

29 March 2017

Review of NDIS Costs
The Productivity Commission
GPO Box 1428
BARTON ACT 2600

Dear Productivity Commission,

RE: REVIEW OF NDIS COSTS

Plan Management Partners (PMP) is a Registered Provider of Supports under the *National Disability Insurance Scheme Act 2013 (Cth)*.

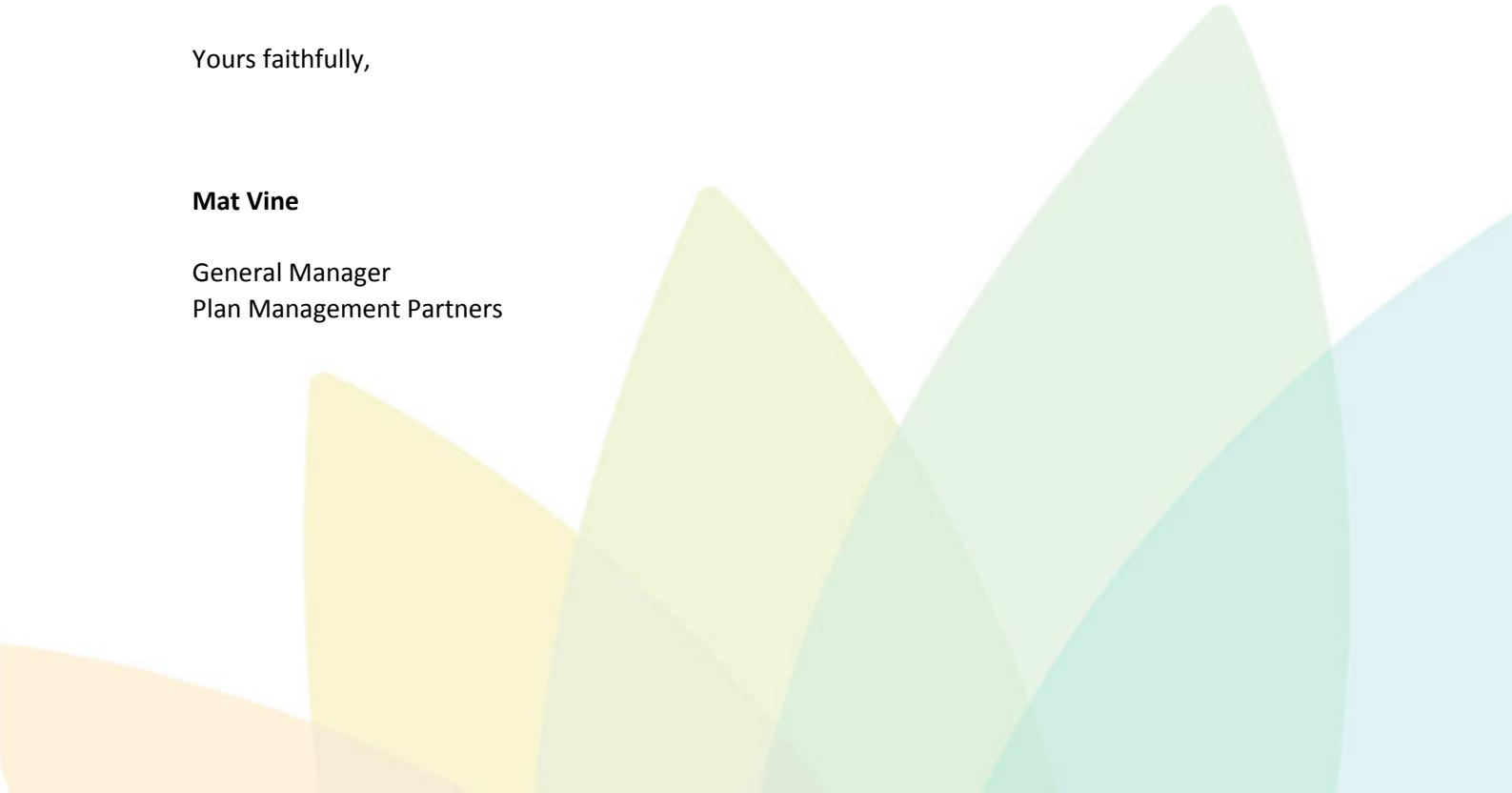
PMP was formed as a Joint Venture initiative in July 2016 to provide plan management services to NDIS participants, that is support to people with disability in managing their funds and service providers as part of their NDIS plan.

