

Department of Health and Aged Care  
**Working Better for Medicare Review**  
February 2024

# Advocacy and collaboration to improve access and equity

### About the Royal Australian and New Zealand College of Psychiatrists

The Royal Australian and New Zealand College of Psychiatrists (RANZCP) is responsible for training, educating and representing psychiatrists in Australia and New Zealand. The RANZCP has more than 8400 members, including around 5900 qualified psychiatrists. In Australia, approximately 86% of practising psychiatrists are current RANZCP members.

### Recommendations

The RANZCP recommends the Government:

- address critical psychiatry workforce shortages in Australia
- repeal Section 19AB of the Health Insurance Act 1973, due to its negative impacts on the:
  - ability of services to fill gaps in high prevalence, low acuity care roles
  - provision of culturally safe care
  - resilience and wellbeing of psychiatrists
- provide greater investment into telehealth services, which can provide equitable and effective mental health care in areas of workforce shortage.

### Introduction

The RANZCP welcomes the opportunity to contribute to the Department of Health and Aged Care's [Working Better for Medicare Review](#) (the Review). This submission is based on consultation with RANZCP Committees, including the Committee for Professional Practice, Community Collaboration Committee, Committee for Overseas Trained Psychiatrists, Section of Rural Psychiatry Committee and the Section of Private Practice Psychiatry Committee. These Committees are made up of community members and psychiatrists with direct experience. As such, the RANZCP is well positioned to provide assistance and advice about this issue due to the breadth of academic, clinical and service delivery expertise it represents.

The RANZCP welcomes the Government's review of current health workforce distribution levers. The inequitable access to healthcare across Australia is well-documented. The psychiatry and mental health workforces are unevenly distributed across the country, which contributes to inequitable mental health outcomes. The Productivity Commission Mental Health Inquiry Report showed that people living in regional, rural and remote areas are disproportionately affected by a lack of access to specialist mental health care, including psychiatrists.[1]

The shortage of psychiatrists and mental health specialists in some areas is worsened by an overall shortage of psychiatrists in Australia. As highlighted in the RANZCP's [Pre-Budget Submission 2024-25](#) to the Australian Government, the current psychiatry workforce only meets 56% of the national demand.[2] This shortage is worse outside of metropolitan areas.

To provide for the mental health care needs of all Australians adequately and equitably, the Government must proactively increase the overall number of psychiatrists in Australia.

### Section 19AB of the Health Insurance Act 1973

#### Unintended consequences on workforce distribution

Section 19AB is intended to place clinicians in areas with the greatest need. It restricts where International Medical Graduate (IMG) psychiatrists can work, based on the District of Workforce Shortage (DWS)

# Royal Australian and New Zealand College of Psychiatrists submission

## Working Better for Medicare Review

system. The restrictions, however, do not take into account the unique requirements of psychiatry clinical practice.

The restrictions of Section 19AB apply only to psychiatrists who are not salaried: principally those in private practice. Private practice provides a large amount of the mental health care to Australians with higher prevalence, lower-acuity mental health conditions, such as anxiety, affective and substance abuse disorders.[3] By constraining the ability of private practices outside of DWSs to recruit IMGs, Section 19AB can worsen workforce maldistribution. Areas where there are enough psychiatrists per capita under the DWS system may need psychiatrists in specific sub-specialties, such as Child and Adolescent Psychiatry, but are locked out of recruiting from the available pool of IMGs to fill this gap due to Section 19AB. The RANZCP has previously communicated with the Minister for Health and Aged Care about this issue.

### Impact on culturally appropriate care

The DWS system, which operates to assign these clinicians, is based solely on billing and population data. It does not consider the specific needs of the community. This can cause underprepared psychiatrists to work in communities, particularly in regional, rural and remote areas, without the specific cultural knowledge and skills needed to deliver effective mental health care.

Cultural safety is paramount to the delivery of effective and equitable mental health care. As noted in the RANZCP's [Position statement 105: Cultural safety](#), culturally safe and responsive care cannot be viewed as optional for good mental health care. Using IMGs to fill service gaps in regional, rural and remote communities, which have higher populations of Aboriginal and Torres Strait Islander people and Culturally and Linguistically Diverse (CALD) people, creates a situation where some communities are not provided care by clinicians who are aware of their unique cultural requirements. For IMGs who will be working in regional, rural and remote communities, further investment should be made in readiness programs, including cultural safety training.

