



# Integrated Team Care – Future of Sector Funding

Updated March 2025

## The Review

In September 2022, the Department of Health and Aged Care (the department) commissioned First Nations Co and Ninti One to review sector funding arrangements and service provider capability for Aboriginal and/or Torres Strait Islander mental health and suicide prevention services and the Integrated Team Care program (the Review).

Following the release of the Review final report<sup>1</sup> in May 2024, the department is now preparing for the next phase.

This fact sheet focuses on next steps for the Integrated Team Care program.

- The aim of the Review was to develop options for the delivery of the Integrated Team Care (ITC) program to better align with the Priority Reforms of the National Agreement on Closing the Gap (the National Agreement), and opportunities to build the Aboriginal community-controlled sector through investment and capability building.
- The Review brought together valuable stakeholder insights from extensive consultations with First Nations community members, Commonwealth representatives, primary health networks (PHNs), state and territory government departments and service providers including ACCOs, ACCHOs or ACCHSs, AMSs,<sup>2</sup> mainstream service providers and advocacy bodies. It outlined key principles that must underpin any effective funding model decision.
- The Review final report made a number of recommendations for consideration by government.

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<sup>1</sup> Ninti One Ltd and First Nations Co. (2024) rep. Department of Health and Aged Care. Available at: <https://www.health.gov.au/our-work/review-of-first-nations-mental-health-and-suicide-prevention-services-and-the-integrated-team-care-program>

<sup>2</sup> **ACCOs** Aboriginal Community Controlled Organisations | **ACCHOs** Aboriginal Community Controlled Health Organisations | **ACCHSs** Aboriginal Community Controlled Health Services | **AMSs** Aboriginal Medical Services.

## Next Steps

Stakeholders identified 4 key principles that must underpin any future-state funding arrangements. These key principles are:

1. Aboriginal and/or Torres Strait Islander leadership and community empowerment
2. A First Nations holistic model
3. A culturally safe and accessible system
4. A strengths-based approach.

- We aim to work with the First Nations health sector to determine a path to transition the program in alignment with the Review's principles above, prioritising accessible, high-quality service continuity for First Nations people with chronic disease/s.
- The department has not made any final decisions about the transition approach and will continue consultation with the First Nations health sector.
- We understand that each region is unique, and our approach must be flexible to accommodate local differences.
- We need to gain clarity on which organisations are ready and willing to take on a commissioning role, and we are excited to work closely with stakeholders to develop a tailored and effective transition plan together.
- We are committed to co-designing a transition plan in genuine partnership with the sector.

## Timeline

- Over the next few months, we will be engaging with key stakeholders to seek their input on a transition plan.
- Consistent with the principles of partnership, self-determination and co-design, the pace of transition will be informed in conjunction with the ACCHS sector. Given the complexity and importance of ensuring service continuity for ITC clients, it is unlikely for transition to occur prior to 1 July 2026.

## Commitment to ITC

- We believe the ITC program provides an invaluable service to its clients, and contributes to better health outcomes for First Nations people with complex chronic disease/s.
- We are committed to ensuring that the ITC program continues to deliver high quality, accessible and culturally safe services which meet local needs and enable place-based solutions. We also want to ensure no disruptions to arrangements that are already working well.
- We acknowledge that successfully transitioning the funding and delivery arrangements for the ITC program is a complex task which will require considerable effort in partnership with our key ITC stakeholders. We remain committed to continuing to work in alignment with the Priority Reforms of the National Agreement.

- We are committed to exploring a hybrid model that is adaptable to the unique needs of First Nations people, health services and systems across Australia, recognising that a national one-size-fits-all model will not be effective for the ITC program.

The department would like to take this opportunity to thank all stakeholders who participated in the Review consultations, and we look forward to ongoing collaboration to improve the health and wellbeing of First Nations people.

# FAQs

## The Review

**Q. What were the key principles and recommendations handed down in the Review and will they be adopted in the new ITC program model?**

**A.** The final report and review engagement summary can be found on the department's website.

- [Review of First Nations mental health and suicide prevention services and the Integrated Team Care program](#)
- [Review of First Nations mental health and suicide prevention services and the Integrated Team Care program – Stakeholder engagement summary](#)

The Review set out an ambitious path forward, which includes establishing regional commissioning bodies and the transition of all First Nations health programs. At this stage the department is committed to proceeding with the transition of the ITC program, while maintaining the principles outlined in the review – most importantly, ensuring service continuity.

## Transition timeframes

**Q. What is the timeframe for the transition and implementation of the new ITC program model?**

**A.** We anticipate the transition will be a staged process informed by sector readiness. Implementation of any new model is unlikely to commence prior to 1 July 2026. The timeline and pace of transition will be informed by future engagement with all ITC stakeholders.

## Funding

**Q. When can ITC stakeholders expect funding certainty for the delivery of ITC beyond 30 June 2025?**

**A.** We are pleased to advise that we have received approval to extend current funding arrangements for the ITC program until 30 June 2026. We have provided formal advice to commissioning bodies, and funding agreement variations will be executed in the coming months. We encourage our ITC service providers to maintain lines of communication with their respective commissioning bodies for any queries or concerns related to ITC funding for 2025-26. However, please be patient, as the variation process may take some time to implement.