We provide feedback to this review based on our experience with the scheme and scheme participants to date. We would welcome further discussion with Commissioners on the matters raised as appropriate.

Yours faithfully,

Mat Vine

General Manager
Plan Management Partners



PRODUCTIVITY COMMISSION REVIEW OF NDIS COSTS PMP SUBMISSION MARCH 2017

Foreword

This submission is to the Productivity Commission's study into the National Disability Insurance Scheme (NDIS) Costs, February 2017. The terms of reference were received on 20 January 2017.

The study represents a review of NDIS costs and is to help inform the final design of the full scheme. It seeks to examine factors affecting scheme costs in light of the benefits and impacts on the lives of people with disability, and Australians more generally.

We note that the primary focus of the study pertains to those structural (systemic) issues that could affect the financial sustainability of the scheme over the longer term, as against shorter term, transitional issues.

Accordingly, Plan Management Partners Pty Ltd (PMP) comments are specifically directed towards those matters, which it believes have the potential to impact the ongoing and longer term financial sustainability of the scheme. PMP has not sought to respond to all questions raised in the Commission's study paper, rather only those of direct relevance to the organisation, its clients and operation of the scheme, and of which it has specific knowledge and understanding.

About Plan Management Partners

PMP is a Registered Provider of Supports under the *National Disability Insurance Scheme Act 2013* (Cth). The function of PMP sits outside the direct control of the NDIA, with its support coordination service provision classified as an intermediary, or to use the original definition upon design of the Scheme, a Disability Support Organisation (DSO).

PMP was formed as a Joint Venture initiative in July 2016 to specifically provide plan management services to NDIS participants, that is support to people with disability in managing their funds and service providers as part of their NDIS plan.

The PMP Joint Venture partners are Disability Services Australia (DSA) and the McMillan Shakespeare Group (MMS).

DSA commenced in 1957 through a group of parents to create employment opportunities for their sons and daughters with a disability. Today DSA are a large not-for-profit (NFP) organisation employing more than 1,200 people in key regions of New South Wales and the ACT including the Hunter, the Illawarra, Metropolitan Sydney, the Southern Highlands and Southern Ranges.

DSA is a strong advocate for the rights of people with disability to live a life of choice, inclusion and achievement. DSA aims to empower people to make their own decisions and to support people to develop the skills and capabilities they need to participate in society and contribute to the economy. DSA are a registered NDIS provider.

The MMS Group is an industry leader in funds and payment administration, managing amongst other services the salary packaging requirements of more than 300,000 employees across the NFP and NFP public health sectors in Australia. The Company processes more than 11.5M payments per annum and in excess of \$3.8B per annum.

The MMS Group is listed on the Australian Securities Exchange, employing more than 1,200 people across Australia, New Zealand and the United Kingdom.

DSA and MMS have partnered in order to bring together their combined expertise in disability service provision, sector/client knowledge and funds and payment administration.

PMP has commenced service provision initially based in Blacktown, Sydney.

PMP would welcome and encourage further dialogue with the Productivity Commission concerning the matters raised and socialised in this submission.

Scheme Participants Funds and Support Management Options

Scheme participants have three options when it comes to managing their funds and supports, namely:

1. Self-management

Self-management means that participants are fully responsible for requesting and paying the invoices related to the supports they receive through their NDIS plan/budget.

Self-managing provides the opportunity for participants to purchase supports from suppliers that have not registered with the NDIA. This can include any type of support, provided they have been incorporated in their NDIS Plan.

