

APPENDIX C – PRO-FORMA REQUEST FOR COSTING AN ELECTION COMMITMENT¹

Name of policy	The Coalition's Policy to Strengthen Mental Health Care in Australia
Person requesting costing (Prime Minister/Leader of the Opposition/Leader of a minority party):	Prime Minister
Date of public release of policy:	26 June 2016
Date of request to cost the policy:	27 June 2016
Summary of policy (please attach copies of relevant policy documents):	A package to strengthen mental health care in Australia, to ensure the best help for people with mental ill health.
Intention of policy:	This package of reforms will result in better personalised support and care and greater opportunity and lives for Australians.
Certification that this, or a substantially similar costing request, has not been submitted to the Parliamentary Budget Office	This policy has not been submitted to the PBO.
Description of policy (please note that, where the request to cost a proposal differs from the announced policy, the costing will be on the basis of information provided in the costing request)	
What are the key assumptions that have been made in the policy including:	
Is the policy part of a package? If yes, list and outline components and interactions with proposed or existing policies.	No.
Where relevant, is funding for the policy to be demand driven or a capped amount?	Capped.
Will third parties (for instance the States/Territories) have a role in funding or delivering the policy? If yes, is the Australian Government contribution capped, with additional costs to be met by third parties, or is another funding formula envisaged?	Yes. Primary health networks and <i>headspace</i> will be involved in delivering the policy. The Government's contribution is capped.
Are there associated savings, offsets or expenses? If yes, please provide details.	No.

¹ An electronic version of this pro-forma can be found at www.electioncostings.gov.au/templates.

Description of policy (please note that, where the request to cost a proposal differs from the announced policy, the costing will be on the basis of information provided in the costing request)

What are the key assumptions that have been made in the policy including: (continued)

Does the policy relate to a previous budget measure?
If yes, which measure?

No.

If the proposal would change an existing measure, are savings expected from the departmental costs of implementing the programme? Will funding/cost require indexation?
If yes, list factors used.

N/A

What are the estimated costs each year? Are these provided on a cash or fiscal basis?

The policy will cost \$192.3 million over the forward estimates. The impact in each year is:
2016-17: \$38.55 million
2017-18: \$62.04 million
2018-19: \$80.2 million
2019-20: \$11.5 million

What assumptions have been made in deriving the expected financial impact in the party costing (please provide information on the data sources used to develop the policy)?

	2016-17 (\$ million)	2017-18 (\$ million)	2018-19 (\$ million)	2019-20 (\$ million)
Early Psychosis Youth Service centres	11.8	33.04	47.2	
New headspace sites	2.25	4.5	6	7.5
8 suicide trial sites	8	8	8	
PHN suicide lead sites	1.5	1.5	4	
Suicide trial site evaluation	1	1	1	
Suicide Prevention Research Fund	1	3	4	4
Digital - new technology trials	10	10	10	
Lifeline crisis text trial	1.5	1		
Mental health nurses	1.5			

<p>Has the policy been costed by a third party? If yes, can you provide a copy of this costing and its assumptions?</p>	<p>No.</p>
<p>What is the expected community impact of the policy? How many people will be affected by the policy? What is the likely take up? What is the basis for these impact assessments/assumptions?</p>	<p>This policy will have a positive impact as it will result in better personalised support and care and greater opportunity and lives for Australians.</p>
<p>NOTE: it will be up to the professional judgment of the relevant Secretary as to whether these assumptions are adopted in a Treasury or Finance costing of the policy.</p>	

Administration of policy	
Who will administer the policy (for example, Australian Government entity, the States, non-government organisation, etc)?	The Department of Health.
Should departmental expenses associated with this policy be included in this costing? If no, will the Department be expected to absorb expenses associated with this policy? If yes, please specify the key assumptions, including whether departmental costs are expected with respect to programme management (by policy agencies) and additional transactions/processing (by service delivery agencies).	Departmental expenses are to be absorbed.
Intended date of implementation.	As soon as practicable in 2016-17.
Intended duration of policy.	Ongoing, subject to review.
Are there transitional arrangements associated with policy implementation?	No.
List major data sources utilised to develop policy (for example, ABS cat. no. 3201.0).	
Are there any other assumptions that need to be considered?	No.