Productivity Commission Costs Inquiry

SCIA Policy and Advocacy Team

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Thank you for the opportunity to participate in the Productivity Commission's NDIS Costs Inquiry. SCIA has a number of concerns, which are outlined below, with the ongoing implementation of the NDIS for our members and for people with disability in general.

Social Investment

First and foremost, the NDIS is a social investment that will have far-reaching benefits for all Australians – not just the 460,000 that will receive individual funding packages. The most recent reporting on the NDIS, with an emphasis on costs, have not paid any attention to the financial benefit of the scheme rollout. The cost of not implementing the NDIS would be far greater than the expected annual cost. It is not a welfare system but a model of insurance with the financial impact of disability shared across the community – every member is at risk of being affected by disability, by birth, by accident, by disease.

The benefits that will come from increased social and economic participation for people with disability, as a direct result of better targeted support from the scheme, should be emphasised, with a number of recent reports highlighting this.

PricewaterhouseCoopers, in their report –[Disability Expectations: Investing in a Better Life, a Stronger Australia]() – show that the increased employment participation by people with disability and carers, who would be able enter the workforce thanks to scheme assistance, would add significantly to additional GDP and its yearly percentage.

In 2011, Deloitte Access Economics put out a report – [The Economic Benefits of Increasing Employment for People with Disability]() – which made the following findings:

> "… closing the gap between labour market participation rates and unemployment rates for people with and without disabilities by one-third would result in a cumulative $43 billion increase in Australia's GDP over the next decade in real dollar terms. The modelling also suggests that GDP will be around 0.85% higher over the longer term, which is equivalent to an increase in GDP in 2011 of $12 billion. These estimates only account for the direct impact on GDP, and do not include indirect effects from improved government fiscal balances and increased employment opportunities for carers."

Small gains in economic participation shows that by providing an investment in people with disability, the NDIS would pay for itself.

Participant Plans, Complexity and Lack of Flexibility

For some participants, dealing with the new NDIS system that is structured through the participant plan and portal has been difficult. Unlike some state funded disability support programs – which many people have and are transitioning out of – the cost structures of the new system, with certain funding tied to particular areas is complex and lacking in flexibility. People are used to having a basic plan and a funding amount but negotiating the complex portal when drawing down from the funding can be confusing.

Some previous state funded models where the participant and the service provider negotiated terms against program guidelines offered flexibility and adjustment in how the funding allocation was utilised from week to week on the proviso that it was written in a plan as a goal and met the funding

criteria. Participants would appreciate this degree of simplicity and flexibility within the NDIS. The Productivity Commission must look at flexibility and ease of use in how participants access and utilise plan supports, including interactions with the participant portal. Some of these aspects need reviewing and should include participant training on what is, after all, a completely new model of funding.

Quality of Plans

The rush to get new participants into the scheme against bilateral agreements is proving to be a major headache for the Agency and is severely affecting the quality of first plans. This needs to be addressed. On the face of it, transitioning participants from state funded specialist disability programs – who in most cases would have a type of plan already in place – should be relatively straightforward. The Agency, in negotiation with the transitioning participant, should be able to put together a workable new plan in line with current supports and further negotiate any new areas that need funding. However, in many cases this is not happening; the participant on receipt of their first plan finds that services (and funding) have been reduced, particularly in core areas such as assistance with daily living, transport (see below), support coordination and community participation. Decisions about plans at times appear to be arbitrary.

In most cases the reason for this is because of the structure of how plans are being developed. Most new participants' early dealings with the Agency are through Local Area Coordinators who are doing a lot of the heavy lifting in putting a plan in place. They are providing the data to the Agency planner. LACs were originally meant to be in place six months prior to new geographical transition areas but clearly this did not happen; there has been a rush to get new LACs out in communities and they are often not adequately trained or familiar with disability services. Alarmingly, SCIA have had reports of LACs being completely out of their depth in assisting with the development of a participant's plan. The sheer numbers they need to get through over the next two years – 400,000 participants – will severely impact on this already flawed process.

Clearly there needs to be better communication and understanding in how LACs are developing their data so that it more accurately reflects participants' needs; targeted training would also help with understanding. Surely there is also a need to increase the role of planners to ensure supports match need. Providing an opportunity to allow for draft plans where the participant is able to see what supports are being included – before they are fully signed off – would no doubt improve first plans; it might take longer to put a plan in place but it would certainly improve their quality and reduce the need for early changes/reviews to plans. It should be emphasised that this is not necessarily about increased funding, but ensuring the funding is allocated in the correct areas.