In addition, self-management also means the participants are responsible for:

- Setting up service agreements with service providers
- Paying invoices in accordance with service provider terms
- Keeping track of all their expenditures and NDIS claims, and total expenditure against their support plan
- Regular reporting of their expenditure on services

2. NDIA Managed

Scheme participants can choose to have the NDIA pay all service providers and assist in the ongoing management of their plan.

Under this arrangement, participants can only choose providers who are registered with the NDIA, with participants required to set up service agreements with providers and to negotiate how, when and where each service is delivered.

3. Plan Management

Scheme participants are able to engage a specialist intermediary/plan management organisation, such as PMP, to support them in managing their NDIS budgets and the procurement and coordination of support arrangements with providers.

Intermediary organisations such as PMP play a vital role in negotiating support costs with providers, making arrangements for support delivery and providing information and ongoing support to providers regarding the specific needs of their clients.

Furthermore support coordinators/intermediaries aim to guide clients through the complexity of the scheme, to better educate them and to help administer where needed, payment arrangements. These services specifically aim to:

- Provide necessary support and guidance – helping scheme participants to navigate the complexity of the new NDIS landscape
- Derive better value for participants – through developing detailed service provider knowledge and value, and creating more competitive environs for the supply of services by providers
- Reduce the complexity – removing the administrative burden, including payment administration and tracking, for participants and enabling them to better focus on their quality of life and supports required
- Put scheme participants in control – enabling them to make their own decisions and regain a sense of empowerment
- Increase choice and information – providing a wider selection of service providers for participants to choose from and assisting to better connect them to service providers based on their individual support plan

Plan managers charge a fee for the provision of their support services to scheme participants in accordance with the NDIS Price Guide. This form of funded support is defined under the category of 'Capacity Building' for scheme participants.

In our view both support coordination and plan management service provision should ideally be separate from organisations who are also providing direct service provision, as they are guidance and support roles designed to assist in the identification and selection of *service providers*. That is, support coordination and plan management should be separate from service providers in order to avoid potential conflicts of interest. For service providers to legitimately provide the support coordination and plan management services, both informed consumer choice and a clear separation of service provision and support coordination services including plan management within the organisation would need to be demonstrated.

Understanding the Intended Role of Intermediaries

In understanding the relevance of intermediaries (or DSOs as originally intended) to the ultimate success and sustainability of the scheme, it is important to re-visit the first principles of the scheme and moreover the role of the NDIA.

The original Productivity Commission Inquiry Report – *Disability Care and Support 2011, Overview and Recommendations*, identifies DSOs as essential to the design of the NDIS. It identified that the role of the DSO was to:

- Provide personal planning services and individual guidance
- Link people to the community
- Assemble “packages” of supports from specialist and mainstream providers
- Undertake administrative tasks for people using self-directed funding
- Provide data to the NDIA
- Innovate in coordinating services

We also note the following commentary and pictorial explanation from the Productivity Commission 2011 Inquiry Report concerning the role/function and secondly the structure of the NDIA:

“The National Disability Insurance Agency would not deliver mainstream services or provide specialised services, since it would be unlikely to be proficient at this and it would be inconsistent with a consumer choice model.

“A new form of organisation, ‘disability support organisations’, would offer people brokering services, the skills and confidence to practically exercise choice, management services (such as dealing with the administrative aspects of self-directed funding, were a person to go down that route), personal planning, and orientation supports for people who are suddenly faced with the unfamiliar world of severe disability.

“They would also develop linkages with mainstream local community groups (such as Scouts or Rotary) so that these were receptive to the inclusion of people with disabilities generally — in effect, a community capacity building role. Disability support organisations and local area coordinators would then be able to match specific people to such community groups, depending on the preferences and personal plans of the person”.

