AM-13

NSW GOVERNMENT Health

St Vincent's Health Network Sydney

Capital Investment Proposal

Mental Health Prevention and Recovery Centre (PARC)

2021

1. PROPOSAL OVERVIEW

1.1 Organisation Details

Organisation: St Vincent's Health Network Sydney

Contact Officer: Dominic Le Lievre

Position: Executive Director, Integrated Care

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1.2 Proposal Details

Proposal name: St Vincent's Hospital Prevention and Recovery Centre (PARC)

1.3 Relevant Documents and Current Planning Status

Document	Status
Strategic business case	*Complete 2019, but is now outdated and requires review due to change in capital strategy.* *New business case under development.*
St Vincent's Darlinghurst Clinical Services Plan (2017)	*Under review – 2021 CSP to be completed by July 2021.*
Campus Masterplan (2017)	*Under review – 2021 Masterplan expected to be completed by July 2021.*

1.5 Consultation

Mental Health Branch, NSW Ministry of Health
SESLHD Mental Health services
St Vincent's Hospital Melbourne Mental Health services
St Vincent's Curran Foundation
Community partners (various)

1.6 Board Endorsement

Has the Organisation's governing board endorsed this proposal? Yes [X] No [ ]

1.7 Chief Executive Approval PARC - CIP July 2021

Name: Anthony Schembri

Position: Chief Executive Officer

Signature: A M. Sch.

2. PROPOSAL DESCRIPTION

2.1 Proposal Description

A Prevention and Recovery Care Centre is a residential mental health service with two broad objectives:

- To improve mental health outcomes of people with a severe and persistent mental health issue, who have become, or are becoming, acutely unwell
- To prevent avoidable admissions to acute units and avoidable re-admissions following an acute episode

The service achieves this through delivering two types of services:

1. *'Step-up' from the community, following clinical assessment and referral:* support for individuals who are residing in the community and would benefit from an increased level of support due to becoming unwell and not yet meeting the criteria for an acute admission
    a. I.e. the individual will enter the PARC and receive prevention / early intervention services to avoid a hospital stay, once they have been assessed and referred by mental health hospital or community services
2. *'Step-down' from the acute service:* support for those who have been admitted but no longer require the intensive clinical support, offered by the acute inpatient unit, for their mental health or other risk factors.
    a. I.e. the individual will be provided supported discharge by moving from the hospital to the PARC to prevent avoidable re-admission and shorten their hospital stay

The PARC model and similar prevention / early intervention community-based services have been successfully implemented in NSW, other states, as well as internationally.

The overall vision for the St Vincent's PARC is that it will result in a 'thriving people with greater community participation and a more integrated mental health continuum of care'. It will complement SVHNS' current acute (Psychiatric Emergency Care Centre and Caritas) and community (triage, continuing care, rehabilitation, early intervention and a Day Clinic) mental health services.

The PARC will provide both psychosocial supports and clinical supports. More specifically, the services each participant accesses will be tailored to suit the needs and recovery goals they themselves have identified with support from their family and carers and treating team. Their needs will also be influenced by their current mental state and the severity of the mental health challenge they are facing on the day.

The PARC will not be located within the hospital. It will, however, be located in a residential setting on the Darlinghurst campus to remain easily accessible by staff and participants 'stepping down' from the hospital.

It is expected that participants who enter the PARC are willing to commit to a minimum of 7 days stay to ensure optimal outcomes can be achieved from the program. The maximum length of stay at PARC is 28 days, with a soft target of a 21 day stay. A review will take place

at 21 days to determine whether the participant is ready to leave or if they require the final 7 days. Participation, however, is voluntary and participants will be allowed to leave at any time.

A prevention / early intervention community-based services could fill the gap between home and the hospital, reducing the need for hospitalisation as depicted in Figure 1:

