Productivity Commission

National Disability Agreement Review

Occupational Therapy Australia submission

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Introduction

Occupational Therapy Australia (OTA) thanks the Productivity Commission for this opportunity to provide a submission to the Commission's review of the National Disability Agreement.

OTA is the professional association and peak representative body for occupational therapists in Australia. As of June 2018, there were more than 20,000 nationally registered occupational therapists working across the government, non-government, private and community sectors in Australia.

Occupational therapists are allied health professionals whose role is to minimise the functional impairment of their clients to enable them to participate in meaningful and productive activities. Occupational therapists particularly work with people with a disability and their families to maximise outcomes in their life domains including daily living, social and community participation, work, learning and relationships. As such, they are key providers of services to many National Disability Insurance Scheme (NDIS) participants.

OTA remains optimistic about the NDIS and its focus on providing individualised support to participants with informed choice and control over their plans. However, it is fair to say that our members have become increasingly disheartened in recent months.

Given that state and territory governments will continue to play some sort of role in the delivery of services to people with disability, the National Disability Agreement remains relevant and necessary. However, it clearly requires updating in order to reflect a changing disability services model and concerns around the accessibility of supports. The Agreement needs to highlight the commitment of state and territory governments to ensuring that all people with disability can access vital supports, despite the dismantling of existing programs.

The dismantling of traditional services

OTA has noticed with concern the potential for gaps in services to develop as state and territory governments respond to the roll out of the NDIS across their jurisdictions. This is because a significant number of people who were previously eligible for and received state funded disability services have been, or will be, deemed ineligible for the NDIS.

The impact of the dismantling of traditional services is perhaps having its most pronounced effect on those experiencing mental health problems. Given the lack of clarity around the access criteria for the NDIS for people with mental illness, it is clear that a significant number of people will be deemed ineligible. It is estimated that 230,000 Australians require ongoing support for severe mental illness, however the NDIS is designed to support just 64,000 people with psychosocial disability once full roll out of the Scheme is complete.[1]

Other client groups identified as being at risk of 'falling through the gaps' include:

[1] http://sydney.edu.au/health-sciences/documents/mind-the-gap.pdf

- Children and adolescents with Developmental Coordination Disorder (DCD) or dyspraxia, who exceeded the age limit for Early Childhood Early Intervention (ECEI) supports when the NDIS was introduced;
- Children and adolescents with level 1 autism or mild intellectual disability, who exceeded the age limit for ECEI supports when the NDIS was introduced; and
- Adolescents who have specific learning difficulties and require substantial supports not only for their academic learning, but also for completing instrumental activities of daily living (e.g. money management, telling the time, using a bus timetable, organising and following routines).

OTA believes that 'provider of last resort' arrangements need to be in place in all jurisdictions. The privatisation of many services has made it increasingly difficult for participants with particularly complex support needs to have their needs met, with service providers declining to provide support in some cases. The changing dynamic of disability service provision has exacerbated this problem, as it was previously the responsibility of state and territory governments to resolve the service needs of clients in this situation.

Interface between the health and disability systems

Our members also report the existence of a grey area between the NDIS and state and territory health systems. OTA was advised by one occupational therapist that it has become virtually impossible to be funded for something as basic as wound dressings, despite a wound's obvious impact on a person's functional ability. The lack of clarity around whether a wound is health or disability related has resulted in clients, such as in this case, being forced to spend around $300 a fortnight on wound care.

OTA notes that, in the majority of cases, it is impossible to draw a clear line between the health and disability systems. Rather, there is an artificial line in place for funding purposes. It seems that this arbitrary line is preventing consumers from receiving a seamless service. In the Commission's 2011 report from its inquiry into Disability Care and Support, it noted that, despite the introduction of the NDIS, 'it is likely that some ambiguity will remain around the respective responsibilities of the health and disability system' (Volume 1, p182).[2] Seven years on, the delivery of integrated care not only remains an ongoing challenge, it is arguably becoming even more complicated.

OTA also notes that access to pre-existing services (e.g. community occupational therapy services funded by the state health department) is becoming increasingly convoluted. In some jurisdictions, it seems that each service has a different interpretation of what their role is in the context of the NDIS. While this is not entirely unexpected, the fact remains that consumers who are ineligible for the NDIS will increasingly look to these services (for which funding has been retained) for support. This process of navigation should be rendered as straightforward as possible.

