

# Productivity Commission Report

## Integra Responses

### Planning Process (p18)

#### **Question 1: Is the planning process valid, cost effective, reliable, clear and accessible? If not, how could it be improved?**

We talk to many NDIS participants shortly after their planning session, when they have their plan in hand and are often unsure what to do next. Our role, as an NDIS Plan Manager, is to partner with them and begin plan implementation and start building capacity. Many times, there are large numbers of providers and/or suppliers the participant wants to find and contract with. We work closely with their Support Coordinator or LAC (if there is one), to support the participant during this time. We then setup their budget and providers in our system so they have full access to their plan dollars, providers and relevant service agreements and invoices.

While performing this work, we have experienced that plans often lack clarity, where clarity is greatly needed. Often there are very cumbersome things that emerge from planning that result in frustrations for participants, providers and increased calls to the NDIS help desk. Below are five examples that if addressed could significantly decrease calls to the NDIS Contract Centre and smooth participant transition greatly. Each of these can be addressed by removing unnecessary barriers by giving plan managers some additional access and abilities in the NDIS Portal.

1. Allow unbiased plan managers read only access to the entire participant plan / budget; to include items / categories that are not being plan managed.
  - When we are working with participants it is very helpful to support them with the “whole picture” of their plan as opposed to sending them back to the NDIS for things we can't see.
  - It is also common that a category will only be partially plan managed, for example, Assistance with Daily Life being 80% NDIA managed and 20% plan managed. In this case, we have zero visibility of the dollar amount we are managing and have to call the NDIS to find out how much we should be managing (most calls result in at least an hour of work).
2. Do not require plan managers to divide up the core budget between the four flexible categories. This is causing unnecessary work for everyone and causing participants unnecessary stress. These dollars are flexible and should be reflected as such in their budget in the NDIA system. Plan managers will ensure all invoices include the relevant item code so the Agency can easily identify how the dollars were spent (in which category in core).

3. Allow a plan managed service booking to be modified in the NDIS system, within the limits of the plan budget structure and allocations. We set these up in the first place, we should be able to modify it as the Participant's year progresses. Everything would be done in collaboration with the Participant and they could see a full reflection of their plan and up to date spending in our system
4. Allow a plan manager access to the planner for clarifications on the budget and relevant items that may or may not be allowed
5. Notify the plan manager when there is a revision to a plan and define the rules around the dollars being split between the two budget periods

**Question 2: How should the performance of planners be monitored and evaluated?**

- Number of occurrences needing a plan review within 30-60 days of the planning session could be one indicator to consider monitoring.
- Number of actual budget revisions within 30-60 days of the planning session is another indicator

**Creating a Support Package (p21)**

**Question 1: Are the criteria for participant supports clear and effective? Is there sufficient guidance for assessors about how these criteria should be applied? Are there any improvements that can be made, including where modifications to plans are required?**

Administrative errors to plans should have a simple, clear and consistent path to resolution. Support coordinators, LACs and plan managers should be able to act on the Participant's behalf to avoid stress and frustration. We see various examples where money was placed in the wrong area of the plan/or the items in the plan don't match those in MyPlace. A quick and easy path to resolution is critical to ensure no disruption in services. With a trained / focused team in this area, considerable burden could be taken from the help desk and planners.

**Question 2: To what extent does the NDIA's budget-based approach to planning create clear and effective criteria for determining participant supports? To what extent does it lead to equitable outcomes for participants? What improvements could be made?**

In the area of Plan Management (Improved Life Choices), we recommend implementing a more comprehensive plan management offering, including the service commonly referred to as "counseling". If you reference the Scan Study attached to our submission, these services work very well in partnership with financial management services. Counseling services, provided by an unbiased plan manager, ensures Participants receive the supports and build the capacity necessary to exercise full choice and control over their budgets.

