CHECKUP

Response to Productivity Commission Interim Reports

Delivering Quality Care More Efficiently &
A More Adaptable Workforce

Sept 2025

Acknowledgement of Country

CheckUP staff and board respectfully acknowledge the Traditional Custodians of the land on which we work and live, and recognise their continuing connection to the land, water and community. We pay respect to Elders past and present, and future leaders.

CheckUP strongly supports equality for all. We embrace diversity and condemn any kind of discrimination, be it on the basis of race, religion, ethnicity, sexual orientation, gender identity or disability.

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Glossary of Acronyms

HHS	Hospital and Health Service
NDIA	National Disability Insurance Agency
NDIS	National Disability Insurance Scheme
PHN	Primary Health Network
SME	Small, Medium Enterprises

1. Introduction

CheckUP welcomes the opportunity to provide a consolidated response to the Productivity Commission's interim reports, *Delivering Quality Care More Efficiently* and *A More Adaptable Workforce*. As Queensland's jurisdictional fundholder for the Outreach Programs, CheckUP occupies a unique position in commissioning, coordinating, and evaluating outreach health services across one of the most geographically diverse and socio-economically varied states in Australia. Outreach refers to mobile health services that deploy health professionals to provide care away from their usual practice location, designed to improve access to medical specialists, GPs and allied health providers in regional, rural and remote areas. This model brings essential healthcare services directly to underserved populations in community settings, enabling urban-based health professionals to provide regular visits to remote locations and addressing critical health inequities.

However, CheckUP's remit extends well beyond outreach delivery. For more than two decades, CheckUP has played a leading role in workforce development and industry partnerships, working closely with government, training providers, professional bodies, and employers to grow sustainable pipelines of skilled workers in regional and remote Queensland. This includes designing and managing workforce programs that support "grow-your-own" training models, developing career pathways across health and human services, and working with small-to-medium enterprises (SMEs) to address staff retention challenges. CheckUP has also brokered partnerships between universities, TAFEs, and local health providers to ensure training pathways are locally relevant, culturally appropriate, and aligned to future service needs.

This dual role, as both a system integrator for outreach service delivery and a catalyst for workforce innovation, provides CheckUP with unique insights into how service models, workforce pipelines, and funding mechanisms interact. It also enables CheckUP to provide practical evidence on how reforms recommended by the Commission could be tested, adapted, and scaled in real-world settings.

Importantly, our work provides tangible examples of the economic productivity dimension in Delivering Quality Care More Efficiently. Health and workforce investments are not simply program costs; they are productivity enablers. Integrated and well-trained local workforces reduce reliance on high-cost, fly-in fly-out models, improve continuity of care, and build community resilience. In parallel, effective health and disability systems enable individuals and carers to participate more fully in the economy, extend working lives, and enhance local skills capacity.

Our response therefore focuses on four interdependent themes:

- Collaborative commissioning to improve integration and efficiency of service delivery
- Addressing NDIS underspend and exploring cross-sectoral outreach as a solution
- Building adaptable, place-based workforce models to underpin long-term sustainability
- Unlocking productivity gains by linking improved care systems and workforce pipelines to broader economic participation and resilience

2. Collaborative Commissioning for Integrated and Efficient Care

Productivity Commission Reference: Delivering Quality Care More Efficiently

2.1 Current Challenges

Fragmentation remains one of the defining weaknesses of Australia's health, aged care, and disability systems. Funding is channelled through separate programs, each with its own eligibility rules, reporting requirements, and delivery constraints. On the ground, this manifests as:

- Outreach Programs commissioned in parallel across sectors, with separate budgets and accountabilities, even when the same clinicians and infrastructure could be used more effectively across all three.
- Providers forced to restrict their activities on community visits, unable to respond to local needs outside the scope of their program contract.
- Patients enduring disjointed journeys: multiple providers arriving at different times, sometimes within days of each other, to deliver services that could have been integrated into a single episode of care.

The result is duplication of travel costs, inefficient use of scarce workforce capacity, and consumer experiences that feel fragmented and bureaucratic rather than responsive and person-centred.