The structure of the NDIS

Functions controlled by the NDIA

Governing board

- Appoints CEO
- Sets corporate plan
- Oversees the performance of the NDIA
- Ensures financial sustainability and good governance
- Seeks advice from Independent Advisory Council as to how well the NDIA meets the needs of its stakeholders
- Reports to Minister and the community

National Disability Insurance Agency

- Assesses needs and determines individual plans and budgets
- Authorises funding of services and supports
- NDIA local area coordinators oversee system at local level
- Web and information services for people with disability, carers and Australians generally
- Assist people in contacting other government service providers
- Help build capacity among participants and providers to work within the scheme
- Help build local community capacity for inclusiveness, including encouraging not-for-profits to take on this role, and through small grants to local community groups
- Determines efficient prices for supports provided
- Central purchasing of some goods & services
- Manage costs and future liabilities
- Collect and analyse data about services used, outcomes, efficacy of interventions and provider performance
- Research function
- Provides advice to and monitors fund holder
- Innovation fund
- Interacts with and reports to the board
- Create a stakeholder group that advises the NDIA on ways of controlling compliance burdens on services providers and people with disabilities, and to ensure plain english forms

Internal but independent review process overseen by Inspector-General to:

- Manage complaints about suppliers
- Review NDIA decisions where a person appeals
- Provide mediation services
- Oversee quality assurance of service providers

Functions controlled outside the NDIA

Functions focused on people with disabilities	Government disability & mainstream services outside the NDIS	<ul style="list-style-type: none"> • Provides other government-funded services to people with disability • Provides income support • Agreements with NDIA about respective responsibilities • Referral of clients to the NDIA • Provides data to NDIA
	DSOs (intermediaries)	<ul style="list-style-type: none"> • Provide personal planning services & individual guidance • Links people to the community • Assembles 'packages' of supports from specialist and mainstream providers • Undertakes administrative tasks for people using self-directed funding • Provides data to NDIA • Innovation in coordinating services
	Disability service providers	<ul style="list-style-type: none"> • Supplies & promotes services to people • Coordination of complementary provider's services • Internal complaint mechanisms • Provide data to NDIA • Innovation in service delivery
	Private mainstream providers	<ul style="list-style-type: none"> • Supplies services to people
	The wider community (not-for-profit organisations, local councils, businesses)	<ul style="list-style-type: none"> • Community awareness of disability issues • Economic and social inclusion of people with disability • A compact with the NDIA to improve outcomes
NDIA-focused functions	Governments	<ul style="list-style-type: none"> • Form policies • Appoint Board • Monitor sustainability • Guarantees collection of funds (Australian Government)
	Courts	<ul style="list-style-type: none"> • Hears appeals on matters of law
	Treasury	<ul style="list-style-type: none"> • Assesses scheme performance • Reports to governments about problems with performance
	Fund manager	<ul style="list-style-type: none"> • Manages funds on behalf of the NDIA • Provides advice to NDIA • Responds within constraints to advice from the NDIA
	Auditing	<ul style="list-style-type: none"> • Provides professionally independent audits and accounting reports on the NDIA to the government and public

We note that the DSO concept was not included in the rollout of the NDIS in its original form as intended and as pictured above, but rather in its place are Local Area Co-ordinators (LACs), plan managers such as PMP, and the Information, Linkages and Capacity Building (ILC) framework.

As we will socialise in this submission, it is the experience of PMP to date that the non-inclusion of the 'DSO' concept in the original rollout is problematic, as we witness first hand that plan management services have a vital role to play in the support, navigation and guidance of scheme participants.

In our view, the current approach is more fragmented than the original intent of the DSO model, leading to a lack of clarity and understanding around the concept of plan management, and as such creating an unnecessary and unintended overreliance (and therefore inefficiency) on the NDIA with regard to assisting individuals with the management of their plans.

To illustrate we note from the NDIA Quarterly Report to COAG Disability Reform Council 30 June 2016, of 53,423 plans approved as of that date some 58% were mostly solely agency managed, whilst there were another 35% of plans using a combination of agency management and self-management (note these percentages refer to financial management only).

This would appear to be in conflict with the stated first principles of the Agency function as documented by the Productivity Commission in 2011, and accordingly a defined area of opportunity to enhance the longer-term sustainability of scheme costs and functionality of the Agency/scheme.

