



Submission to the Productivity Commission on NDIS Costs

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1. About The Benevolent Society

The Benevolent Society is Australia's first charity. We're a not-for-profit and non-religious organisation and we've helped individuals, families and communities achieve positive change since 1813. We help families, older people and people with a disability live their best life, and we speak out for a just society.

The Benevolent Society currently provides services to clients under the National Disability Insurance Scheme (NDIS), including support coordination, capacity building and therapeutic supports, plus personal care, meal delivery and social support. We also have a range of programs across mental health and disability which are transitioning into the NDIS. From August 2017, we will integrate approximately 700 highly skilled clinical and allied health staff who work across New South Wales (NSW) providing services to people with disability in group homes and in the community.

The Benevolent Society strongly supports the NDIS, and is pleased to see that the Federal Government has introduced measures to ensure it is fully funded. We do believe that the pace of the roll out so far has impacted the consistency and quality of plans and has added to difficulties for both clients and service providers. However, we would caution that if slow-down of the roll-out is being considered, that governments at all levels should ensure that existing programs and supports remain in place. We are concerned that people are already waiting for the NDIS to provide the full suite of support that they require, and any further delay in their access to the NDIS could be detrimental – we don't want people to be kept waiting any longer than necessary.

Snapshot

- The Benevolent Society is a secular non-profit organisation with 943 staff and 573 volunteers who, in 2015/16, reached 46,956 people through our services, community programs and events.
- We deliver services from 63 locations with support from local, state and federal governments, businesses, community partners, trusts and foundations.
- We support people across the lifespan, delivering services for children and families, older people, women and people with a disability, and through community development and social leadership programs.
- Our revenue in 2015/16 was \$111.7 million.

2. Response to the draft recommendations, findings and information requests

2.1 Support for people with psychosocial disabilities under the NDIS (Finding 4; Recommendation 4.2; Recommendation 5.2; 8.1)

The Benevolent Society is concerned that people with psychosocial disabilities are at risk of poor outcomes under the NDIS. Our concerns include:

- that eligibility under the NDIS for people with psychosocial disabilities needs to be clarified;
- that the process for transition to the NDIS for people with psychosocial disabilities is slow;
- that service providers' funding has been cut for programs such as Personal Helpers and Mentors (PHaMS) on the assumption that clients would transition to the NDIS but that transition is either not happening or is happening very slowly. This means that people still require access to our services under PHaMS, but we do not have sufficient funding to meet existing and increasing demand;
- low level of knowledge of doctors and health professionals about how to support people with psychosocial disabilities to access the NDIS;

- that programs continue outside of the NDIS to support people with psychosocial disabilities who do not qualify for the NDIS.

The Benevolent Society is also concerned that where mental health diagnoses have been accepted as part of a dual diagnoses alongside recognition of a permanent physical disability, often mental health needs are not adequately reflected or addressed in their NDIS plan.

The Benevolent Society agrees with the Productivity Commission's recommendation that the NDIA should ensure that planners have a general understanding about different types of disability, and should have specialist knowledge relating to psychosocial disabilities. The Benevolent Society believes that to provide effective support to people with psychosocial disabilities under the NDIS requires all of the people involved in assessment and planning to have a good understanding of the long-term impacts that enduring mental health problems can have on an individual's functioning. In our experience, this has not been the case so far.

We have also seen that many people that do get an NDIS plan, especially those with psychosocial disabilities, just don't know what to do next. This explains, to some extent, the lower than expected utilisation rates. Funding for support coordination and intensive case management support is particularly important for people with psychosocial disabilities, however we have seen great inconsistency in how this has been included in some clients' plans.

Case study 1: Inconsistent and inadequate support coordination

The Benevolent Society has one client Jane*¹ whose plan includes \$7,000 for support coordination and only \$4,000 for services to assist 'improved daily living' which is where she needs the most support. In comparison, another client Barry, who requires a wheelchair for mobility and has severe mental health issues, will need significant support to coordinate his service needs and implement his plan. Barry's plan includes \$90,000 for services but only \$1,000 for support coordination.

We also have a client family with two plans that were issued in May 2016 but they did not access a service until December 2016 due to the complexity of navigating the system and accessing supports, including psychosocial supports for a child in the family.