2.2 CheckUP's Perspective

CheckUP's role as fundholder gives it visibility across all commissioned outreach services in Queensland. With oversight of budgets, contracts, and provider performance, it can see clearly where duplication occurs and where opportunities to streamline are being missed. Importantly, this perspective is informed not only by data but also by the lived experiences of providers who deliver services under CheckUP's commissioning arrangements.

The insight is clear: siloed commissioning is costing more and delivering less. Each separate outreach trip funded under current program rules represents not only a financial duplication but also an erosion of goodwill from communities, who question why services cannot coordinate when they share the same patients and operate in the same small towns.

2.3 Opportunities for Collaborative Commissioning

CheckUP recommends piloting collaborative commissioning approaches that:

- Allow outreach teams to deliver care across health, disability, and aged care domains under a unified commissioning framework.
- Pool travel budgets across funding streams to maximise efficiency and reduce waste.
- Support workforce integration so that practitioners can operate at their full scope across multiple programs rather than being restricted by funding silos.
- Embed community-led governance and local leadership to ensure accountability, cultural safety, and relevance.

Such models would improve both system efficiency and consumer experience, offering government a pathway to demonstrate measurable productivity gains without reducing

access or quality.

3. NDIS Underspend and Cross-Sectoral Outreach

Productivity Commission Reference: Delivering Quality Care More Efficiently

3.1 Problem Definition

In many rural and remote regions of Queensland, NDIS participant budgets remain significantly underspent. Aboriginal and Torres Strait Islander communities are disproportionately affected. While plans allocate funding for supports, the services themselves are unavailable because:

- Few NDIS providers are registered to work in remote and very remote areas.
- The compliance burden and administrative overheads of maintaining NDIS registration are prohibitive, especially for SMEs.
- Funding rules prevent providers from delivering cross-sectoral care, meaning travel and workforce capacity are duplicated unnecessarily.

This results in unspent participant budgets, unmet support needs, and a missed opportunity for the NDIS to improve participant outcomes and contribute to broader system sustainability.

3.2 Cross-Sectoral Outreach as a Solution

A cross-sectoral outreach model would enable providers to deliver disability, health, and aged care supports in one coordinated visit. The benefits would be significant:

- Travel duplication is reduced, lowering costs and improving efficiency.
- Providers can work to full scope across multiple sectors with one centralised funding stream.
- Consumers gain more consistent access to the services they are funded to receive.
- Preventable hospitalisations and acute presentations are reduced, easing pressure on the health system.
- The NDIS achieves better uptake and strengthens its contribution to economic participation.

3.3 Exploring Barriers and Enablers for Providers

CheckUP is aware that reform must be grounded in provider realities. Nationally, the number of registered NDIS providers is declining, a trend that cannot be ignored. To inform policy, CheckUP is engaging with its provider network to better understand:

- **Barriers**: administrative and compliance burdens, regulatory inflexibility, workforce shortages, unsustainable pricing structures.
- **Enablers**: pooled travel budgets, streamlined reporting, blended commissioning arrangements, collaborative training programs, and regional brokerage models.
- **Provider variation**: SMEs versus larger organisations, with SMEs particularly vulnerable to thin margins and high compliance costs.

By convening providers across sectors, CheckUP is positioned to generate practical evidence on what changes are necessary to make cross-sectoral commissioning viable. This can be fed directly into national reforms, ensuring policy is grounded in operational reality rather than abstract design.

3.4 Allied Health Provider Viability and Pricing Pressures

A further concern compounding the challenges of NDIS underspend is the deteriorating sustainability of the allied health workforce under current NDIS pricing arrangements. Recent survey data from Occupational Therapy Australia shows that 92% of occupational therapists delivering NDIS supports expect to reduce travel and outreach following the NDIA's decision to halve the allowable travel reimbursement and freeze therapy rates for a seventh consecutive year. Fourteen percent plan to exit the NDIS within the next three years, and a further 51% are considering exit, which could impact more than 17,000 participants nationally, including 4,500 in outer regional and remote areas (1).