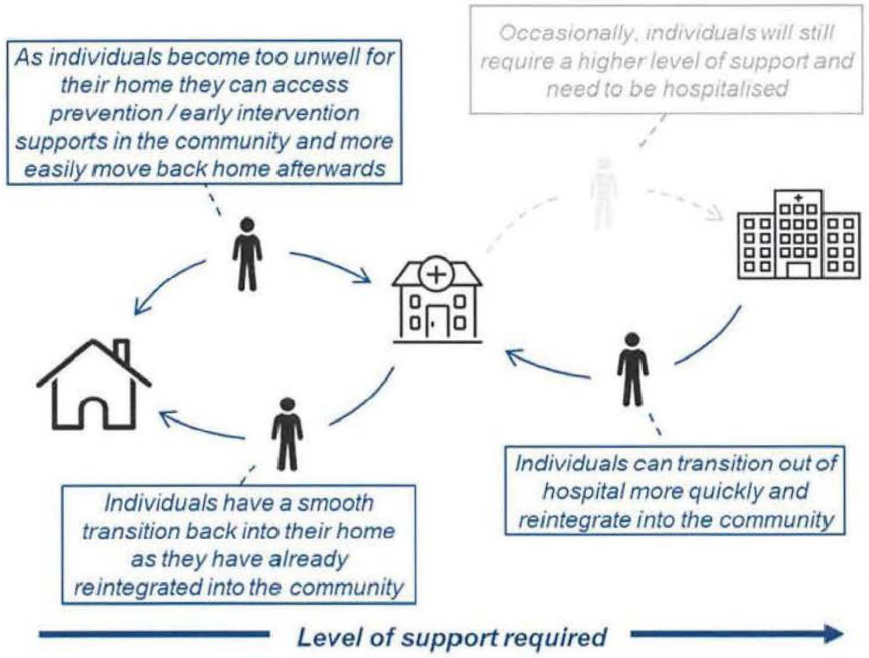

Figure 1 – Potential improved service model

2.2 Investment Drivers

The need to address changing service delivery methods or changing models of care

Currently, one in five Australians experience some type of mental health issue each year[1]. Approximately 3% of the Australian population will experience severe and persistent mental health issues, equaling around 724,000 people in Australia or 226,000 people in NSW1.

This growing prevalence of severe and persistent mental health issues is placing increased pressure on the health care system and existing services, on the community and on government finances. This pressure is primarily the result of hospitalisations of people with a severe and persistent mental health issue - this cohort makes up the majority of mental health related hospitalisations[2].

[1] *NSW Mental Health Commission (2014). Living Well: A Strategic Plan for Mental Health in NSW. Sydney, NSW Mental Health Commission*

[2] *Australian Institute of Health and Welfare, Mental Health Services In Brief, 2016. Based on using % of admissions that result in 'specialised psychiatric care' as an indicator of whether the admission was considered severe and therefore the individual admitted to specialised psychiatric care. This is instead of an admission without specialised psychiatric care which is primarily due to drug or alcohol induced mental health issues*

Existing service gaps and future needs that the proposal will meet

The reliance on hospitalisation to support this cohort is exacerbated by current gaps in service delivery that lead to a revolving door experience where people are continually dislocated from their community and support systems by having multiple entries into hospital.

Further, admitting people to hospital, even if their health improves, dislocates them from their family, friends, work and education. This dislocation can have real and negative consequences as they seek to readjust after a period of being unwell.

Also, hospital admission is not only disruptive to the lives of the individuals and their families. It also carries significant direct and indirect cost in terms of the staffing and infrastructure required to manage and maintain facilities and services. For example, around half of the NSW mental health budget is directed towards services in psychiatric hospitals or psychiatric wards of public hospitals[3], the highest proportion of any state[4].

Finally, in the 28 days after discharge from a mental health related hospitalisation, approximately 20% of patients are readmitted (the 28-day readmission rate for SVHNS was 20.4% in the 2019/20 Financial Year[5]), and suicide rates are more than 100 times higher in this group than in the general population[6].

Figure 2 below depicts what happens when there is no prevention / early intervention community-based service between the home and hospital for individuals to access.