The Benevolent Society was pleased to see that the Federal Government committed an additional \$80 million over four years in the 2017-18 budget for community mental health services to assist people with severe mental illness resulting in psychosocial disability who are not eligible for assistance through the NDIS. However, we are concerned this funding won't be enough to meet the ongoing needs in the community.

The Benevolent Society encourages the Federal Government to clarify the extension of the NDIS to psychosocial disabilities. We would also like to see governments at all levels to publicly clarify their approach to providing continuity of support for people with psychosocial disabilities and the services they intend to provide to people beyond the NDIS, in line with the Productivity Commission's draft recommendation 5.2.

2.2 Planning processes (Recommendation 4.1; 4.2)

The Benevolent Society supports the Productivity Commission's recommendation that the NDIA should:

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- implement a process for allowing minor amendments or adjustments to plans without triggering a full plan review;
- Review its existing protocols relating to how phone planning is used; and
- Provide clear, comprehensive and up-to-date information about how the planning process operates, what to expect during the planning process, participant's rights and options.

We have seen that phone planning doesn't always work well. We believe that phone planning is not appropriate for some cohorts of participants in the scheme, particularly those with psychosocial disabilities, as we have seen that it doesn't deliver appropriate or adequate supports. We would also recommend that clearer language is used to differentiate between pre-planning and planning discussions to ensure that the confusion between preliminary and actual planning discussions, as documented in the Productivity Commission's report, is minimised. We would also encourage the NDIA to address the issue of inconsistency in plans, highlighted by Case Study 1 above.

2.3 Thin markets (Draft Finding 6.1 and Info request 6.1)

The Benevolent Society notes the Productivity Commission's findings on the 'thin market' for people living in outer regional, remote and very remote areas and for people with complex, specialised or high intensity needs.

Earlier this year, The Benevolent Society contributed to the NDIA's 2017 Price Review. In our submission we argued that the NDIA's current prices for attendant care under the NDIS were insufficient to cover the reasonable costs for providing that service. Organisations such as The Benevolent Society are struggling to provide services within the existing price controls and view the current prices as a deterrent to other providers entering the market. If additional providers do not enter the market, it is difficult to see how the aim of the NDIS 'to create an efficient and sustainable marketplace through a diverse and competitive range of suppliers' can be achieved as envisaged.

We are already seeing a lack of service providers in rural and remote areas, which is impacting the services available to clients, and the ability of organisations to provide services to these clients cost-effectively.

We are pleased that some of our concerns were addressed in the NDIA's response to the Price Review with some service prices and the price loading for remote and very remote areas being increased. However, the NDIA still needs to take further steps to make it even easier for organisations to develop sustainable business models. For example, the NDIA needs to address travel costs for service providers working in remote and regional services to ensure that providing services in these areas is economically viable. Currently, The Benevolent Society absorbs some of the costs associated with travel to our clients in remote regions. Whilst this undermines the economic viability of providing the service, as a large not-for-profit organisation we are able to bear the costs for the good of our clients. However, the inadequacy of travel costs may be a deterrent for other smaller organisations joining the market to service regional and remote clients.

The other potential deterrent for new providers is the difficult registration process. Each state has a different process for registration, which can be confusing, and often the information provided by the NDIA differs from that given by the states. Making sense of, and complying with the system for each state is resource intensive and can be difficult for providers who have not previously operated in a particular state to expand their organisational footprint. These difficulties do not help to address the issue of thin markets.

Case Study 2:

The Benevolent Society provides services to a child with complex needs within a family whose needs are also very complex. The family have been unable to find a service provider in their area who can provide the support they need, so The Benevolent Society makes a 230 km round trip to support the family. Under current criteria, the annual travel claim cap would be exhausted in 3 visits but there are no other organisations nearby that can meet the family's needs or which the family wishes to work with. As the travel costs cap is exhausted after three visits, The Benevolent Society must bear the travel costs for additional visits.

