

CoMHWA



Consumers of Mental Health WA (Inc)

**Feedback to the
*Royal Commission into the Robodebt Scheme***

3 February 2023

Consumers of Mental Health WA

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1. Preliminaries

About the Respondents

Consumers of Mental Health WA (CoMHWA) is Western Australia's peak body for and by mental health consumers (people with a past or present lived experience of mental health issues, psychological or emotional distress). We are a not-for-profit, systemic advocacy group independent from mental health services that exists to listen to, understand and act upon the voices of consumers. We work collaboratively with other user-led organisations and a diversity of stakeholders to advance our rights, equality, recovery and wellbeing.

Request for Feedback

CoMHWA works to uphold the dignity and human rights of consumers, through providing advocacy in leading change with and for consumers. We appreciate notification of the outcomes of our submission to this consultation to understand and communicate the difference made through our work.

Please provide feedback via the contact details on this submission's cover page.

Language

CoMHWA uses the term mental health consumer throughout this submission. Mental health consumers to refer to people who identify as having a past or present lived experience of psychological or emotional distress, irrespective of whether they have received a diagnosis of mental illness or accessed services. Other ways people may choose to describe themselves include "peer", "survivor", "person with a lived experience" and "expert by experience".

This definition is based on consumers' call for respect, dignity and choice in how we choose to individually identify. As individuals we choose different ways to name and describe our experiences that may confirm or trouble ideas about 'mental illness'.

About the Royal Commission into the Robodebt Scheme:

Reproduced from Royal Commission website:

The Royal Commission into the Robodebt Scheme was established on 18 August 2022. Under the Letters Patent, the Royal Commissioner is required to produce a final report by 18 April 2023.

The Robodebt scheme was a debt assessment and recovery scheme that began as a pilot program in 2015 with subsequent iterations extending until 2018. In November 2019 the Federal Court of Australia declared that:

- A demand for payment of an alleged debt under the Robodebt scheme was not validly made.
- The Australian Government had adopted the same or a similar approach in calculating and raising debts against hundreds of thousands of other individuals under the Robodebt scheme.
- The Australian Government subsequently announced that over 400,000 debts raised under the Robodebt scheme would be zeroed or repaid.

The Royal Commission into the Robodebt scheme is accepting submissions from members of the public.

The terms of reference require the Royal Commission to look at:

1. The establishment, design and implementation of the Robodebt scheme
2. The use of third party debt collectors under the Robodebt scheme
3. Concerns raised following the implementation of the Robodebt scheme
4. The intended or actual outcomes of the Robodebt scheme

The Royal Commission will submit any recommendations to the Governor-General before they are made public and will submit a report of its findings, including recommendations, by 18 April 2023.

Close Date: 3rd February 2023

Submissions to: <https://robodebt.royalcommission.gov.au/share-your-story>

2. Introduction

CoMHWA welcomes the opportunity to make a submission on the impact of the Robodebt scheme on mental health consumers in Western Australia.

We base our submission on:

- Focus group and survey engagement with Consumers via our service navigation program, Peer Pathways, to identify consequences of Robodebt scheme and to highlight the unique challenges for people with Mental Health issues when faced with Robodebt
- Ongoing consultation with consumers in Western Australia on joint priorities for an improved mental health system
- Consumer representation in relevant settings, including but not limited to: Primary Health networks (WAPHA), WA regional equivalents of the Local Health Networks (regional mental health services under the WA Health Board structure), the Mental Health Commission and the health complaints agency, Health and Disability Services Complaints Office (HaDSCO)

Discussion and Recommendations

The establishment, design, and implementation of the Robodebt scheme

According to consultation with our members (all of whom identify as consumers of mental health services in Western Australia) as well as other peak body consumer organisations in WA and nationally, several key issues arise with the establishment, design and implementation of the Robodebt scheme from a consumer perspective:

- Difficulty accessing information about how to challenge or seek review of a debt nominated in a debt recovery letter.
- Automated debt collection has a higher impact on people who are already marginalised or vulnerable, with the risk of entrenching discrimination, and contributing to further disadvantage and social exclusion.
- Inadequate information regarding how debts are calculated by the algorithm supporting the automated process, and the basis on which those decisions are reached.
- Inadequate information regarding how a decision can be challenged or reviewed.

