



# Development of the mental health investment standard (MHIS)

November 2020

## Background

The mental health investment standard (MHIS) seeks to increase the level of investment in mental health services across England, recognising the historic underfunding of this sector. However, both of the HFMA's Commissioning and Mental Health Networks have raised concerns about the way that the MHIS operates and the impact that it is having. While both are very supportive of the intention, there are some areas where further support and clarification would be helpful, to implement it more effectively for the benefit of patients and achieve the desired outcomes within mental health.

The HFMA is in the fortunate position of having both the commissioner and provider finance perspective on this issue, representing 100% of mental health providers and 80% of CCGs. The two networks have come together to develop a number of recommendations to support the work of NHS England and NHS Improvement in improving the mental health of the population.

The networks are aware that NHS England and NHS Improvement are already considering many of these issues and would like to offer their help in addressing these and testing any proposed approaches, particularly in the context of the emerging blended payment framework.

## Recommendation 1: Revise MHIS timeframes

The MHIS assesses current year spend compared with the previous 12 months, with the expectation that it has increased by a certain minimum amount. This means that there is little incentive for CCGs to invest additional funds in mental health (or pump-prime in earlier years) as any excess will adversely affect their MHIS achievement in the following year. However, acknowledging this in year 'overspend' or additional earlier investment with a corresponding decrease in the following year could be agreed at a system level and allow faster implementation of improvements in mental health services. **It is therefore recommended that the MHIS moves to allowing systems to agree the assessment of investment over a longer period of time, perhaps three years, to enable CCGs to invest where needed without being penalised for improving mental health services more quickly.**

## Recommendation 2: Additional non-recurrent mental health spending due to Covid-19 should be excluded when assessing baseline expenditure

Many areas have incurred additional costs during 2020/21 due to the impact of Covid-19. Where additional spend has been necessary to tackle mental health requirements during the pandemic, these costs should be excluded from any baseline assessment for investment in future years. **It is therefore recommended that additional non-recurrent mental health spending due to Covid-19 should be excluded when assessing baseline expenditure.**

## Recommendation 3: Review the MHIS independent audit process

CCGs are currently 'audited' on their achievement of the MHIS. This goes against moves to improve system working and does not recognise that investment in mental health services requires change in more than one area to be effective. It also allows the MHIS to be achieved with little or no investment in local mental health providers if CCGs can evidence spend in other areas such as prescribing. **It is therefore recommended that the achievement of the MHIS is assessed at system level with CCG and lead provider sign off rather than limited NHS resources being used to employ audit firms to assess achievement.**

## Recommendation 4: Include quality and outcome measures

The MHIS purely assesses how much money is being invested in mental health services. While this helps to address the historic underfunding, it does not assess whether that money is being spent well and whether patient outcomes improve as a result. It is recognised that such outcome measures are currently difficult to define, however work should progress to include them as they become available. **It is therefore recommended that quality and outcome measures are included in the assessment of the MHIS.**

## Recommendation 5: Align the MHIS with the NHS long term plan

The MHIS categories do not align with the priorities in the *NHS long term plan*. This can make it difficult to show, and reconcile, how MHIS spend supports the achievement of *NHS long term plan* ambitions. It is understood that any future block contract arrangements are required to include the split of investment across the MHIS categories. **It is therefore recommended that the MHIS categories are revised to be consistent with the *NHS long term plan*.**

## Recommendation 6: Agree exclusions

Investment in packages of care such as continuing healthcare (CHC) and prescribing can be included in the assessment of the MHIS, where it relates to mental health issues. However, these areas can see significant, and sometimes unpredictable spend. As CCGs may be unable to exceed the minimum expected investment in mental health, since they will be penalised in future years (see recommendation 1) or have limited resources, some commissioners may feel the need to hold funding back until late in the year in case it is needed for CHC or prescribing pressures. This means that recurrent, sustainable investment in other areas of mental health services can be put at risk or delayed and the aims of the MHIS are not being met, even though it appears that the money spent in the sector is increasing. In addition the MHIS is mainly discussed in terms of improving mental health services and then outcomes for patients – as such it can be confusing and frustrating for all when increases in prescribing for example mean that MHIS can be achieved without investing in services. **It is therefore recommended that the primary measure of the MHIS should exclude CHC/packages of care and prescribing.**