PMP Response to Specific Issues Paper Questions

Future estimates – some pressures emerging (p. 10)

Question: *Why are utilisation rates for plans so low? Are the supports not available for participants to purchase (or are there local or systemic gaps in markets)?*

PMP Response:

Utilisation rates are low in our view due to the lack of support for scheme participants once they have received their plans. In our experience to date, **a significant number of scheme participants (including their guardians or carers) upon receipt of their NDIS plans do not have sufficient understanding or knowledge of what to do next.**

With intellectual disability and autism being the primary diagnosis for a majority of scheme participants, where participants often do not have the benefit of an engaged and well informed carer, they themselves and their carer's are struggling to understand their role as a "consumer", engage service providers, and negotiate and understand the various transactional requirements.

This inherent knowledge gap is not unexpected given the increase in choice and control for the client under the NDIS, and the increase in capacity and capability that this brings with it. However, **how participants are assisted through the process directly after receipt of their NDIS plan is what is critical.** These knowledge/understanding gaps and the resultant underutilisation rates for plans is driven in our view by several factors, namely:

- As noted earlier, the original Productivity Commissions Inquiry Report into disability care and support in 2011 identified the role of DSOs as essential to the design and operation of the NDIS.

However, the DSO concept was not included in the rollout of the NDIS in its original form as intended, but rather in its place are LACs, Plan Managers and the ILC framework. In addition, a significant amount of support coordination funding is being included in individual plans to support participants to select and engage with service providers, and on a number of occasions, support co-ordination is being delivered by service providers who are not necessarily *independent* of service provision.

It is important to note that coordination of supports is a specialist skill, which helps NDIS participants navigate a complex service delivery environment by understanding their unique needs. As stated earlier, it is important that for service providers to legitimately provide the support coordination and plan management services, both informed consumer choice and a clear separation of service provision and support coordination services including plan management within the organisation would need to be demonstrated.

There is a concern that LAC's, who have had to skill up very quickly in the policies of the NDIS, have at times limited knowledge of complex conditions, which is potentially inadequate from the perspective of need assessment and when it comes to the quality of plans being produced for participants.

In our view the current approach is materially more fragmented or less structured than the original intent of the DSO model, leading to a lack of clarity and understanding, ultimately adding cost to the Scheme, and reducing overall effectiveness from that which may be otherwise achievable.

- This fragmentation has in turn created a twofold effect. Firstly the demand on the NDIA's resources and expertise is potentially impinging on its ability to produce the quality and number of plans necessary to meet the full scheme rollout timetable, including the efficiencies envisaged.

Secondly, the level of current reliance on the NDIA (and LACs) for assistance in plan design, plan implementation, plan review and plan management stages is in our view consuming further resources, energy and focus of the agency greater than intended or desirable, and meaning that there is at times a lack of appropriate guidance and navigation for participants post plan finalisation.

Our understanding is that such involvement by the NDIA in particular was **not meant to be a primary function of the Agency in the overall interest of the scheme and would appear to be in conflict with the stated first principles of the Agency function as documented by the Productivity Commission in 2011.**

We query how well placed the NDIA are to provide such services, whether this resides within their core competencies and whether it consumes resources which would be better focussed on the totality of the oversight of the scheme and production of the highest quality support plans. We contend that this overreliance on the NDIA for the provision of such services will ultimately:

- Drive up overall scheme costs, whilst resulting in continued underutilisation of plan supports and therefore potential under achievement in terms of quality of life for scheme participants
 - Impinge the ability of the scheme to achieve full rollout by the intended dates
 - Potentially prevent new market entrants from introducing the level of service, innovation and efficiency that would be otherwise achievable or desirable
- The resourcing, knowledge and support of LAC's is also contributing in our view to the identified gaps and apparent underutilisation. The concept of the LAC roles makes sense where they are sufficiently funded and resourced to deliver the required number of plans per day. And secondly, and most importantly, where they possess the requisite skills and knowledge of their local communities to provide quality linkages and navigation support, and have sufficient knowledge of other mainstream support services sectors to ensure participants are accessing appropriate supports.