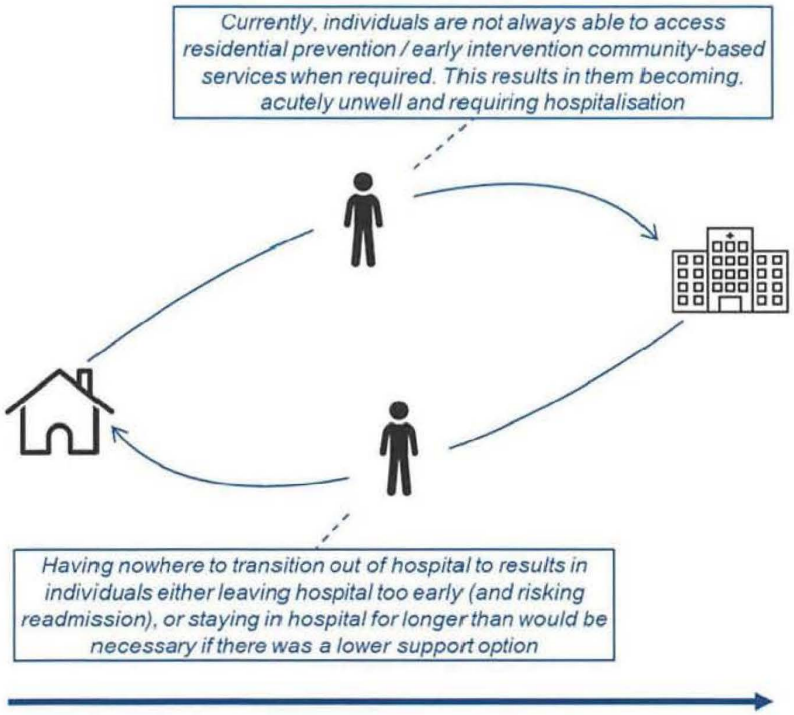

Figure 2 – Service model gap

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[3] *Request for Proposal: Social Impact Investment Transactions, Office of Social Impact Investment, NSW Treasury 2015*

[4] *NSW Mental Health Commission (2014). What we know. Factsheet*

[5] *InforMH database, Key indicators for Mental Health, SVHNS Readmission Rate, 2019/20 FY*

[6] *Durbin J., Lin E., Layne C., et al, 2007, Is readmission a valid indicator of the quality of inpatient psychiatric care? Journal of Behavioral Health Services and Research 34,137-150; Troister, T., Links, P.S. & Cutcliffe, J., 2008, Review of predictors of suicide within 1 year of discharge from a psychiatric hospital. Current Psychiatry Reports, 10, 60-65*

Anticipated measurable benefits that the PARC will meet

As the population of NSW expands and incidences of severe and persistent mental health issues remain constant this situation will continue to be aggravated, indicating the need for a new approach to supporting people with mental health issues.

From the perspective of the benefits the participants will experience from the support, both its step-up and step-down participants will experience outcomes within the four recovery domains[7] as depicted in Figure 3 below.

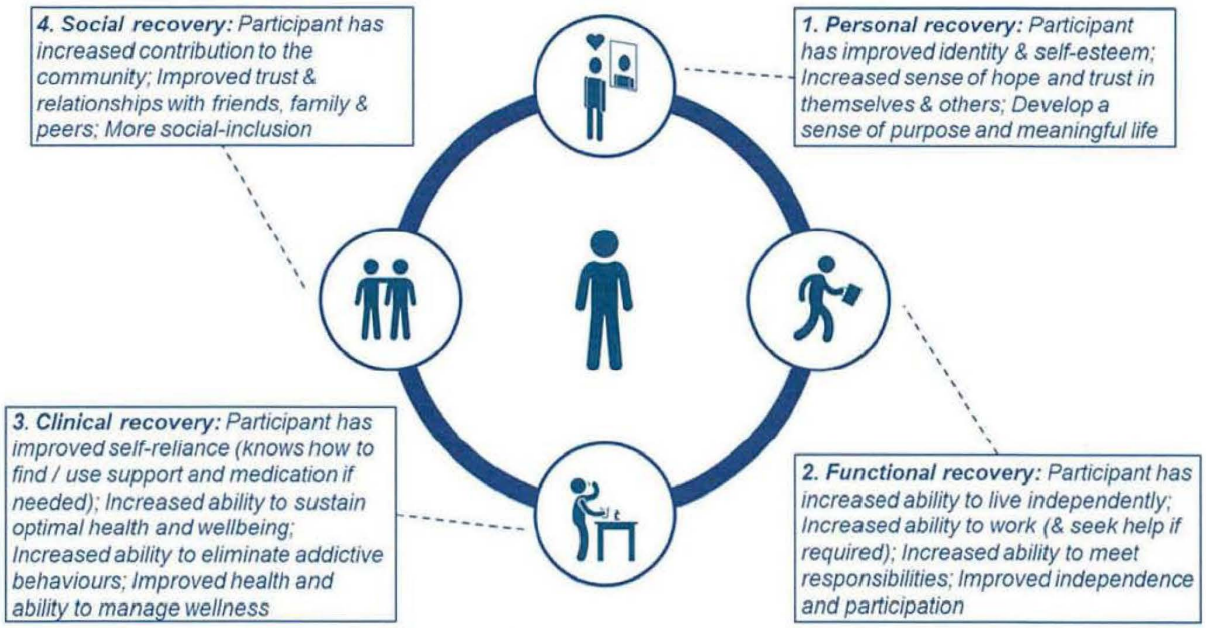

Figure 3 – Recovery domains and outcomes

The impact of the PARC, however, will go further than just supporting the participant - it will also benefit other stakeholders:

