Submission

Productivity Commission

Delivering quality care more efficiently

September 2025

Executive summary

[redacted] welcomes the opportunity to respond to the Productivity Commission's (the Commission) interim report Delivering Quality Care More Efficiently. The Commission has been tasked with identifying priority reforms to improve quality, efficiency and sustainability across the care economy. Its interim report puts forward recommendations in three areas:

1. Reform of quality and safety regulation to support a more cohesive care economy.
2. Embedding collaborative commissioning to increase integration of care services.
3. Establishing a national framework to support government investment in prevention.

While we understand the Commission's inquiry takes a system-wide perspective, this submission draws primarily on insights from the National Disability Insurance Scheme (NDIS) and Aged Care sectors. As these are the areas in which [redacted] operates predominately.

We support the Commission's vision of greater cohesion across the care economy. However, the proposed 2026–2031 timeline for regulatory alignment creates a risk of delaying reforms already underway within the NDIS and Aged Care sectors. Major reforms such as mandatory provider registration, new planning frameworks and a review of the Practice Standards are scheduled for implementation before 2026. Interrupting these processes for a new alignment agenda would undermine progress, delay safeguards, and prolong uncertainty for participants and providers alike.

In our view, the focus should be on completing existing reforms on time, addressing immediate market challenges and pursuing alignment incrementally through shared systems and recognition of sector practices. Collaborative commissioning and prevention frameworks should include disability and aged care from the outset. Grounding these in participant experience and co-design would improve outcomes for individuals while also enhancing efficiency, reducing costs, and supporting broader productivity gains across the care economy.

[redacted]

[redacted]

[redacted] response to the Commission's Recommendations

Recommendation	The Commission's proposal	[redacted] response
Reform of quality and safety regulation to support a more cohesive care economy	Create a single national registration framework for providers across aged care, disability and veteran's care, using modular standards.	We support greater consistency, but alignment must build on reforms already underway. Replacing systems mid-implementation would risk disrupting progress and undermining years of consultation.
Worker registration	Introduce a national worker screening and registration scheme across all care sectors.	Strongly supported. Universal worker registration would improve safeguards and mobility across the workforce.
Practice and quality standards	Develop a single (potentially modular) set of practice and quality standards to apply across sectors.	We support the development of shared baseline standards to reduce duplication and improve coherence, but these must be complemented by sector-specific safeguards. For example, disability services require rigorous oversight of restrictive practices and behaviour support, while aged care requires robust clinical governance. A single framework must therefore preserve the protections that address the distinct risks and needs of each sector

Digital systems	Create a single digital portal for providers to manage registration, accreditation and audits across care sectors.	Current regulatory and digital infrastructure, such as the NDIS Commission portal and aged care systems, already face significant strain. Any move toward redesign should be preceded by sustained investment to strengthen capacity and ensure systems are ready to manage increased demand and functionality.
Single regulator	Explore establishing a single regulator for aged care, disability care and veterans' care.	The strength of the current system lies in the nuanced expertise regulators have developed to address the distinct policy and funding complexities of each care sector. While there are clear parallels across sectors, alignment should prioritise practical mechanisms such as mutual recognition and shared processes. This approach delivers consistency without diluting the tailored protections and regulatory depth that participants in disability, aged care, and other care systems rely on.

1. Reform of quality and safety regulation to support a more cohesive care economy

The Commission's proposal

The interim report identifies regulatory inconsistency as a driver of duplication and reduced productivity, recommending a national worker screening clearance, unified provider registration and accreditation, a single modular set of practice and quality standards, a national digital registration portal, and the exploration of a single regulator. Alignment activities are scheduled to begin in 2026, with full implementation by 2031.

[redacted] position

[redacted] agrees with the Commission that regulatory inconsistency is one of the greatest sources of inefficiency, duplication and poor outcomes across the care economy.

Strong, mandatory, well-designed regulation is essential to protect vulnerable people, ensure accountability in publicly funded systems, and support a sustainable workforce.

We support the principle of alignment across sectors, including national worker screening, consistent provider registration, and streamlined audit and digital systems. However, the proposed six-year redesign risks disrupting reforms that are already legislated and urgently needed. Within the NDIS, consultation and implementation work on mandatory Platform provider, Supported independent living and Support Coordinator registration is already underway, the National Disability Insurance Agency (NDIA) is preparing to launch a new planning framework in 2026, and the review of NDIS Practice Standards is expected to publish draft standards next year. In aged care, the Aged Care Act 2024 will introduce a new regulatory model from November 2025. Each of these reforms has been shaped by years of consultation and carries significant sector investment.