Our experience to date is that there is a high level of turnover within respective LAC organisations in the Western Sydney region, sometimes resulting in inexperienced and undertrained LACs relative to where the ideal benchmark would likely sit.

We believe that the level of training and support being provided to LACs is less than what is ideal in order to ensure these LACs are at speed with the level of knowledge required to navigate a complex and changing sector and to deal with people with complex behaviours.

Accordingly, due to the speed and scale of the NDIS implementation, LACs can at times lack the required knowledge and training on NDIS policies to provide the appropriate navigation and support services for someone with an acquired disability or existing disability with complex health needs, and 'light touch' support -connection may therefore be insufficient in certain cases.

In summary we contend that the concept of the DSO be revisited, including the role of the NDIA in the management of plans and the LAC support infrastructure, as the more fragmented approach to the current delivery of functions outlined above is ultimately adding cost to the NDIS, and reducing overall scheme effectiveness, in our opinion.

Clearly, in our view (and based upon 'on the ground' experience in working with participant and their carers) and as intended in the original scheme architecture, the role of intermediaries in the disability market is vital in bridging these inherent information gaps and facilitating the information flow between service providers and scheme participants, enabling them to make informed and confident decisions about the supports they require and ongoing administration of their plans.

Question: *Do participants not require all the support in their plans?*

PMP Response:

In our view, there are two primary aspects to this:

1. The quality of NDIS plans being produced is somewhat variable with some participants (prima facie) receiving less supports than what they would appear to need, whilst other participants are receiving supports potentially well in excess of their specific requirements. Our experience to date is that in some cases these gaps are not insignificant.
2. Scheme participants can often demonstrate a lack of clear understanding as to how to access supports and require greater assistance than currently provided in terms of linking them to service providers and support workers.

The combined effect of this is that individuals may not be able to achieve or reach their life goals whilst the NDIS may also place at risk the ability to achieve a sustainable cost base and realise its forecast economic contribution to the Gross Domestic Product.

In particular we attest that greater cultivation of the intermediary channel to better facilitate the flow of information and dialogue between service providers and participants will help to minimise these issues, maximising plan utilisation and ultimately increasing quality of life for scheme participants.

Question: *Are they having difficulty implementing their plans? Are there other reasons for the low utilisation rates? (p12)*

PMP Response:

The short answer is yes, with a number of scheme participants having difficulty in knowing how to implement their plans. PMP's ability to respond in an informed manner to this question is based on the experience and response of virtually each scheme participant who we have had the privilege of assisting, and is based upon our dialogue more generally across the disability services sector.

Participants in general are experiencing a lack of clear guidance and navigation in knowing how to start receiving **supports and exercising "choice and control"**. **The participants who we see are less prepared and informed as to how they should go about implementing their plan and NDIS budget compared with what we believe is desirable.** Again, this isn't an unexpected response from participants given the fundamental shift under the NDIS in terms of the procurement and management of disability services and supports.

Why is this the case however? Primarily there continues to be, in our view, a more fragmented approach than the original intent of the DSO model, resulting in a less than desired level of clarity and understanding around the concept of plan management/intermediaries, which in turn has caused a overreliance on the NDIA and LACs with regard to assisting individuals with the management of their plans.

We believe the resultant overreliance on the NDIA has a twofold impact.

Firstly the demand on the NDIA's resources and expertise is potentially impinging on its ability to produce the quality and number of plans necessary to meet the full scheme rollout timetable and with the efficiencies envisaged. As we understand, a material number of plans are having to be re-visited by the Agency post their completion, again creating unnecessary and unwanted cost burden. Obviously it is expected that there will be a certain level of plan re-visitation especially in the early days of the scheme.

Furthermore **the NDIA is not unreasonably, and as would be expected, focussed more on the production of plans to meet participant's needs and overall scheme participation and scheme target dates, rather than the implementation of such plans.**

However, the current level of reliance on the NDIA and LACs for assistance post plan finalisation is in our view consuming further resources, energy and focus of the agency greater than intended or desirable. This means that the level appropriate guidance and navigation for participants post plan finalisation is not to the level which we believe is necessary – we note that such assistance was not meant to be a primary function of the Agency in the overall original intent of the scheme.