- **Families / carers:** Families and carers will benefit from the information and support provided by the PARC, allowing them to play a more effective role in the participants recovery journey
- **Mental Health System:** In the longer-term, it is hoped that the approach taken by the PARC of putting the participant at the centre and encouraging collaboration across service providers will lead to greater knowledge and understanding of good practice in the mental health space and improved quality of care
- **SVHNS:** SVHNS will benefit by having more acute beds available (reduced bed block) and by staff gaining skills through working with another service provider

[7] Hancock, N., Scanlan, J.N., Bundy, A.C., & Honey, A. (2016). Recovery Assessment Scale – Domains & Stages (RAS-DS) Manual- Version 2. Sydney; University of Sydney.

In addition to the participant benefits of staying at the PARC, there are also direct cost savings for the government as result of providing step up and step-down support. These cost savings are realised through avoided hospital admissions; and shortening the length of stay in hospital.

There are a number of other scenarios that may result in additional cost savings and benefits to both government and SVHNS, however, further research and evaluation is required to quantify them with any certainty:

- **Reduction in readmission rate**

The readmission rate refers to the proportion of patients who have an unplanned admission to the same facility within 28-days of discharge. Readmission rates are often used as a litmus test of the performance of mental health systems.[8] The 28-day readmission rate for SVHNS was 20.4% in the 2019/20 Financial Year.[9]

Anecdotal evidence suggests a key factor in readmissions is linked to an individual being discharged 'before they were ready'. This may be due to them no longer requiring hospital level supports and/or the bed is needed for someone with a greater need. This fits the profile of step down participants who will be entering the PARC from the hospital. Evidence has shown that having a PARC as an option can decrease readmission rates, with one hospitals' readmission rate dropping from circa. 20% to 13%[10] in the year after a PARC was launched.

- **Reduction in length of future hospital stays**

The PARC target participants are on average hospitalised for mental health related issues twice a year[11]. Whilst some future hospitalisation of PARC participants is likely, research has shown that PARC participants stay in hospital for a shorter period during future hospitalisations; particularly thanks to the coping mechanisms PARC participants learn.

For example, one PARC found that participants had a 57% shortened length of stay at hospital in the year after accessing the PARC as compared to the year before accessing it. Any shortened length of future stay could increase cost savings to Government through reduced length of stay[12].

- **Reduction in non-mental health hospitalisations**

The PARC target cohort are a high-risk cohort for all health issues including physical health. For example, a national survey found that 25% of people with a severe mental health issue felt their physical health was one of their biggest challenges[13]. Additionally, this cohort has an increasingly significant lower life expectancy (15-20 years less), largely due to physical health issues rather than suicide[14].

The Optimal Health Program that will be delivered at the PARC has an explicit focus on promoting physical health as part of overall wellbeing. Improving physical health for PARC

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[8] *Department of Health, National Mental Health Report. Indicator 14: Readmission to hospital within 28 days of discharge, 2013 – Note however that this the measure is considered less valid in areas where there is high homelessness or other factors outside of an individual's control; such as the SVHA Darlinghurst catchment.*

[9] *InforMH database, Key indicators for Mental Health, SVHNS Readmission Rate, 2019/20 FY*

[10] *Found at http://www.ruralhealth.org.au/13nrhc/images/paper_Daly%2C%20Susan_Kirby%2C%20Sue.pdf*

[11] *SVHA Melbourne PARC hospital admissions data*

[12] *Neami Mental Health, Prevention and Recovery Care (PARC) Research Project: Reductions in hospital admissions, 2015*

[13] *Morgan VA, Waterreus A, Jablensky A, et al. People living with psychotic illness in 2010: The second Australian national survey of psychosis. Australian and New Zealand Journal of Psychiatry, 2012*

[14] *Lawrence D, Hancock KJ, Kisely S. The gap in life expectancy from preventable physical illness in psychiatric patients in Western Australia: retrospective analysis of population based registers. British Medical Journal. 2013*

participants, who have a disproportionately high rate of issues, could also lead to future associated cost savings.

Condition of existing infrastructure/equipment/functionality

The PARC is a new mental health service and SVHNS has identified existing infrastructure that will be refurbished to house this service, as no other suitable existing infrastructure exists.