- Lack of planning in the program and/or policy development phase regarding the needs of vulnerable debt notice recipients, many of whom experienced significant difficulty in investigating or challenging the debt or the amount calculated, including those with a cognitive impairment or a mental health condition.
- A lack of transparency regarding the process by which Centrelink adopted and rolled out the automated technology used in the Centrelink Debt Program.
- Lack of continuing evaluation and monitoring, as well as an absence of human oversight of the program.

Intended or actual outcomes of the Robodebt Scheme

Mental Health Impacts

In the previous Senate inquiry into the debt recovery program in 2017, section 2.110 (p.38) of the report entitled *Design, Scope, Cost-Benefit Analysis, Contracts Awarded and Implementation Associated with the Better Management of the Social Welfare System Initiative* (2017) states that: “The committee repeatedly heard from individuals that the Online Compliance Intervention [OCI] system had caused them feelings of anxiety, fear and humiliation and dealing with the system had been an incredibly stressful period of their lives.”

Debt increases risk of mental health issues and the risk of developing more serious mental illness among people with a pre-existing mental illness. Furthermore, there is a strong association between mental health service use and persistent debt among people with mental illness. Having mental health issues is a risk factor for debt. The relationship is therefore multiple – it is a complex, two-way influence between debt and mental illness, and between vulnerability to debt and vulnerability to mental illness.

There are a range of factors that may contribute to increased risk of debts related to loss of employment-related income, barriers to maintaining household financial costs, medications and other necessary and unforeseen expenses.

A 2018 London study showed that those with concurrent exposure to debt and mental disorder were at greater risk of increased severity of disorder (Gunasinghe et al, 2018). This was also shown in a USA study that found that individuals holding high long-term debt, or who cycle in and out of debt, report significantly more depressive symptoms (Sun and Houle, 2020). Debt can lead to poorer mental health outcomes for people with mental illness: having debt that persisted over the time of was strongly associated with mental health service use.

Debt accumulation was strongly associated with mental disorders. A 2019 study in Sweden showed that mental health is a risk factor for payment difficulties: people seem to run a higher risk of encountering payment difficulties following mental problems, even if their economic situation was manageable to begin with (Dackehag et al, 2019).

Debt worsens financial situations, which create logistical barriers to finding and commencing work, such as ability to attend interviews, buy uniforms or perform other relevant administrative tasks. People with mental health issues already face barriers to employment participation and given they are at higher risk of debt, the debt program is likely to have unintentionally introduced further barriers to job-seeking within a group that already faces under-employment.

CoMHWA members' accounts and experiences

Risk factors

Communication issues experienced by many people living with mental health issues worsen the impact of the Robodebt scheme in people with mental health challenges and their capacity to address, repay or negotiate their debt notices. Please note that not all people with mental health challenges experience the below, and one person's experience of, for example, distress, may present quite differently to the experience of another. Generally, some of these issues reported by our members include:

- Isolation/social withdrawal. This limits capacity for people confronted with debt to seek help from their own or external support networks.
- Comprehension – many (but not all) people with mental health challenges may have difficulty understanding instructions/actions when they are unwell or experiencing deleterious side effects from medication they might be taking. This means that key information may be missed or misunderstood.
- Distress – Distress can often result in the desire to disconnect from the distressing event and can make the individual unable to progress with processes of appeal or seeking help: 'I felt I couldn't get the information to prove I didn't owe the money and I decided that I wouldn't appeal the decision' (CoMHWA member).
- The ability of individuals with mental health issues to share distressing stories (which may be necessary to do so when seeking help or giving justification for appeal) is heavily dependent on wellbeing at the time.
- Power imbalances, stigma and discrimination. People with mental health issues, especially those with intersecting experiences of marginalisation, are confronted by power imbalances in many aspects of their life; in the health system, employment, the

legal system, welfare systems and so on. This means that individuals confronted with Robodebt are having their feelings affirmed of being treated like passive subjects who have power wielded with no chance of contesting this decision, further adding to the weight of stigma around mental health.