We reiterate that greater awareness of the intermediary function, a lessening of the current level of involvement by the NDIA in this regard and cultivation of the intermediary channel to facilitate a greater flow of information between service providers and NDIS participants will assist to materially aid in the efficient and effective implementation of plans, ultimately benefiting participants and overall scheme costs.

Question: *What factors are contributing to increasing package costs? (p12)*

PMP Response:

In our view, the shortfalls witnessed on occasion in LAC knowledge and training, together with higher level of staff turnover than desired, is potentially resulting in more expensive and inconsistent levels of supports being included in plans, which may not be appropriate or necessary. Funding relating to general supports appears to be included in place of capacity building supports, which could potentially result in lower package costs now and in subsequent years.

Therefore, whether there is appropriate matching of need with support is at times questionable resulting in higher costs driven by supports that appear to be inconsistent between participants and not directed most efficiently. Greater emphasis should be placed on ensuring the supports allocated is consistent and directed towards activities that build capacity of the individual to reduce cost over time.

Planning Process

Question: *Is the planning process valid, cost effective, reliable, clear and accessible? If not, how could it be improved? (p. 18)*

PMP Response:

A key issue here for consideration in our view is that the volume of plans to be completed in order for the scheme to achieve its milestone rollout targets is ultimately generating more work for LACs and plan reviewers due to the variability in quality of resultant plans.

It would appear that the main driver for the rollout of the scheme being primarily the number of people that are signed up within a given timeframe is potentially an issue which has flow-on effects to other areas of the NDIS. Currently the main indicator of success for the scheme, including consumer satisfaction, would appear to be the number of people who receive plans.

Whilst we fully appreciate the need for the scheme rollout to proceed at pace, this in our view is a somewhat narrow indicator of performance as it shows little about the numbers of people asking for a review, the quality of the plans or any measure of consumer satisfaction with their plan.

It is not uncommon for items to be missing or not accurate within plans and in particular we understand that on many occasions **there may not be sufficient conversation between consumers and LACs about the manner in which they can best manage and implement their plan.**

This ultimately could result in a number of consequences, including:

- that consumers are inadequately prepared or skilled to manage their own plan where they are self-managing (with some/many being unaware that options to use the services of intermediaries to assist with the implementation and management of their plan is available) and are underprepared to handle the claims that are reasonable and necessary as part of their plan or they simply don't start accessing their supports due to a lack of understanding/clarity
- that participants, after receiving their plan become aware of the existence and role of plan management services and decide that they would like to manage their plan via an intermediary. They are then required to instigate a full review process to include such services in their plan – which is ultimately a costly and time-consuming process (for both the participant and ultimately the scheme) that could be avoided if the full suite of options in terms of managing funds and support coordination services were appropriately communicated with participants during the initial planning (pre plan finalisation) phase.

Creating a Support Package

Question: *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? (p. 21)*

PMP Response:

As already outlined in this submission, the variation being witnessed in the quality of plans being produced by some LACs indicates in our view that there is insufficient guidance for them in developing and producing plans. Some plans contain what we would consider to be insufficient information or detail around each of the supports.

Whilst we appreciate that an absence of detail provides a level of flexibility for participants, it is our experience that the lack of written guidance can leave participants somewhat lost if they also do not have adequate guidance from others, such as intermediaries/providers, around how to best and appropriately utilise their NDIS supports funding.

If a planner adequately understands the depths of a person's disability and what is needed to support the individual, the package developed will suit them over a longer term. This reduces the need for a plan to be amended in the future, thereby reducing administrative burden on the NDIA and building confidence in the process for the consumer.

Will providers be ready?

Question: *What are the barriers to entry for new providers, how significant are they, and what can be done about them? (p. 26)*

PMP Response:

The registration process for new providers is what we would regard as time consuming and arduous with respect to the definition of eligibility at a state jurisdictional level and often confusing and poorly documented.