The layout and environment of the PARC facility is a crucial factor in the success of the model. Core to the environment is the need for the facility to be seen as safe, friendly, welcoming and supportive. The environment needs to be fully recovery-focused, with emphasis on using strengths based language in both verbal and written communications.

The properties identified for the PARC are located on West Street in Darlinghurst. This building was constructed decades ago and needs renovating to improve aesthetics, function and disability access to modern standards. Consultants will be engaged to assess the condition of the existing facility. Improvements are anticipated to include refurbishments to bedrooms and bathrooms, common areas and a kitchen, improving accessibility, enhancing way finding and visibility of common areas, and improving security.

This property was previously used as accommodation for the Sisters of Charity and temporary accommodation for carers of SVHNS patients.

2.3 Options Considered

SVHNS does not currently have a facility where individuals can go after hospital or for respite when close to crisis. SVHNS therefore often must discharge individuals before they are 'ready' to go back into the community as they no longer need the level of care provided in hospital.

Two options have been considered to house the PARC: Option 1 considered a property in Woolloomooloo owned by a not-for-profit community provider, and Option 2 considered land property on West Street, Darlinghurst owned by the Trustees of St Vincent's Hospital Sydney.

Following an internal strategic review of properties, the Trustees of St Vincent's Hospital Sydney have approved the development of a business case and feasibility study for the PARC to be located at the West Street property, and this is the preferred location by SVHNS.

Option 1

A business case has previously been developed that outlines a partnership with an external community housing provider and St Vincent's. Under this option, the external provider would provide the property (Woolloomooloo) as the site for the service along with the residential support service component of the program with SVHNS providing the clinical services. The Woolloomooloo site is owned by the NSW Government, Land and Housing Council (LAHC) and through a peppercorn lease is operated by the community housing provider. The site would require significant capital investment which has been assessed at approximately $4.25M to make it fit for purpose, which would need to be provided by St Vincent's.

Option 2

The Trustees of St Vincent's Hospital have recently vacated a property on West Street, Darlinghurst, and approved SVHNS undertaking a feasibility study for the site to operationalise the PARC. Given the property is on the St Vincent's Campus and is currently vacant – this is the preferred option for the PARC.

SVHNS anticipates that approximately 8 rooms are possible in the West Street space but this is subject to feasibility assessment.

There are no non-capital solutions considered feasible. The PARC requires a residential component for the service to meet its objectives and provide and appropriate model of care to this cohort of patients.

Basis for selecting the preferred option

Option 2 is preferred based on property being immediately available (it is currently vacant), and that there is no requirement for lease/rent due to the land being owned by The Trustees of St Vincent's Hospital. The West Street property is located adjacent to St Vincent's Hospital and SVHNS staff can easily provide in-reach clinical services.

Additionally, the West Street location is ideal because it will be closely linked to the planned Urban Health Centre at the Green Park Hotel site, and the broader Darlinghurst SVHS campus which enables continuity of care between SVHS MH community services and transition in/out of the PARC.

Finally, activating the West St property would add to the available stock of supported residential accommodation in the local area and allow the Woolloomooloo property to be continue to be used for public housing.

Using SVHS's suitable space also lessens the risk of delay. Once a feasibility study is completed and capex and operational funding is secured, the construction work could begin immediately.

Consideration of other models of care

The SVHNS PARC complements the NSW Ministry of Health's Pathways to Community Living Initiative (PCLI), which provides for new community-based beds to support transition of long stay consumers with complex care needs to high quality, community-based services focused on person-centred rehabilitation. NSW MOH has indicatively allocated Stage Two community based services for the St Vincent's Specialty Health Network (SHN). Stage Two of the initiative is for people aged 18 years and up with severe mental illness and complex needs. It is designed as a system-wide complex care program and includes Specialist Living Support (SLS) services. These are purpose-built environments of 24/7 accommodation options with additional SHN clinical in-reach. SVHNS understand that the MOH is currently undertaking steps to progress the SLS models to tender, and SVHNS has been assisting to identify a suitable property.

Stage Two PCLI is service development that is targeted at a quantum of around 280 people who are long-stay inpatients aged 18 and above. The PCLI model patients experience Severe and Persistent Mental Illness (SPMI) without issues of ageing but with very complex needs. The SLS model allocated to SVHNS is Specialist Living Support 2 – complex & specialist needs and may include some sub-specialist units i.e. ID&MH. In contrast to the PARC, this SLS2 model provides for long term care for clients with very high support needs.