In this model, Participants receive consistent support locating and contracting providers, support with key decision making, support in flexing their core budget, capacity development in planning and managing their spending, assurances that the necessary quality and safeguards are in place when using unregistered providers, etc. We believe there was an intention of allowing counseling services such as these through plan management by using service intermediary (SI) hours, but we are seeing very anecdotal, inconsistent use of SI hours and strongly recommend an increased, consistent flat rate for plan management (to include the current setup fee).

### **Question 3: What implications do the criteria and processes for determining supports have for the sustainability of scheme costs?**

We believe plan management can be a great option for 20-30% of scheme participants. This is based on our current experience in the United States where we have worked with 130,000 participants. Plan management performed by unbiased, experienced plan managers will support the Scheme's goal that Participants will be truly self-directing and do so in a way that supports legal, compliance, quality and safeguards requirements. We also believe plan managers can help support the NDIA with its goal of seven per cent agency spend by diverting calls and minimising number of payees.

We believe that plan management should be performed by unbiased providers; meaning providers who don't provide direct core supports to participants. By having unbiased plan managers providing these supports to participants, the NDIS will realise the following benefits:

- Ensure participants have unbiased partners working with them on plan implementation; ensure they are offered a variety of choices and the focus is on outcomes and capacity building
- Limit the number of payees working with the NDIS, resulting in fewer calls on planning and payment issues from participants and providers and fewer direct payments to make as many invoices will result in one payment to a plan manager and the plan manager then pays the providers. Note: Recommend plan managers have separate / dedicated team to work with the NDIS so further benefits of working on common issues plan managers are experiencing will be realised
- Ensure participants receive support & capacity building in ongoing plan / budget utilisation management. Plan managers can identify any potential overspending and underspending trends and help identify gaps in capacity and outcomes.
- Reportable / auditable data for the Agency and others and the ability to accurately document the full cost of services and management for participants.

**Question 4: Are the avenues for resolving disagreements about participant supports appropriate? How could they be improved?**

There are not consistent avenues for resolving disagreements and plan managers should be entrusted with working with the planner to address any questions or confusion, as to how dollars are used. These disagreements currently require considerable judgement calls by support coordinators, LACs and plan managers to support a participant. Having resources available to seek timely feedback would be beneficial to the integrity and consistency of the scheme.

**Marketing Readiness: Will The Workforce Be Ready? (p24)**

**Question 3: Is increasing the NDIS workforce by 60 000-70 000 full time equivalent positions by 2019-20 feasible under present policy settings? If not, what policy settings would be necessary to achieve this goal, and what ramifications would that have for scheme costs?**

We are currently developing a direct employment model, where the participant can directly employ their disability support workers in a compliant and low risk way. In the NDIS today, self-managing participants can directly employ their workers, but there are no quality and safeguards standards in place to ensure they are compliant with all labour laws and the participant and the worker are protected from any risk.

In the United States, self-directed programs allow for direct employment options but the government requires an intermediary be involved in all cases, so that certain quality and safeguard, labour, tax and insurance requirements are adhered to. In this model, the participant remains the employer in charge while the intermediary is responsible for meeting all quality, labour and tax requirements. This is a very successful model that not only allows for participants to maximise their budgets by negotiating lower rates than traditional service providers, but also helps address some of the worker shortage concerns. It also provides a safe way for participants to choose who provides them with some of the most intimate services, in their home.

We believe that implementing a well-designed and managed direct employment model, the NDIS could substantially increase the size and quality of the workforce, while concurrently managing quality and safeguards.

**Question 4: How might assistance for informal carers affect the need for formal carers supplied by the NDIS and affect scheme costs?**

Our experience working in self-direction programs for more than 15 years in the United States demonstrates that the paid use of family members as formal carers contributes to the sustainability of a self-directed program, the quality of services, the satisfaction of participants and assists with the shortage of disability support workers. In our experience, it is not unusual for a parent to leave their gainful employment in order to provide care for their child in the home and community and

that often puts the family in a disadvantaged financial situation. If these parents had the ability to provide formal / paid disability care, this can contribute to the overall quality and continuity of services and even go as far as contributing positively to GDP. The hours for these family members could be limited to a certain number a week, to ensure that true “natural supports” that any parent would provide to their child are not paid for.