2.4 Other observations on the Position Paper

In response to some of the other issues raised in the Productivity Commission's Position Paper:

- (a) we support maintaining List A (request for information 3.2)
- (b) we agree that the disability workforce is unlikely to be sufficient to meet future demand (Draft Finding 7.1)

It is well documented that there will be workforce pressures across the sector to support the full roll-out of the NDIS. Like many other organisations, The Benevolent Society is always looking for ways to attract and retain staff to the sector. However, the wider issues affecting the disability sector workforce (such as demographic issues, government policies affecting education and training) mean that a robust system level strategy is needed from the Federal Government to address workforce issues in both the ageing and disability sectors.

We note that the Federal Government included \$33 million over 3 years in the 2017-18 Federal Budget to help deliver jobs for people in the disability and aged care sectors, targetting rural and regional and suburban areas that require strong workforce growth as a result of the NDIS roll out. We would like to see the government take a more comprehensive, long-term approach to these issues.

- (c) We do not support allowing private intermediaries to play a greater role by providing supports and managing a participant's plan (request for information 8.2).

We are concerned this would be a conflict of interest and may not be in the best interests of NDIS clients.

- (d) We agree that the NDIA should publicly report on the number of unexpected plan reviews and reviews of timeframes and outcomes (Draft Recommendation 9.3).

2.5 Further comments on the implementation of the NDIS

In its paper on NDIS Costs, the Productivity Commission has covered a lot of ground in its observations and recommendations in relation to the NDIS, which go further than just the costs of the scheme. As noted above, The Benevolent Society is committed to the NDIS and wants to ensure the scheme works as effectively as possible to meet the needs of people with disability across Australia.

There is one further area which we think requires attention when considering the roll-out of the NDIS so far: communication. This includes communication between the NDIA and clients, and between the NDIA and the Federal Government with service providers.

We have found that communication between the NDIA and NDIS clients has been inconsistent. In many cases, clients have been advised by NDIA staff that they are not eligible for a plan, but they have not received written evidence of the decision. Clients are also not supplied with information on

the appeal process if their application has not been successful. In some cases, clients have complained that LACS are not available to answer questions after plans have been completed, even though they are required to provide 10 hours of support coordination to the client. Clients are not given phone numbers to contact LACs or Planners but instead have to rely on the LAC or Planners to contact them. For many people with disability, particularly for people with psychosocial disabilities- this lack of information can be quite unsettling.

Case study 3:

The Benevolent Society has a client who completed an NDIA Access Request Form, with supporting letters from a psychiatrist, psychologist, GP, PHaMS worker and PIR Support Facilitator and submitted it by email on 8 December 2016. Four phone calls were made on behalf of the client between December 2016 and February 2017 requesting written confirmation of the outcome of the application. On 20 February 2017 the client was advised by email that the actual letter outlining the decision could not be uploaded, and a summary of the letter was sent to the client which noted the reasons why the consumer did not meet the criteria. Our client still has not received the formal letter advising of the rejection of her application and has not been provided information on any avenues to appeal the decision. The Benevolent Society is concerned for the client as community mental health support stabilises her mental health issues and reduces the number of episodes she has. The client is socially isolated and lives alone. Without ongoing support, we fear she may no longer leave her house and her condition may deteriorate.

The Benevolent Society has also struggled to get clear and consistent information from the NDIA or other departments of the government. The Benevolent Society has attended numerous information sessions about the NDIS, but has found that sessions with NDIA rarely include representatives from DSS or the Department of Health and NDIA staff have been unwilling or unable to answer our questions. We have also found that the information and advice we receive differs between regions, so as an organisation which delivers services across the state of NSW, this can be difficult to interpret and act upon. We have also found that the advice we receive on the provider helpline differs each time we call.

The final area of communication which requires comment is the NDIS portal. The NDIS portal is badly designed and difficult to use for both clients and service providers. Any study of the NDIS roll-out so far should look at the usability of the main communication platform to support the scheme, which in its current state undermines the scheme's accessibility and effectiveness.

3. Conclusion

The Benevolent Society strongly supports the NDIS. We are looking forward to being increasingly engaged in this space as we start to deliver clinical support to people with a disability across New South Wales from the beginning of August 2017. We welcome the opportunity to contribute to this process which reflects on and seeks to improve the implementation of the NDIS given it is an historical and immensely important national initiative. The Benevolent Society is committed to helping people with disability to live their best lives, and we see that the NDIS is an important vehicle by which to do this.