Evidence of model success

The PARC model and similar prevention / early intervention community-based services have been successfully implemented both in Australia as well as internationally:

- **PARC model across Victoria:** A 2016 evaluation of all Victorian PARCs found that "PARC services play a role in improving the mental health of PARC consumers. These

services have been incorporated into Victoria's continuum of mental health care and operate successfully as step up and step-down services"[15]

- **Tupu Ake in Papatoetoe, New Zealand:** A peer-led acute community-based alternative to hospitalisation for people struggling with mental health issues. The service is delivered in a homelike environment that feels safe and has been shown to "support guests' self-management skills and overall recovery journey"[16]
- **Residential Treatment Centers (RTCs), USA**: Step up step down hospital alternatives that are common across the United States. These services are backed by an evidence base that shows RTCs are "not only cost effective but more consistent with rehabilitation/recovery directions"[17]
- **Durham and Darlington Crisis and Recovery House:** Situated in Shildon, UK, this service provides an alternative to intensive home treatment and an additional option in supporting people in crisis who may not be safe in their own homes but equally may not require hospital admission. A key success factor of this service is supporting individuals to maintain their links with families and their community mental health support teams
- **Surrey County, UK**: One of many similar models in the UK, Surrey County is a step-down community-based service in a home like environment, utilised by patients in the early days of recovery. Surrey County has been shown to provide a cost-effective solution to hospitalisation / re-admission[18]

Each PARC, however, is slightly different. The proposal therefore is to establish a PARC at SVHNS that will draw on best practice from these models, whilst keeping in mind the Darlinghurst context.

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[15] *State of Victoria, Department of Health and Human Services February, 2016. Mental Health Prevention and Recovery Care: A clinical and community partnership model of sub-acute mental health care*

[16] *Te Pou o Te Whakaaro Nui, Evaluation of Tupu Ake: A peer-led acute alternative mental health service, 2017*

[17] *Proposal to pilot a community managed step-up & home based outreach (sub-acute) mental health service in New South Wales, Mental Health Coordinating Council, Submission to NSW Health, 2010*

[18] *Proposal to pilot a community managed step-up & home based outreach (sub-acute) mental health service in new south wales, Mental Health Coordinating Council, Submission to NSW Health, 2010*

3. STRATEGIC ALIGNMENT OF PREFERRED OPTION

3.1 Strategic need and benefit

There are signs of a shift in the approach to supporting people with a mental health issue and overwhelming evidence of the value of doing so.[19] Historical underinvestment in community-based services has meant "consumers and their families and carers have had limited access to services that would enable people with severe mental illness to live well in their community"[20], however the NSW Government has recently decided to increase its focus on prevention / early intervention community-based services, as seen through:

- The emphasis on Community Living in *Living Well: Strategic Plan for mental health in NSW 2014 – 2024*. Particularly Action 5.1.1: "Rebalance our mental health investment to transform NSW from the lowest spending to the highest spending Australian jurisdiction, per capita, on community mental health by 2017"**Error! Bookmark not defined.**
- The NSW Premier's Priority to improve outpatient and community based services.
- The NSW Government, as part of the Mental Health Reform in NSW, committing to expand psychosocial supports provided by the non-government sector for adults with severe mental illness living in the community
- An ongoing investment to support mental health wellness during the COVID-19 response, as well as virtual and community mental health services

Over the last two decades there has been growing recognition of the importance of shifting away from low levels of community support until they become too unwell and require hospitalisation towards prevention and early intervention.

The Mental Health Coordinating Council (MHCC), the peak body for community based mental health organisations (CMOs) in New South Wales, has also recommended the roll out of step up / step down models in their submission to the Productivity Commission. The purpose of the MHCC is to support a strong and sustainable community-managed mental health sector that provides effective health, psychosocial and wellbeing programs and services to the people of NSW. In their submission, the MHCC recommended that step up / step down models should be part of the strategy to ensure access to the right level of care, and noted implementation of a PARC model in SLHD and its success in meeting this gap[21].

Under the NSW Health Outcome and Business Plan 2019-20 to 2022-23, this proposal aligns with:

1. Keeping people healthy through prevention and health promotion.
2. People can access care in and out of hospital settings to manage their health and wellbeing.

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[19] *Premier's Priorities, Improving Outpatient and Community Care, NSW Government, 2020*

[20] *NSW Mental Health Commission. Living Well: A Strategic Plan for Mental Health in NSW. Sydney, NSW Mental Health Commission, 2014*

[21] *Submission to Productivity Commission on Mental Health: Draft Report, Mental Health Coordinating Council, 2020*

3.2 System and Service Transformation

The overall vision for the St Vincent's PARC is that it will result in a 'thriving people with greater community participation and a more integrated mental health continuum of care'.