The current state based approach in our view is problematic as it is inconsistent in terms of application and requirements between the states. It is important in our view that the National framework (which is being introduced) addresses the current state variability.

Question: *What are the best mechanisms for supplying thin markets, particularly rural/ remote areas and scheme participants with costly, complex, specialised or high intensity needs? Will providers also be able to deliver supports that meet the culturally and linguistically diverse needs of scheme participants, and Aboriginal and Torres Strait Islander Australians? (p. 26)*

PMP Response:

In our view providers will be able to deliver supports that meet the culturally and linguistically diverse needs of scheme participants, and Aboriginal and Torres Strait Islander Australians.

However for this to be a reality, there will need to be enhanced availability of information which is culturally and linguistically diverse about the co-ordination of supports available, and greater interface between mainstream services and those funded by the NDIS.

The importance of LAC's/intermediaries facilitating this information flow will be a vital determinant of success in meeting the needs of those where English is a second or third language and/or where participants are of Aboriginal and Torres Strait Islander origination.

We also believe that plan management providers play a role in cultural and linguistically diverse communities by allowing scheme participants to access unregistered service providers who maybe a) better suited to provide services due to their sharing a language or b) are located in remote communities where registered service providers are scarce or non-existent.

Will participants be ready?

Question: *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? (p 27)*

PMP Response:

This submission has already shared dialogue on this matter in some length. We are of the view that participants are currently not sufficiently equipped or prepared in general, and there are a range of factors which are driving that outcome.

Participants are having difficulty in understanding how to implement their plans. They are experiencing a level of guidance and navigation in knowing how to start receiving supports and exercising 'choice and control' which is below that which we believe is both adequate and necessary. The scheme participants who we see are generally less prepared and formed as to how they should go about implementing their plan and NDIS budget than what we would regard as desirable or necessary.

Why is this the case? As stated earlier primarily there continues to be, in our view, a more fragmented approach than the original intent of the DSO model, resulting in a lack of clarity and understanding around the concept of plan management/intermediaries, which in turn has caused overreliance on the NDIA with regard to assisting individuals with the management of their plans.

The coordination of supports is a specialist skill, which helps NDIS clients navigate a complex service delivery environment by understanding their unique needs and helping to guide them through the process. In our view neither the NDIA nor LACs generally have these skills at the level necessary and without participants being made aware of the availability of support co-ordination services, they are experiencing a higher state of unpreparedness and ability to navigate through the complexities of implementing their plans and NDIS budget than otherwise desired.

Governance and administration of the NDIS

Question: *How appropriate, effective and efficient are the market stewardship initiatives? (p 29)*

PMP Response:

We firmly believe it is appropriate and in fact necessary that the NDIA play a strict stewardship role whilst simultaneously letting the market evolve to play a critical role in in the intermediary space, support coordination and payments administration where the private sector is more likely to be a introducer of enhanced innovation, with greater focus on the achievement of efficiencies across the scheme and the evolution of customer friendly practices across the disability sector.

Towards a financially sustainable future

Question: *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? (p 32)*

PMP Response:

The risks to the scheme's financial sustainability as experienced from the perspective of PMP have already been outlined in this submission. These risks include:

- the more fragmented approach than the original intent of the DSO model is resulting in a lack of clarity and understanding around the concept of plan management/intermediaries, which in turn has caused overreliance on the NDIA and LACs with regard to assisting individuals with the management of their plans. This overreliance in our view is contributing to inefficiencies for the Agency and scheme participants, ultimately adding unnecessarily to overall scheme costs and reducing the scope for innovation
- the current level of funding provided in plans maybe above the actual level of financial support necessary
- that participant's plans typically lacking focus on capacity building for individuals which would enable cost savings for the scheme over time
- the non-alignment at times of plans to the individual needs of the participants – ie there is a need to achieve greater accuracy with plans which is better attuned to specific requirements of individuals.