If parents can't be paid as support workers in the Scheme we recommend the Commission consider allowing extended family to provide supports such as grandchildren, aunts, uncles, cousins, nieces, nephews, etc.

**Question 7: What role might technological improvements play in making care provision by the workforce more efficient?**

Well-designed technology solutions that support independent providers being directly employed by participants. This technology should support compliance with all key quality and safeguard and legal requirements and allow for all time and rates to be auditable by the Agency. All hours worked and services provided should be electronically documented and measured and available to the participants to manage.

**Will Providers Be Ready? (p26)**

**Question 1: Are prices set by the NDIA at an efficient level? How ready is the disability sector for market prices?**

The role and pricing of plan management needs to be re-thought to accomplish the national roll out in all states by 2020. We believe intermediaries can play a vital role in the sustainability of the Scheme and can support various quality and safeguard measures, as well as increase knowledge and understanding of the plan implementation process for participants, as well as providers. To date, the work we have done with participants in plan management is far more intensive than originally thought and often involves the plan manager doing some support coordination / LAC work as many of these organisations are overwhelmed.

Post the initial 3-5 year period, this could in theory scale down to a lower per member per month rate, but the current rate requires that each supporting partner is clear and able to do their role (support coordinators and LACs) and there is a mechanism to ensure intermediaries are a preferred option.

**Question 5: What are the barriers to entry for new providers, how significant are they, and what can be done about them?**

We have found many State registrations to be exceedingly burdensome and applying health and safety criteria that doesn't really apply to a financial or service intermediary (plan manager). We recommend that the NDIS develop criteria and implement a process for plan managers to provide services in all states, as this is

not direct service provision, but rather an administrative support that will reduce NDIA costs. The NDIA might also consider having a limited number of well qualified plan managers in a market at a given time, to ensure consistency and quality with this critical financial management service. The NDIA should consider three or four well qualified plan managers in each state who are conflict free.

### **Will Participants Be Ready? (p27)**

**Question 1: How well-equipped are NDIS-eligible individuals (and their families and carers) to understand and interact with the scheme, negotiate plans, and find and negotiate supports with providers?**

Most eligible individuals and their families are not well equipped to enter and find success in the Scheme. They are used to an agency making their decisions or have little experience receiving services they truly need and want. In our experience, most participants are relieved to have a partner with them during their plan implementation to support them in understanding the options available to them in their new plan and ensuring all necessary service agreements are in place with their providers. We believe that many participants require the support of a plan manager, to not only help them get started but to also partner with them as they start spending their budgets (monitor spending patterns for any potential issues), learning from their experience and contracting with providers (ensuring service agreements & other quality and safeguards are considered) to meet their goals. For most participants this is a hard path to travel without experienced help.

In our experience in the United States it took participants and their friends and families two to three years to fully manage and use their services after being agency dependent. The NDIA should expect this timeline and prepare for the changes and demands as participants learn what they can do.

### **Governance and Administration of the NDIS (p28)**

**Question 1: Do existing administrative and governance arrangements affect (or have the potential to affect) the provision of services or scheme costs? What changes, if any, would improve the arrangements?**

Plan Managers should not be held to the same standards at a State level as direct service providers. States are spending considerable, unnecessary time on credentials for intermediaries that are not necessary. The Commonwealth agency should have the power to determine and enforce the credentials for intermediaries / plan managers that are more suitable for accounting, privacy, technology, internal auditing, quality standards, documenting customer service calls, identifying fraud, etc. We can provide many tested examples from the United States.

**Question 2: To what extent do the existing regulations provide the appropriate safeguards and quality controls? Can these arrangements be improved?**

We believe work needs to be done on quality and safeguards for direct employment, as well as unregistered providers and we are currently working to create standards and “products” to support these efforts. Some of this is based on our experience with direct employment / self-directed options in the United States and also based on our extensive experience with work cover / risk products for individuals.