The Government has committed to a five-year reform program to redesign the provider registration system through a co-designed, risk-proportionate framework. However, progress on the implementation remains limited and consultation has not yet begun. In the meantime, large parts of the disability sector continue to operate without the requirement to register, leaving providers outside any formal oversight. This lack of registration leaves many providers operating outside formal oversight, reducing the effectiveness of safeguards intended to protect participants and ensure consistent quality.

Capacity and readiness of regulators

The idea of a single registration system has merit, but the capacity to deliver it is not yet in place. At the close of 2024–25, just 16,363 providers were registered with the NDIS Commission, while more than 254,000 operated outside the scheme. In effect, the vast majority of the market continues without direct regulatory oversight. One of the key factors behind reform delays is system readiness. The slow progress on mandatory registration highlights the difficulty government agencies face in scaling their regulatory functions and upgrading digital infrastructure to match the size and complexity of the market.

Regulatory readiness is further constrained by digital infrastructure. The existing systems used in both disability and aged care have required constant improvement and remain stretched by the volume and complexity of providers they serve. Building a new national portal, as envisaged by the Commission, would be a major undertaking in its own right, demanding significant investment and long-term transition planning. Unless these foundations are strengthened first and there is confirmed and consistent funding, an ambitious redesign risks creating more administrative burden rather than streamlining it.

Lessons from past alignment efforts

The Commonwealth's own recent experience illustrates these ongoing challenges. In June 2021, the Government established a Senior Officer Group on Regulatory Alignment with dedicated Budget funding to streamline oversight across aged care, disability, and veterans' care sectors[1]. After nearly four years of consultation and development, this initiative remains unimplemented. Its limited progress, despite operating within a single government's reform agenda, highlights the practical difficulties of cross-sector coordination even without the added complexity of state and territory jurisdictions.

Moving forward

In our view, alignment should not pause or replace reforms already underway. Instead, governments should prioritise completing existing reforms on time and consolidating them into a more cohesive system. Incremental alignment through shared systems, mutual recognition, and harmonised standards can deliver efficiency without undermining sector-specific safeguards or risking further delay.

2. Embedding collaborative commissioning to increase integration of care services

The interim report highlights collaborative commissioning as a strategy to improve integration of services and better align care with local needs. Much of the discussion is presented from a health system perspective, focusing on hospitals, primary care and regional health authorities. However, the principles of collaborative commissioning have equal relevance in disability and aged care, where fragmentation between service streams often leaves participants navigating multiple disconnected systems.

In disability support, for example, there is a longstanding tension between national frameworks and the need for locally responsive solutions. Collaborative commissioning has the potential to bridge this gap, provided that it is grounded in participant experience and co-design. Commissioning decisions should prioritise outcomes that matter to people using services, reduce duplication between programs, and support innovation at the community level. If implemented with these principles, collaborative commissioning could provide a pathway to more joined-up, sustainable care across the entire care economy.

3. A national framework for prevention

The Commission also recommends a national framework to guide government investment in prevention. In the interim report, this is framed largely in terms of health outcomes, focusing on reducing avoidable hospitalisations and chronic disease

[1] Senior Officer Group on Regulatory Alignment | Australian Government Department of Health, Disability and Ageing

burden. Yet the same logic applies equally to disability and aged care, where early intervention and preventive supports can dramatically change long-term outcomes.

In the disability context, preventive investment might include early supports that help maintain independence, accessible housing that reduces future reliance on residential services, or community-based programs that prevent social isolation. In aged care, prevention could mean investment in reablement and wellness models that reduce entry into high-cost residential care. Embedding prevention across the care economy would not only improve individual wellbeing but also create downstream efficiencies by reducing reliance on crisis-driven interventions.

A prevention framework that encompasses disability, aged care, veterans' care and health would therefore align investment with outcomes that matter most to participants, while helping to ensure the sustainability of publicly funded care systems.

Conclusion

The Commission's interim report raises important opportunities to improve the quality, efficiency and sustainability of the care economy. We share the vision of greater coherence across systems, stronger safeguards, and smarter investment in prevention and integration.

However, the path forward must build on the extensive reforms already underway in disability and aged care. Timely implementation of key reforms including mandatory provider registration, updated Practice Standards, the Aged Care Act 2024 and platform regulation is essential to strengthening safeguards, stabilising the market, and ensuring participants receive safe and sustainable support. A new alignment agenda should complement, not displace, these processes.

By consolidating current reforms, building regulator capacity and advancing incremental alignment through mutual recognition, shared standards and digital systems, governments can achieve immediate improvements while laying the foundations for long-term coherence. Collaborative commissioning and prevention must also be framed holistically across disability, aged care and health, ensuring reforms reflect the realities of people's lives and deliver outcomes that matter most. Taken together, these priorities provide a clear and durable pathway for reform that strengthens safeguards, supports providers and delivers lasting benefits for the community.