It will complement SVHNS' current acute (Psychiatric Emergency Care Centre and Caritas) and community (triage, continuing care, rehabilitation, early intervention and a Day Clinic) mental health services.

Greater integration of primary, community based-services and early treatment

Once participants are accepted into the PARC, they move into a detailed planning process. This is focused on optimising the benefits the participants experience from staying at the PARC. The planning process aims to identify ways to overcome potential barriers to a successful PARC stay. Participants are involved in the planning process and they must identify and articulate goals for their stay.

The planning process may include:

- Working on participant recovery plans: This may include continuing to develop their Wellness Recovery Action Plan (WRAP), or individual goal planning arising from PARC group programs
- Scheduling appointments: Such appointments may take place with a GP, primary care providers or their case manager
- Considering new opportunities: This may include opportunities for engagement with new programs in the community e.g. volunteering

How will the investment facilitate out-of-hospital care

To identify potential participants, PARC staff will visit staff and participants of the Caritas unit and Psychiatric Emergency Care Centre (PECC), and local community mental health services. These visits will focus on educating them about the PARC and exploring participant eligibility. Collateral, such as brochures, will also be distributed to relevant units and organisations to support this process.

Referral to PARC is made through one single point of entry. This is aimed at streamlining the process of referral and access to PARC. Referral from the Acute Inpatient Services (AIS) is made by the Patient Flow Coordinator (PFC) whilst referral from community will be made by the participant's community team.

The PARC will link to services and group based therapies in the planned SVHNS Urban Health Centre (to be located in the Green Park), linking participants to out-of-hospital and outpatient services, and generating links and skills for integration back into the community.

It is expected that participants who enter the PARC are willing to commit to a minimum of 7 days stay to ensure optimal outcomes can be achieved from the program. The maximum length of stay at PARC is 28 days, with a soft target of a 21 day stay. A review will take place at 21 days to determine whether the participant is ready to leave or if they require the final 7 days.

Participation, however, is voluntary and participants will be allowed to leave at any time.

Impact on outpatient care, same day surgery and community health

The PARC is targeting people who require step up or step down mental health care based in the community. The PARC will facilitate mental health outpatient and community care from the St Vincent's Hospital Darlinghurst Campus.

One of the unique elements of the PARC mental health recovery model is that it encourages the service provider to consider the holistic needs of the individual. This means that the PARC will provide both *psychosocial supports* - supports that "help individuals and communities to heal the psychological wounds and rebuild social structures after an emergency or a critical event"[22] - and *clinical supports*, which are focused on treating the underlying mental health diagnosis.

Psychosocial supports broadly work towards the personal, social, and functional outcomes of the recovery domains, whilst clinical supports target the clinical domain. In line with the holistic recovery model, however, improved outcomes in one domain often lead, or contribute, to improved outcomes in another domain.

1. Psychosocial supports

The Optimal Health Program (OHP) developed by the Mental Health Institute of Victoria and St Vincent's Hospital Melbourne will be the overarching framework used for delivering psychosocial supports. OHP is a therapeutic framework for helping individuals achieve a balance of physical, psychological and social health and wellbeing, known as optimal health. OHP focuses on:

- Wellbeing rather than illness
- Strengths, strategies, stressors and vulnerabilities as four factors that we can identify and influence to improve wellbeing
- The development of social supports to help us to maintain health
- Visioning and goal setting to help understand 'why' and move forward to plan 'how' to enhance wellbeing

The Program can be delivered for groups or individuals and has eight weekly sessions plus an additional booster session.

In addition to the eight weekly sessions PARC staff will deliver a number of specific activities that allow individuals to work towards their optimal health goals. Such activities might include: facilitating social / community activities; family / carer linkages and support; building daily living skills (e.g. cooking and self-care classes); building skills for independence (e.g. how to use local facilities and services such as banking or Centrelink).

2. Clinical supports

The main clinical supports provided at the PARC will be short term therapeutic interventions such as: cognitive behavioral therapy (CBT); dialectical behavior therapy (DBT); interactive-behavioral therapy (IBT); and mindfulness. These supports will be provided by a mix of the PARC staff and by the individual's Case Manager, assigned from the SVHNS' Mental Health team.