**Question 3: Are there appropriate and effective mechanisms for dealing with disputes with the NDIA?**

The general help desk knowledge is not sufficient to address many of our issues and the use of technical, financial and regional teams and their contact information is not consistently made available or understood. In addition, there is inconsistent information as to where enquiries and issues should be directed. For instance, in NSW there are various email addresses but it is unclear which email relates to which type of enquiry. All calls should be recorded and monitored for quality and accuracy, which is something we do as part of our plan management services in the United States that could be introduced here.

**NDIA Operating Costs @ 7% (p28)**

**Question 1: Is the NDIA’s target for operating costs (as a percentage of total costs) achievable? Is it practical? Should it vary over the life of the scheme?**

It is likely that the NDIA will need spend more than 7% during the rollout years of the Scheme and this is necessary to ensure things go smoothly for participants and providers. We believe that a plan management / support coordination services that are provided by well qualified and unbiased providers (not providing direct supports) can support the Agency in its goal of 7% operating costs.

We have said above that it is our experience in the United States that it takes participants and their friends and families at least two years to learn how to manage their services themselves and no longer be agency dependent. This should be built into NDIA expectations and be monitored.

Currently, every provider and participant who encounters issues with plans, invoices, payments, service bookings, calls the NDIS help desk – this often results in duplicate calls for the same issue. We believe that if a panel of unbiased plan managers (limited number) were appointed, issues can be far more effectively and efficiently worked through (single contact / quality of issue communications). In addition, this panel of peers can join forces to share information on paths to issue resolution and to even team up on similar issues, further reducing calls to the call centre, technical, financial and regional teams.

Best practice would be to setup a dedicated team for plan managers and support coordinators to work with who represent all aspects of the NDIA supply chain.

## **Market Stewardship Initiatives Effectiveness (p29)**

### **Question 1: How appropriate, effective and efficient are the market stewardship initiatives?**

The market stewardship team is an important NDIS construct as the Scheme itself is forcing market disruption and emerging innovations. However, the power of the market steward team is limited and appears they can only provide actual support once issues or challenges are too far progressed.

One example is plan management: Currently, there is a consistent misunderstanding about what plan management is. The NDIS published information continues to cause confusion on self-management vs. plan management. The price guides further exacerbate this by introducing new and unrelated language (Improved Life Choices / Intermediaries).

Of late, there seems to be a recognition that plan management is an important option for both participants and the agency itself. In order to ensure the effectiveness and sustainability of plan manager and support coordination, we strongly recommend that the NDIA market team define the conflict of interest rules when acting in these roles – discouraging or preventing direct service providers from acting in these roles.

### **Question 2: Is there likely to be a need for a provider of last resort? If so, should it be the NDIA? How would this work?**

If the NDIA is the provider of last resort the market will not be responsive.

## **Paying for the NDIS (p32)**

### **Question 1: How should the financial sustainability of the NDIS be defined and measured?**

We don't know how the NDIS can become financially sustainable without meeting, and not exceeding the annual budget for direct care services used by participants. Administrative costs can be managed downward after a couple of years of implementation as efficiency grows. It is harder to manage down direct service costs.

### **Question 2: What are the major risks to the scheme's financial sustainability? What insights do the experiences from the trial sites provide on potential risks in the context of financial sustainability? How might the NDIA address these risks?**

If the current trajectory continues, the NDIA could spend considerable unnecessary money on call centre staff and the associated overhead costs.



**Question 6: Are there other ways the scheme could be modified to achieve efficiency gains and reduce costs?**

Developing interfaces from the NDIA system into plan managers for payment requests and resulting remittance advises would increase efficiency and promote a cost effective / scalable plan management market. In addition, in some cases the Agency should consider allowing plan managers to access funds based on an invoice to support the ability for smoothing a participants ability to access various products and supplies more effectively.