Lack of meaningful consultation with key stakeholders

Consultation with professional associations by the National Disability Insurance Agency (NDIA) has been negligible across a wide range of areas.

[2] https://www.pc.gov.au/inquiries/completed/disability-support/report/disability-support-volume1.pdf

The potential impact of this lack of consultation with key stakeholders can be demonstrated by the recent (March 2018) public release of, and response to, the McKinsey & Company final report on the NDIS Independent Pricing Review. None of the major allied health professions were approached for input prior to the release of the report, and it also transpired that there was no concerted data collection or modelling to inform the proposed reforms.

Of particular concern to occupational therapists and other allied health providers were recommendations 17-21, which pertain to therapy supports. Recommendation 17 – the introduction of a tiered pricing system for therapy supports based on the complexity of a case – has generated alarm amongst service providers and prompted many to consider revoking their NDIS registration. OTA's members have reported that it would not be financially viable to provide services to Level 1 participants, or those who are deemed least complex.

The following is an excerpt from correspondence sent by Allied Health Professions Australia (AHPA) to the CEO of the NDIA, Mr Rob De Luca[3]:

> *While AHPA and its members support the intention of the Independent Pricing Review and understand the importance of a sustainable Scheme, it is our firm contention that the findings of McKinsey and Company with regard to the tiering of prices have been made without appropriate consultation and without sufficient understanding of allied health service delivery across different schemes. We note that no allied health professional peak bodies were engaged in direct consultation by McKinsey. We contend that McKinsey lacked sufficient understanding of the pricing of the different funding schemes, and the needs of people accessing services through those schemes, when they used these as the basis for their recommendations. We also believe they lacked understanding of the inconsistencies in the information to, and application of, the pricing guidelines across different NDIS providers.*

Following the release of the report, OTA conducted two surveys of its membership. Both attracted phenomenal responses. The first survey comprised mainly open-ended questions about the proposed changes to pricing and attracted 683 responses. The second survey attracted 626 responses. Among its key findings:

- More than 75% said they would be less likely to provide services to NDIS participants if a tiered pricing structure was introduced;
- 48% of those who responded 'less likely' said they would not remain a registered provider if a tiered pricing structure was introduced; and
- 55% said the majority of participants they support receive less than adequate therapy support funding to achieve their goals.

Although a decision has been made to defer the introduction of a tiered pricing system, OTA understands that it is still the NDIA's intention to adopt this recommendation at a later date. Furthermore, it has become apparent that, despite the NDIA's assurances to the contrary and ongoing lobbying efforts by AHPA, there will be no further consultation with key stakeholders until the NDIA's decision-making process has been concluded. This, of course, makes a nonsense of its commitment to genuine engagement with service providers.

[3] Correspondence to the CEO of the NDIA, Mr Rob De Luca, from the (then) Deputy Chair of AHPA, Cris Massis, dated 22 March 2018

The question of who will determine the complexity of a case also remains unanswered. It is widely accepted that not all NDIS Planners and Local Area Coordinators (LACs) have an adequate understanding of disability, as evidenced by the development of plans that do not properly reflect a participant's needs.

OTA has consistently offered to play a proactive role in the training of Planners, but these offers have gone unacknowledged by the NDIA. Given that the failure of first plans is the biggest single impediment to the effective roll out of the NDIS, we again suggest that an investment in the improved training of Planners is essential. In the medium to long term, a commitment to getting plans right in the first instance will save the Scheme hundreds of millions of dollars. Too often, Planners seem unaware of the fact that disability can change over time and, consequently, a plan can be out of date before it is even approved. OTA would be delighted to collaborate with the NDIA in an effort to better acquaint Planners with the nature and the likely progress of disabilities.

Conclusion

Should NDIS providers elect to walk away from the Scheme, participants will inevitably be worse off. The failure of the NDIS – the biggest social reform since the introduction of Medicare – will render any National Disability Agreement meaningless.

OTA thanks the Commission for the opportunity to respond to this review. Please be advised that we would be happy to elaborate further on the issues raised in our submission should this be required.