[22] *Definition of psychosocial supports, UNICEF*

In addition, during their stay at the PARC participants will have access to clinical supports such as:

- Ad-hoc clinical supports including counselling and medication information sessions when needed
- A minimum of one visit per week from the 'home team' - the treating team that follows the participant through their recovery journey and the continuum of care
- A consultant psychiatrist & registrar who will be available to do reviews on an appointment basis
- 24/7 access to the SVHNS acute care team as well as the Emergency Department and the Emergency Department staff

Adoption of virtual or telehealth models

The PARC will have access to virtual care capabilities in the form of phone and videoconference facilities. This will allow consultations with health professionals at St Vincent's Hospital as well as external services as required.

Optimising service delivery

The PARC will be purpose-built to be patient-centred and co-designed with consumers. Health professionals will be consulted in planning the implementation. Therefore the service should designed so that service delivery is optimised from a participant and health system perspective.

Networked services, collaboration and sharing across the entire health system

The PARC is anticipated to accept referrals from other health services and Local Health Districts, as well as facilitating step down services for SVHS inpatients who reside outside of the community mental health catchment. When participants exit the PARC, care will be transferred to services most suitable to them. Evaluation is also included in the PARC operating costs which will support building the evidence base for PARC models, and prove both impact and cost savings to government.

Non-capital solutions

There are no non-capital solutions considered feasible. The PARC model of care requires an accommodation component to minimise health risks associated with homelessness and alcohol dependence.

Service need and benefit

SVHNS does not currently have a facility where individuals can go after hospital or for respite when close to crisis. SVHNS therefore often must discharge individuals before they are 'ready' to go back into the community as they no longer need the level of care provided in hospital.

SVHNS is positioned to fill this service gap due to it's:

- Direct role in providing clinical care
- Strength in marshalling private-public partnerships and its ability to access philanthropic funding to support innovation
- Established brand as a leader in innovation

- Ability to pull on the disciplines of multiple specialisations to deliver quality, holistic care centred around the needs of the individual

In addition to providing quality mental health care, the PARC will provide SVHNS with the opportunity to:

- Improve the mental health services they provide across the entire continuum of care
- Support one of the SVHA prioritised target populations[23]
- Advance the priorities of the NSW Government as well as help SVHA deliver on the mission of Mary Aikenhead Ministries, the enVision 2025 strategy and the Darlinghurst Integrated Healthcare Campus Clinical Services Plan
- Be a leader in NSW in addressing an area with a recognised need amongst Australia's population.

3.3 Sustainability and Efficiency

The goal of the PARC is to implement a model of care that will deliver improved health outcomes for people with mental health illnesses in a more effective and cost-efficient manner.

The 2021 CSP (currently in draft) for St Vincent's projects demand for acute mental health will grow by 0.76% a year, which coupled with changes to ALOS to bring St Vincent's in line with peers, would require 30 more acute beds by 2031. The current acute mental health unit is already operating above sustainable occupancy with the lowest length of stay among peers and a high readmission rate.

The introduction of the PARC is expected to avoid the need for 7.3 acute inpatient beds, which is a significant measure to manage future acute demand growth, and reduce capital investment requirements.

The proposal also provides an opportunity to repurpose an existing asset held by the Trustees that is not currently being used for the delivery of healthcare to drive community health and social benefit, as well as value to the State by supporting consumers in lower cost settings.

Additional recurrent funding – both NWAU growth and block funding – will be required for the service to be sustainable in the long term. However, the St Vincent's Curran Foundation - St Vincent's fundraising arm – have already raised $1.5m towards PARC capital requirements since 2019. The Foundation have committed to continue to fundraise for the program to make a co-contribution towards operating costs in the initial years.

[23] *St Vincent's Health Australia, SVHA enVision 2025, 2015*

ESTIMATED CAPITAL COST

4.1 Capital Cost Estimate

Based on the previous feasibility assessment to repurpose a community housing property into a PARC, we expect the ETC of a refurbishment of the West St residential property owned by the Trustees of St Vincent's Hospital Sydney would be in the order of $4 million.

The St Vincent's Curran Foundation (the fundraising arm of St Vincent's) have already raised $1.5m towards to capital cost, which represents a significant co-contribution toward the project. The Trustees of St Vincent's Hospital Sydney have also committed to provide the property rent free.

4. PRELIMINARY COST BENEFIT ANALYSIS

5.1 Preliminary Cost Benefit Analysis (PCBA) Excel Template

Not completed for this project, as there are no appropriate categories in the template. St Vincent's would be very happy to work with the Ministry of Health to progress an applicable PCBA approach.