Support Coordination: the level of funding being provided for new participants has been inconsistently applied with decisions made almost arbitrarily with some being well supported in this area, whilst others – who had expressed a desire to receive support coordination – receiving no funding. How support coordination is structured, with the three levels, needs to be redesigned and made more flexible. It is both confusing and rigid in its application. Some participants have also been denied choice in who provides support coordination. Some people with complex needs will likely always need assistance with implementing their plan and therefore consideration should be given to integrating support coordination into core supports that would offer greater flexibility against need as people's circumstances change over time. Also, the effects of spinal cord injury (SCI) are multiple and complex and for this reason, some people will require ongoing support coordination.

Finding and Keeping a Job: the level of funding provided for workplace assistance continues to be very low and this should be looked at. Indeed, one of the prime motivations of the NDIS scheme design is *economic* participation; greater emphasis should be put on assisting people into the workforce through targeted support and designed in a way that works flexibly with mainstream employment assistance – the two areas should not work in isolation but integrated across service provision.

Transport Funding

Scheme experience to date has shown that funding for transport has been inconsistent and often does not align with need as set out in participants' plans. Firstly, how is the Agency devising funding for transport? We know from the NDIS participant transport fact sheet, there are generally three levels of transport funding provided to participants, who, due to their disability are unable to use public transport without difficulty with levels two and three aligning with the two Mobility Allowance payment levels. However there is not always consistency in providing these amounts once a participant enters the scheme. There are many instances of a participant receiving a lesser amount once they are in the scheme as compared to what they received before entering. It has also proved very difficult to get this adjusted.

There is almost no information available about what is deemed to be "exceptional circumstances" that would warrant a higher payment beyond "their participation in employment." The current eligibility criteria for the Mobility Allowance requires recipients to be either working, studying or volunteering. What sets the criteria for transport funding once they enter the NDIS? Surely the categories need to be more broadly applied.

Many participants rely on wheelchair accessible taxis (WATs) as their only form of transport – they cannot use other modes of transport and depending on where they live, other forms of accessible public transport – such as buses and trains – may not exist. Their demands on WAT usage will be varied and not necessarily easily definable into work, study or volunteering.

Those same users rely on state and territory funded taxi subsidy programs that in most cases cover around 50% of the cost of a taxi fare (with a maximum limit of $60). Unfortunately, South Australia, Victoria, Tasmania and Queensland have either removed or are in the process of removing, eligibility to those schemes for new NDIS participants. This will have a major effect on the cost of taxis for those participants. With this lack of consistency in how participants are treated around the country in their use of taxi subsidy schemes, it makes a mockery of the NDIS as a universal program. This inequity will need to be addressed in how transport funding is applied to participants who are disadvantaged by this change. In all cases, the reasons given by state governments for removal of access to taxi subsidy schemes for NDIS participants is that they will receive transport funding in their plan. It makes no accounting for the needs of those participants who travel out socially or for other reasons not covered in the participant plan that will attract no transport funding. They are most certainly disadvantaged because of this.

Interaction with Mainstream Services

As mentioned above under transport funding, a number of state governments have removed eligibility to their taxi subsidy schemes for new NDIS participants. There appears not to be any consistency or communication between the various state government agencies, the NDIA and the coordinating bodies (DSS in partnership with state level steering committees) responsible for the full role out. This is clearly an issue that will need to be taken up at a national governance level with the Disability Reform Council. As it currently stands, there is no equity for participants that lose eligibility

to taxi subsidies without a corresponding increase in their transport funding through the scheme. Transport agencies have a responsibility to provide adequate accessible services as part of their universal service obligation – irrespective of scheme eligibility – and not shift costs onto the NDIS.

Interactions with the health system is another area that will need to be looked at. SCIA has received many representations from clinicians and social workers of spinal injury units and rehabilitation centres over long delays in discharging patients out into the community due to protracted approval times taken for NDIS funding for support services and vital assistive technology. Unnecessarily long time frames spent in specialised hospital units means a massive increase in health costs when funding could be far better targeted in the community through the NDIS.

There is almost no mention of housing in the Productivity Commission's issues paper and this is an oversight. How the NDIS manages and interacts with housing services will determine how well participants are integrated into the community. Until this area receives greater support, it will impede on scheme success. The Specialist Disability Accommodation framework released by the NDIA is yet to make any inroads on housing support. Current infrastructure is under strain and there is not enough new housing models being funded and built. The development of integrated housing options that offer a mix of social and private accommodation would mean a great step forward for people with disability beyond the group housing model that currently dominates.