**Q. Will consideration be given to the additional resourcing required to establish and implement the new ITC funding distribution and program model?**

**A.** A key consideration in transitioning funding to community control is ensuring resourcing remains flexible and sufficient to support the quality, accessibility and sustainability of care.

Transition planning will consider if a handover period is required to ensure new commissioning bodies are well-positioned to lead the ITC program. This may include considerations for capacity building and administrative funding to support the new delivery

arrangements. We are in the early stages of scoping a funding distribution model that supports a more equitable distribution of funds which better meets local needs.

## PHN ongoing roles

### **Q. Will PHNs have a continued role in the ITC transition?**

**A.** We recognise and appreciate the significant role that PHNs have played in building the networks and capabilities essential to delivering ITC in its current form. It is also reassuring to hear of the strong alliances and relationships between many PHNs and ACCHSs, which already reflect the spirit of the Priority Reforms.

We anticipate that some regions may be satisfied with the current ITC arrangements, while others may seek changes. In regions where ITC models are innovative and mutually agreed upon by all parties, we aim to collaboratively engage with ACCHSs, PHNs and mainstream health services to sustain and maintain the strong partnerships and co-design principles which serve the community. Where transition may require change management, we plan to work with PHNs to develop transition plans with new prospective commissioning bodies, to ensure uninterrupted service delivery, the continuation of established networks and the development of a realistic timeline and support required to transition successfully.

Additionally, we know that a one-size-fits-all approach will not be effective for the transition of the ITC program. The likely path forward for the ITC program is to implement a hybrid model tailored to the specific needs of different regions. Continued collaborative working relationships with current and potential fund holders will be key to supporting effective service planning.

## Communications

### **Q. How can I get in contact with the ITC team at the department?**

**A.** Please reach out to [ChronicDiseaseFNHD@health.gov.au](mailto:ChronicDiseaseFNHD@health.gov.au) for any questions regarding the ITC program.

### **Q. How frequently will the department engage with ITC stakeholders and when can we expect to be next consulted?**

**A.** We understand the need to consult and collaborate broadly and engage with all ITC stakeholders at key stages throughout this process. Details about the consultation process will be provided in due course.

All communications and key updates will be distributed via email or the [website](#). Attendees to the webinar held on 13 December 2024, in addition to everyone who received an invitation to attend, will be automatically added to a department-held distribution list to receive key updates about the program and transition as they arise. If you would like to be added or removed from this list, email the team at [ChronicDiseaseFNHD@health.gov.au](mailto:ChronicDiseaseFNHD@health.gov.au).

## Commissioning and eligibility

### **Q. What is the role and scope of a commissioning body?**

**A.** Commissioning bodies, like Primary Health Networks (PHNs) in their current role, are directly funded by the department to oversee the ITC program regionally. A commissioning body is accountable for ITC grant administration, strategic planning, and meeting reporting and output requirements.

Key responsibilities of a commissioning body currently include:

- ITC program management - managing the ITC budget across the care coordination and supplementary services streams, promoting culturally safety models in mainstream primary care, collaborating with stakeholders across State/Territory government, Commonwealth representatives/programs and other health organisations to improve care models, referral pathways, and operational efficiencies;
- Strategic planning – assessing the needs of the community and available health services, addressing emerging community and service provider needs and/or complaints and determining priorities based on service analysis and professional and community input;
- Procuring Services – purchasing health services in line with the outcomes of strategic planning, the objectives outlined in the needs assessment, and the identified local and national priorities for the organisation; and
- Monitoring and evaluation – collecting and compiling data from service providers for reporting purposes (activity work plans, budgets, annual reports, financial acquittal reports), assessing the efficiency and effectiveness (including Value for Money) of health services and implementing strategies to address gaps and underperformance.

The role of commissioning bodies in the future of the ITC program will be determined through consultation.

### **Q. Who can nominate their interest in becoming a commissioning body?**

**A.** We are currently considering options for identifying commissioning bodies and eligibility criteria. This includes alternative options such as direct commissioning of service providers. A model for expressing interest in taking on additional roles for the ITC program will be developed in consultation.

In alignment with the intent of the transition, First Nations led organisation such as ACCOs or ACCHSs will be eligible to express their interest. Consortia or alliances which could include PHNs or other mainstream organisations may also be eligible. There will not be a requirement for applicants to have existing connections to the ITC or professional memberships in place.

Consistent with a hybrid model, where the existing PHN commissioning model is working well, PHNs with the support of ACCHSs and health services in their region, may also nominate for the continuation of current arrangements.

### **Q. Will transition involve a competitive process?**

**A.** If multiple organisations express interest in commissioning within the same region, the department will aim to facilitate a mutually agreeable solution. We are still in the early stages of planning, and the exact process is yet to be confirmed. Our goal is to ensure that any

selection process fosters collaboration, not competition, with the aim of developing the best model for the region and communities.