### Effects on clinicians

Psychiatrists have reported that the moratorium created by Section 19AB has increased job dissatisfaction and other negative professional, emotional and health effects.

Mental health workers are at a heightened risk of burnout.[2] There is also clear evidence that burnout and other employment pressures contribute to psychiatrists leaving the workforce.[1] It has also been shown to increase the risk of negative service delivery and patient safety incidents.[4]

Given the current critical shortage of psychiatrists in Australia, it is imperative that Government policies and procedures are designed to maintain a healthy working environment for psychiatrists in order to retain the current workforce and to attract new psychiatrists to practice in Australia.

IMGs who feel locked in to practicing in Government mandated areas, or into the public system to avoid being forced to practice in DWS designated areas, are less likely to maintain their position in the workforce, or to initially take up postings in Australia.

To better increase the DWS workforce, the Government should:

- further invest in the Psychiatry Workforce Program to support training placements in DWS areas
- support greater collaboration and multidisciplinary approaches to identify ways to increase the DWS workforce by hosting roundtables with key stakeholder representatives.

### Independent review of overseas health practitioner regulatory settings

The [final report](#) of the [Independent review of overseas health practitioner regulatory settings](#) noted that the Department of Health and Aged Care is updating modelling to estimate the extent of workforce shortages for medicine, including by specialty. The modelling of psychiatry, due at the end of 2024, is a unique chance to review how Section 19AB affects the provision of services and workforce distribution in relation to the unique requirements of practice.

Per capita evaluations to assess the demand for psychiatrists provide a base line for identifying areas that require greater workforce investment. It is crucial that the response to these evaluations does not compromise access to effective, equitable and culturally safe care, nor create environments where clinicians are at increased chances of burnout or work dissatisfaction.

### Telehealth

Telehealth can improve access to psychiatry services for consumers in areas designated as DWS. Telehealth consultations have been shown in some cases to be as effective as face-to-face consultations in achieving improved health outcomes.[5] There has also been positive feedback regarding telehealth psychiatry consultations and practices from consumers.[6]

For DWS areas, during a critical workforce shortage across Australia, telehealth can fill a critical role in ensuring that psychiatry assessments and consultations can be provided in a timely manner to people with mental health conditions. From 1 July 2022, access to psychiatry initial consultations has been supported by permanent, ongoing MBS telehealth arrangements. The RANZCP's [Professional Practice Guideline 19: Telehealth in Psychiatry](#) highlights the benefits of telehealth in improving access to psychiatry services for patients in rural and remote areas.

### Conclusion

The RANZCP thanks the Department of Health and Aged Care for the opportunity to provide feedback on the Working Better for Medicare Review. The RANZCP would welcome the chance to engage further about the psychiatry workforce and solutions to current shortages. If you have any queries regarding this submission, please contact Nicola Wright, Executive Manager, Policy, Practice and Research Department via [nicola.wright@ranzcp.org](mailto:nicola.wright@ranzcp.org) or on (03) 9236 9103.

## References

1. Australian Government Productivity Commission. Mental Health vol.2 no. 95 Canberra: Australian Government Productivity Commission; June 2020 [Available from: Volume 2 - Inquiry report - Mental Health (pc.gov.au)].
2. Australian Department of Health and Aged Care. National Mental Health Workforce Strategy 2022-2023 Canberra: Australian Department of Health and Aged Care; October 2023 [Available from: National Mental Health Workforce Strategy 2022–2032 | Australian Government Department of Health and Aged Care].
3. Australian Institute of Health and Welfare. Mental Health: Australian Institute of Health and Welfare; October 2023 [Available from: Mental health - AIHW].
4. Hodkinson A Z, A, Johnson J, Geraghty K, Riley R, Zhou A et al. Associations of physician burnout with career engagement and quality of patient care: systematic review and meta-analysis. *BMJ*. 2022;e070442:378-93.
5. Reay RE LJ, Keightley P. Telehealth mental health services during COVID-19: summary of evidence and clinical practice. *Australasian Psychiatry*,. 2020;28(5):514-6.
6. Toll K EA. Consumer preferences, experiences, and attitudes towards telehealth: qualitative evidence from Australia. *PLOS One*. 2022;17(8):e0273935.