With the eligibility changes to the Mobility Allowance supplementary payment provided by Centrelink currently being pursued, there has been little thought given to how the Health Care Card component will be managed. Currently, eligibility to Mobility Allowance payments brings with it the added benefits of the Health Care Card, such as cheaper prescription medicine, for those not already receiving the Disability Support Pension. The payment structure folds into the NDIS as a direct transport payment for new participants and under the proposed legislation changes, Mobility Allowance will cease altogether on 1 July 2020. How will the Health Care Card be allocated once this change takes place? Are people to assume that if you receive a certain transport funding amount through your NDIS package, due to work or study commitments, that this of itself will set eligibility to the card? There are questions that need to be answered on the future of the Health Care Card for participants.

NDIA Engagement with Stakeholders

The current channels available to communicate with the NDIA, through the hotline and email, are not working very efficiently. It currently takes an inordinate amount of time to get answers on policy questions. With the sheer number of participants that will be entering the scheme over the next two years, stakeholder engagement needs to be far more responsive. Often calls are not returned and emails go unanswered. The lines of communication need to be completely overhauled with stakeholders – whether they be participants or service providers – provided with better response times and connected with appropriate Agency personnel. The NDIS website lists the addresses of local offices however fails to provide a phone number for each office. This is obviously purposely done but considering the importance of the NDIS and the dominant role it will play in people's lives it is simply no longer appropriate. The Agency must to be available at all levels. It benefits everyone to have an open and transparent scheme where answers can be easily sought. This is certainly not the case in many areas of service provision. Service providers need to be able to clarify if support elements meet the eligibility guidelines in a timely manner. Participants need similar levels of support particularly for those managing their own funding.

Participant and Service Provider Portal

Portal issues continue to hamper the NDIS and this creates an administration burden on service providers and plan managers. There needs to be greater integration and transparency in portal design between what a participant sees and what the plan manager (and others) sees to ensure accountability.

Issues of concern:

- When funding is being drawn down, a plan manager is unable to review clearly what has been paid out of someone's plan and how much funding is left in each category from the provider portal. The participant portal however does show this. The plan manager cannot access this information unless a request it is made to the participant to provide this information from their end such as through a screenshot of their portal. As a plan manager, processing invoices on a daily/weekly basis, this is not practical and time consuming.

- When making service bookings in the portal, a service provider is unable to see remaining funds for the support category. A participant may have more than one provider for a support category but the plan manager is unable to see how much has been allocated for each service provider. This is a huge risk as a plan management provider as there is no easy way to check current budgets in a person's plan; there is a lack of visibility on plan and support budgets on the portal, such as when changes are made. The plan manager has to ask the participant to provide the information on their support budgets which makes them look like they don't know what they are doing. Participants don't always understand the system either so this can make this process slow and frustrating.

- The portal is slow, going from one screen to another can take minutes rather than seconds and sometimes times out. Logging into the system is also slow, sometimes producing error messages – "system currently unavailable" is a common error message.

- This whole system needs to be better integrated in a way that allows plan managers and service providers access to relevant participant information – including plan reviews, status of plans or any significant changes that are made – instead of having to independently verify information through the helpline or constant email exchanges with the Agency. This could easily be achieved by granting "permissions" that are set by the participant – the more permissions that are granted, the greater the portal transparency for third-party organisations. This would improve the information flow between all relevant stakeholders across plan implementation and service provision.

The Future of Block Funded Services

There are some services – that have traditionally been block funded by state and territory governments – that still face an uncertain future under the NDIS. SCIA currently provides services that may fall through the gaps as funding for these programs cease with the ongoing rollout of the NDIS. At this stage, there is no guarantee that they will be picked up through the NDIS via individual funding packages or through the grants process under Information Linkages and Capacity Building (ILC). Services such as peer support, information services and after hours/emergency support play an important role in maintaining independence for people with SCI and similar disabilities living in the community.

There will need to be a way to integrate such services into the scheme design e.g. after hours/emergency support for people with SCI offers specialist overnight in-home nursing support

such as when catheters block. Such targeted support reduces the burden on the health system by removing the need to phone government emergency services and ambulance callouts. It will be vital that such a service is able to be maintained otherwise it will leave users of such services highly vulnerable.

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