This trend is not isolated to occupational therapy. A joint statement from eight national allied health peak bodies highlights that travel price cuts and stagnant fee schedules threaten access to essential services including physiotherapy, dietetics, podiatry, speech pathology, psychology, exercise physiology, and osteopathy. These peaks warn that the changes risk an exodus of skilled clinicians, reduced participant choice and control, and downstream costs to the broader health system through avoidable hospitalisations, malnutrition, and functional decline (2).

The convergence of underspent participant plans, tightening provider viability, and reduced travel viability underscores why more efficient commissioning models are imperative. Cross-sectoral outreach approaches, pooling travel, aligning schedules, and supporting workforce integration, offer one pathway to preserve service access in rural and remote areas. Without reform, participants face growing wait times, reduced access to home and community-based therapies, and widening inequities between urban and regional Australia.

4. Place-Based Workforce Development and Sustainability

Productivity Commission Reference: A More Adaptable Workforce

4.1 Ongoing Need for Outreach

Given Queensland's geography and workforce distribution, outreach will always be required. Communities without sustainable full-time services rely on visiting specialist, allied health, and multidisciplinary teams. Outreach services attempt to fill this gap, but without local capacity-building, care remains episodic and dependent on external workforce availability. Local workforce development is the essential complement to outreach, ensuring continuity, building trust, and creating sustainable service ecosystems.

4.2 Developing Local Workforce Pipelines

The Commission's emphasis on adaptable, place-based workforce models resonates

strongly with CheckUP's operational insights. Strategies include:

- Grow-your-own pipelines: Investing in local students through scholarships, mentoring, and return-of-service schemes, ensuring communities produce their own workforce.
- Train-the-trainer models: Building local teaching capacity so that skills development is ongoing and not reliant on visiting providers.
- Career pathway development: Creating structured pathways from entry-level roles (support workers, assistants in nursing) through to advanced clinical and leadership roles.
- Regional leadership: Supporting local leaders to drive workforce stability, staff satisfaction, and retention.

4.3 Addressing Systemic Barriers

The interim report highlights training and retention challenges that reflect CheckUP's observations across rural and remote Queensland:

- SMEs are reluctant to invest in staff training when staff turnover is high and retention uncertain.
- Workforce attrition undermines service continuity, making SMEs cautious about long-term investment.
- Remuneration, recognition, and career progression pathways remain inadequate, limiting attractiveness of health and care careers in the regions.

To address this, CheckUP suggests:

- Shared investment models where governments, providers, and communities co-invest in training.
- Incentives such as subsidies, minimum service contracts, or pooled resourcing to encourage SME participation.
- Structured career ladders linked to recognition, pay progression, and leadership roles to anchor staff in communities.

4.4 CheckUP's Role

As a system integrator and commissioning body, CheckUP can:

- Broker partnerships between training organisations, universities, TAFEs, and local employers.
- Commission workforce development projects aligned with community-identified needs.
- Provide robust governance, monitoring, and evaluation to ensure outcomes are measurable and sustainable.

5. Economic Productivity and Participation

Productivity Commission Reference: Delivering Quality Care More Efficiently & A More Adaptable Workforce

The Productivity Commission has rightly drawn attention to the link between workforce adaptability, efficient use of existing budgets, and broader national economic productivity. Health and disability systems are not just service providers; they are economic engines. When people receive timely, integrated care, they stay healthier, live longer independently, and participate more fully in the economy, both as workers and as consumers.

CheckUP's role in coordinating outreach service delivery across Queensland offers a unique vantage point on these dynamics. Each year, outreach services prevent hospitalisations, keep people in their communities, and provide therapy and support that helps individuals return to or remain in the workforce. Conversely, where service access fails, for example, because NDIS funds go unspent or health staff cannot be recruited, the result is reduced productivity through lost employment, increased carer burden, and higher downstream costs.