Disability costs

- Financially, the cost of the Robodebt scheme on consumers has implications for accessing essential services to support one's mental health, such as medications, general practitioners, counsellors, psychiatrists, peer workers and so on. As a result of debt notices, individuals may reduce or cease accessing support and treatments due to lack of affordability.

Impacts

On recovery

- There has been a profound impact by the Robodebt scheme on individuals' wellbeing and recovery across financial, emotional, and social spheres.
- CoMHWA members report increased feelings of shame, and reinforced feelings of worthlessness and hopelessness.
- 'While it was all happening with Centrelink, I remember being broke, stressed, and feeling really worthless and hopeless.' (CoMHWA member)

On safety

- CoMHWA members reported feeling increasingly strong urges for self-harm and suicidality in the wake of receiving debt notices.
- CoMHWA members cited feeling worthless, hopeless, distressed, stressed, leading to feelings of physical and emotional unsafety.
- Some members reported that the debt notices had significant consequences for people living in domestic violence situations.
- The financial pressure of the situation led individuals to feel unstable and unsafe in their lives.

Recommendations

All government agencies should have communication strategies and policies that ensure equal accessibility for people from diverse groups, including CALD, Aboriginal and Torres Strait Islander, people with disabilities and those who may experience barriers due to

participation on account of their social situation, such as family and domestic violence, homelessness, or addiction.

In the same way that disability access and inclusion cannot be improved without the involvement of people with disability, the involvement of diverse groups, including mental health consumers, is important to achieving services that accessible and responsive to consumer needs. This is essential to preventing unlawful discrimination against people based on mental illness or disability in the administration of Centrelink programs.

This is equally important across government agencies, but the high impact of social security errors or issues on the welfare of individuals accessing Centrelink makes, and high likelihood of vulnerability for people on low incomes means that Centrelink should have a strong focus on (and should perform exceptionally well at) accessibility and design of services to meet the needs of its customers. Design of services should include appropriate support to make and progress a complaint or appeal relevant to the Debt Program and other Centrelink activities.

Given that debt heightens risk of mental health issues, and mental health issues increase risk of debt, it is important also for governments to also consider the mental health of all their customers, not just those with a diagnosed mental illness, in forming their policies. Doing so is vital to improving the economic welfare, and prospects for greater socio-economic participation, of people with mental health issues.

CoMHWA support Mental Health Australia's recommendation in the Senate inquiry report, section 3.42, that the Department of Human Services should re-instate a mechanism for engaging with mental health consumers and carers around service improvement and the design of Centrelink services. This could include pro-active support for people through processes in this system, actions to be taken to support wellbeing on phone or online, and capacity building of self-advocacy skills.

'Thinking back now, I'm concerned that despite my diagnosis of my mental illness being on file and the high levels of stress and agitation that I was expressing every time I needed to speak to Centrelink, there was no support, no help phone lines or check-in for me' (CoMHWA member).

CoMHWA adds that this mechanism should have an explicit focus to make improvements to the design of Centrelink service for accessibility and for appropriate support for people who have, or who may be at risk of, mental health issues.

References

Community Affairs References Committee (2017). *Design, Scope, Cost-Benefit Analysis, Contracts Awarded and Implementation Associated with the Better Management of the Social Welfare System Initiative*.

Dackehag, M., Ellega, L.M., Gerdtham, U.G., and Nilsson, T. (2019). Debt and mental health: new insights about the relationship and the importance of the measure of mental health. *The European Journal of Public Health*, 29 (3), pp. 488–493. doi:10.1093/eurpub/ckz002

Gunasinghe, C., Gazard, B., Aschan, L., MacCrimmon, S. Hotopf, M., and Hatch, S. (2018). Debt, common mental disorders and mental health service use. *Journal of Mental Health*, 27(6), pp. 520-528. DOI: 10.1080/09638237.2018.1487541

Sun, A.R. and Houle, J.N. (2020). Trajectories of unsecured debt across the life course and mental health at midlife. *Society and Mental Health*, 10(1), pp. 61–79. DOI: 10.1177/2156869318816742