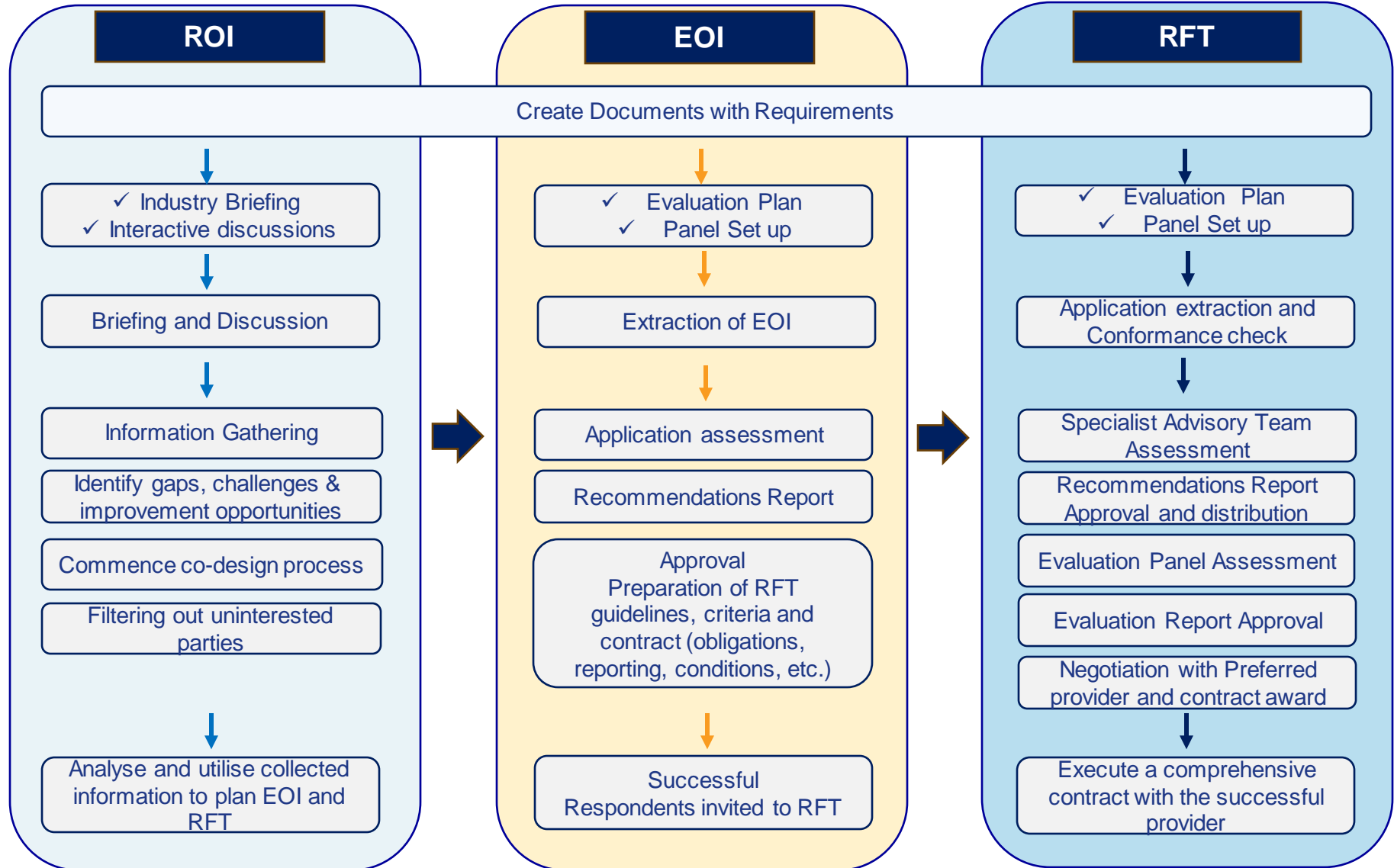
Conduct



Assess & Execute



Outcomes





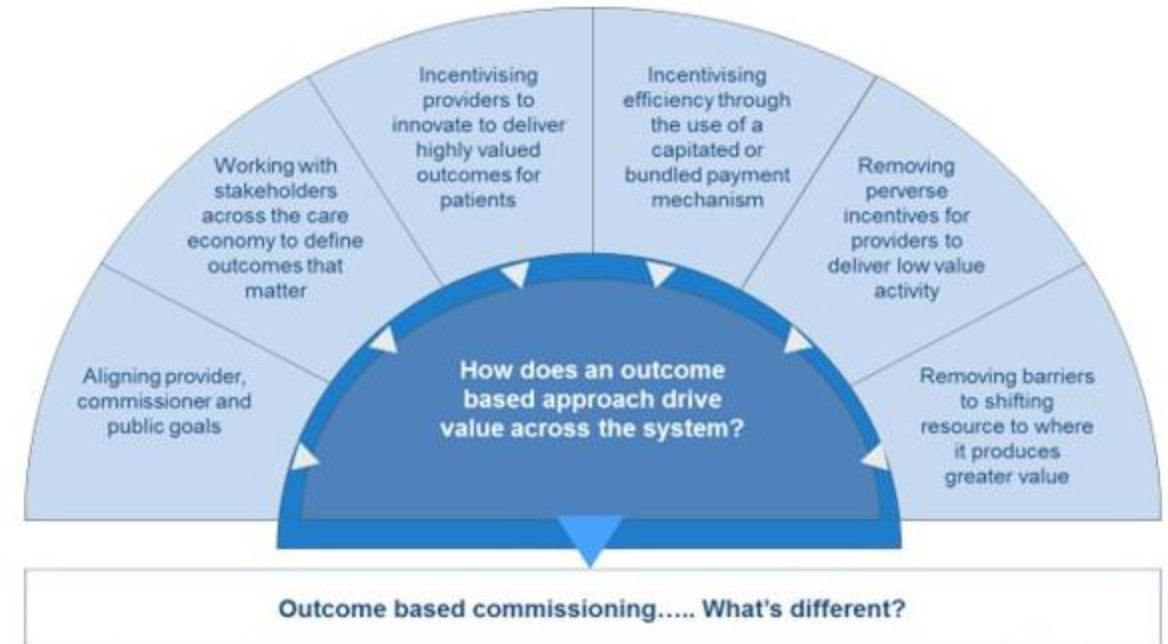
Outcomes-Based Commissioning

What is Outcomes-Based Commissioning?

- Outcomes-Based Commissioning focuses on achieving outcomes in healthcare that are important to the people using them
- It emphasises the well-being of individuals and encourages holistic service design to reduce the burden of disease.
- Collaboration and a new mindset are required from all parties involved.

Why do PHNs do it?

- To achieve better outcomes through integrated, person-centered services, delivering better value for healthcare spending.
- Achieving this involves innovative problem-solving and the adoption of new methods in service delivery.
- These outcomes align with the PHN Program Objectives and are reported against the PHN Performance Framework.



Source: Outcome Based Commissioning Alliance (OBC Alliance) formed of PwC, Wragge & Co, Cobic and Beacon



Problem Statement

Given the ongoing challenges within the current program, WSPHN needed to ensure the conditions and requirements of the contract were clear and would be delivered to the expected standards – enabling seamless program delivery to the benefit of the clients, referrers, provider and PHN.



- What elements would you put in place to ensure a contract was outcomes focused?
- What outcomes would you measure and why?
- Would you have payments associated with outcomes delivered?

Outcomes-based Commissioning



Developing a contract that was outcome-focused (with additional funding available for achievement of outcomes - % of clients with improved K10+'s, outcome report submitted annually, client story shared quarterly, etc.)



Negotiating realistic outcomes with the provider and LHD



Payments based on outcomes achieved, but also still enough outputs to meet requirements



Special conditions added to contract



Contract management

Interactive Discussions

Theme 1: Strategic Commissioning

- Given the context and the challenges experienced - do you maintain the contract with the current provider, or put in the time and resource investment to explore the market?

Theme 2: Procurement

- What would be your procurement approach?
- Which stakeholders would you engage for each stage?
- What key components would you include within the criteria for each stage, to ensure that requirements and expectations are met, cultural competency is ensured, and that performance will improve?

Theme 3: Outcomes-based Commissioning

- What elements would you put in place to ensure a contract was outcomes focused?
- What outcomes would you measure and why?
- Would you have payments associated with outcomes delivered?



What are your reflections?

**How might you apply these learnings
in your PHN?**

Any questions?

For any further questions, or to discuss our procurement process in more detail, please email:

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WENTWEST.COM.AU