5.1 Expanded Economic Benefits of Health Workforce Education and Local Training

- Stability and Retention: Local staff who are trained and mentored in their own communities are more likely to remain long-term. This reduces recruitment churn, avoids costly reliance on locums or fly-in staff, and builds a more resilient workforce that underpins stable service delivery.
- Multiplier Effect: Training investments create local economic ripple effects. A single health worker's salary is spent locally, supporting housing markets, retail, and services. The impact is magnified in smaller communities where each professional role has outsized influence.
- Career Mobility and Lifetime Earnings: By developing structured career pathways (from entry-level support workers through to advanced clinicians), individuals achieve higher lifetime earnings and contribute more consistently to tax revenue, while also reducing reliance on welfare supports.
- Skills Transfer and Community Capacity: "Train-the-trainer" programs ensure that expertise is retained in communities, multiplying the impact of each trainer and reducing the need for repeated external investment.

5.2 Expanded Economic Participation through Effective Health and NDIS Systems

- Workforce Participation of People with Disability: Access to therapies, equipment, and community support enables individuals with disability to enter or remain in paid work. In regions where NDIS underspend is highest, this opportunity is currently being lost, reducing productivity not just for individuals but for entire communities.
- Reduced Informal Care Burden: Carers, often women of working age, are more able to participate in the workforce when formal supports are reliable. This improves household income, reduces gender participation gaps, and increases tax revenue.

- Health-Related Workforce Retention: Chronic conditions, when untreated, drive premature workforce exits. Outreach services for conditions such as diabetes, heart disease, and musculoskeletal disorders keep people working longer, particularly in regional economies where labour markets are already thin.
- Indigenous Economic Participation: In Aboriginal and Torres Strait Islander communities, integrated health and disability services improve school attendance, workforce readiness, and adult participation in local industries. This has long-term intergenerational productivity effects.

5.3 Practical Pathways for Maximising Productivity Gains

- Cross-Sectoral Outreach Pilots: Allowing a single outreach visit to deliver both health and disability care would reduce wasted travel, enable faster interventions, and free up resources that can be redirected into training and local job creation.
- Regional Training Partnerships: Bringing together local TAFEs, universities, PHNs, and outreach providers to co-design workforce pipelines ensures training matches local demand, producing graduates who stay in the region.
- SME Support for Training Investment: Many providers in regional areas are small-to-medium enterprises who fear losing staff after investing in training. Shared funding models, pooled contracts, and wage subsidies can mitigate this risk and encourage SMEs to train staff, benefiting both service capacity and community productivity.
- Economic Measurement of Outcomes: Beyond health outputs, pilots should track outcomes such as reduced unemployment of people with disability, increased workforce participation of carers, and reduced recruitment churn. These measures capture the true productivity dividend of reform.

6. Conclusion

The Productivity Commission's interim reports underscore the importance of efficiency, integration, and adaptability across Australia's care systems. These priorities align directly with CheckUP's operational insights as Queensland's outreach fundholder. We recommend that the Commission:

- Prioritise collaborative commissioning pilots that enable cross-sectoral outreach service delivery.
- Address the systemic causes of NDIS underspend through reforms that support provider viability and consumer access.
- Invest in place-based workforce development, with a focus on grow-your-own pipelines, train-the-trainer models, and career pathways.
- Recognise the dual importance of outreach and local workforce development as complementary, not competing, strategies.

By making better use of existing funds, supporting local workforce training, and enabling cross-sectoral collaboration, reforms can deliver outcomes that strengthen both individual

wellbeing and national productivity. Improved health and disability systems will increase workforce participation among people with disability, reduce informal care burdens, extend working lives through better management of chronic conditions, and foster stronger regional economies.

CheckUP's commissioning experience, provider network, and governance infrastructure position it to be an agile and trusted partner in testing these reforms. More importantly, its insights, derived from lived operational realities, can help government design changes that are not only conceptually sound but also practically deliverable in the communities that need them most. CheckUP stands ready to partner with the Commission, government, and providers to design, test, and scale innovative models that deliver more efficient, integrated, and sustainable care for all Australians, particularly those in rural, remote, and Indigenous communities.

References

[1] Occupational Therapy Australia. (2025). OTA's 2025 NDIS Provider Survey: Summary Report.
[2] Allied Health Peaks Joint Statement. (20 June 2025). Allied Health Peaks Call for Immediate Halt and Review of NDIS Price Cuts.

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