**Q. Can ACCHSs or nominated organisations be funded to assume both a commissioning role and deliver services?**

**A.** Some organisations may express interest in serving both as a commissioning body and an ITC service provider during the transition. The department is aware of the potential conflict of interest this may present and will carefully consider mitigation strategies and governance requirements during the planning process.

## ITC transition

**Q. What will the pathways to early transition entail, and how can my organisation express interest?**

**A.** We are currently in the process of determining the best approach for transition, which is likely to be a staged process informed by sector readiness.

Once we have engaged with stakeholders to determine a transition plan, we will communicate with the sector on how organisations can express interest in a commissioning role.

**Q. Does transition mean moving funding to commissioning and service delivery by ACCHSs?**

**A.** The Australian Government is committed to building and strengthening the community-controlled health sector in alignment with Priority Reform 2 of the *National Agreement on Closing the Gap*. In October 2022, Minister Butler announced the [First Nations Health Funding Transition Program](#) (FNHFTP) to:

- develop a transition roadmap towards First Nations-led organisations health service delivery for First Nations peoples
- develop a framework to strengthen First Nations-led organisations to deliver health services to First Nations peoples
- transform the way we work to continue this important program.

The ITC transition will align with this work. The intent of transition is to align with the Priority Reforms and empower First Nations health organisations who have a deep understanding of the needs, aspirations and cultural considerations of First Nations clients to design and administer ITC.

**Q. Will the ITC program change?**

**A.** We expect the core elements of the ITC program, consisting of care coordination, supplementary services, improving cultural safety of mainstream primary care and the workforce roles to remain unchanged throughout the transition. More information about these program aspects can be found in the [ITC Program Implementation Guidelines](#).

**Q. What is the plan for resourcing during the transition period to ensure care and service continuity?**

**A.** We understand the importance of ensuring a smooth handover period to new commissioning bodies where relevant.

The department understands that resourcing and funding will be key to ensuring clients continue to receive the same level of care and coordination and that service delivery is not compromised. Planning for transition will include considerations to ensure care and service continuity.

**Q. What type of capacity building is planned?**

**A.** We acknowledge that capacity building may be necessary. We do not intend to add additional responsibilities to health services without the appropriate resourcing and readiness planning. While some organisations may be ready to take on commissioning roles, we are committed to supporting organisations that are less prepared, helping them to build the necessary capacity to take on these roles in the future. Consultations with the sector will inform the type of capacity building support we may provide.

**Q. How might transition impact my region if the current arrangement is working effectively?**

**A.** Some regions already have in place effective partnerships that give true effect to the Priority Reforms, and we anticipate that such areas may see minimal change. However, the transition process will provide opportunities for First Nations led organisations wishing to lead the ITC program at a regional level to express their interest.

**Q. Has the department considered funding ACCHSs directly to deliver ITC rather than a commissioning body?**

**A.** ITC is a purpose-built program with unique [Implementation Guidelines](#) and established communities of practice.

Regional commissioning bodies offer advantages, including economies of scale, comprehensive service coverage, a centralised communication and data collation system, and streamlined coordination at the service planning level. However, direct funding arrangements are also being considered.

## Mainstream services

**Q. How will mainstream health services fit into the delivery of the transitioned ITC program?**

**A.** It remains a core principle of the ITC program to support client choice and self-determination. We know that many First Nations clients choose to receive services from mainstream primary health services.

A major aspect of ITC is enhancing the cultural competency of mainstream primary care to ensure clients have access to safe and responsive care. In transition planning, a key consideration will be how best to continue to support and empower clients to choose where they access services.

**Q. How will transition impact areas that do not have a community controlled health service?**

**A.** We acknowledge that there are areas in Australia where clients do not have reasonable access to a community controlled health service. A key principle of the transition is to maintain geographical coverage and access to services. We recognise that there are region-specific nuances, and we are committed to consulting with the sector before rushing in with change.



## Reporting requirements

### **Q. Will reporting requirements and processes change as part of the program re-model?**

A priority of the department is the capture of consistent, reliable and measurable data and to embed the processes of evaluation and quality improvement processes into programs. We understand that PHNs and health services have numerous reporting obligations, varying computer information systems, data collection processes and experience a high level of reporting burden.

We will consider ways of streamlining the collection of ITC organisational and health data as part of the program transition. We also acknowledge that reporting requirements and data accessibility differs across PHNs, mainstream health services and ACCHSs. The reporting framework will need to adapt to the new funding model, delivery arrangements and limit additional burden on service providers while remaining compliant with government grant requirements.

## Mental health

### **Q. What is happening to the mental health and suicide prevention funding?**

A. The mental health and suicide prevention program transition is being considered separately from ITC. Further advice will be provided about the First Nations Mental Health and Suicide Prevention program. For more information, please reach out to [IMHSecretariat@health.gov.au](mailto:IMHSecretariat@health.gov.au).

## Other IAHP programs

### **Q. Are other programs funded under the Indigenous Australians' Health Programme (IAHP) included in the scope for ITC transition?**

A. This transition will focus solely on the ITC program. Transition of other IAHP funded programs will be considered separately. Further information about the work of the First Nations Health Funding Transition Program (FNHFTP) is available [here](#).