

Submission to the National Disability Insurance Scheme Costs Study

Introduction

Belconnen Community Service Inc. (BCS) welcomes the opportunity to make this submission to the Productivity Commission on the National Disability Insurance Scheme (NDIS) Costs Issues paper. This submission outlines certain issues that Belconnen Community Service has experienced in relation to pricing, funding pressures, efficiency and workforce capacity under the NDIS arrangements. It also includes short case studies that illustrate how the Scheme is functioning, and particular shortcomings.

Background and context

Belconnen Community Service (BCS) is a community-based not-for-profit organisation in the ACT. Its purpose is to offer flexible services that encourage and support people to participate in the community and enhance their wellbeing. Our services include early childhood education and care, vacation care, mental health services, disability support services, youth engagement, family support, community development, early intervention programs for children, community transport, community care and community facilities (including an arts space, a theatre, meeting spaces and indoor sports facilities). BCS employs approximately 190 paid full and part-time employees and 40 unpaid employees (volunteers). BCS has an operating budget of \$12 million and has served the community of Belconnen and the broader ACT region for over 40 years.

We consider BCS to be an agile, efficient and innovative organisation, with excellent governance arrangements and strong financial and general management practices. We support the person-centred approach of the NDIS and its intended flexibility. While disability support services are a relatively small proportion of our total suite of services, we actively anticipated the change with the introduction of the NDIS and put in an enormous effort to ensure the continuation of services and supports to people eligible under these new arrangements.

Pricing

Of particular relevance to funding for NDIS and access to services by people with a disability, is the pricing of individual support services. These services include those in the “Daily Living” domain, such as:

- Assistance with self-care activities;
- Assistance to access community, social and recreational activities;
- Transport; and
- Assistance with daily life.

Under the current prices paid for these services we experienced a shortfall of between \$4.50 and \$7.00 per hour (10.5% - 16% of the current NDIS price) in delivering these services. This has put

considerable financial stress on BCS and in order to stop further losses, the BCS Board made the difficult decision to cease providing these services.

The pricing for these services generally covers the cost of employing staff at Level 1 or Level 2 under the SCHADS award and does not allow the employment of suitably qualified persons trained in delivering personal care services such as bathing and dressing to vulnerable people (Cert 3 or higher) nor does it cover the additional costs of casual staff engaged to provide these services.

We wish to point out that in ceasing these services; we are making every effort to transition participants to other services, so that they are not left without support. However, the issue of pricing appears to be a systemic one as we have difficulty in accessing alternative providers, with at least a two month waiting time to secure even basic levels of service.

We have also ceased providing after school care and vacation care for young people with high support needs. Previously (under block funding arrangements) we supported up to 10 young people to participate in mainstream after school care programs. However individual funding provided through the NDIS is insufficient to cover the full cost of employing a carer for each individual, and the additional needs of developing individual plans, programming and meeting compliance requirements. We understand that as a result of closing this program, the former participants now only receive individual support thus losing the opportunity to socialize with peers.

Recommendation

We urge the NDIA to increase the funding price of individual supports to \$51.00 per hour to ensure all people under the scheme are fully supported with qualified staff.

Support Coordination

By restructuring our support coordination services and adopting tight scheduling and accurate billing arrangements, we have been able to cover the direct costs of support coordination and the associated reporting and record keeping requirements. However the pricing for these services does not allow for other essential activities such as orientation, induction and training.

We also point to a major inefficiency in providing these services, which is both wasteful and costly. This is the time spent in waiting to talk to the NDIA to discuss and approve support arrangements. It is not uncommon for coordinators to spend an hour or more on hold waiting to talk to a planner at the NDIA.

Case Study

All service bookings requiring amendment or cancellation need to be done by the NDIS finance team who are not reasonably available via phone (hold time). We are forced to email the team and request changes and provide documentation, it takes a great deal of time for these to be actioned and we don't always receive responses in a timely fashion, we often need to follow up with Finance@NDIS or keep trying via the portal to see if funds issues are resolved.

*Another issue is receiving copies of NDIS plans for participants who do not have up to date versions. Until recently we have provided completed and signed by the participant "NDIS **Consent-to get information about you and share your information**" forms but have been advised that their plan will no longer be emailed to us but rather posted to participants directly causing further delay. This*

was not always the case but the turn-around time was generally long. We have been advised that if we can get the participant on the phone to request the plan copy they can be emailed but the problem of waiting on hold prevents this from being a workable option for most participants and support coordinators/intake.

One more example of hurdles we face every day trying to deliver services/support is the lack of funding for translation services for participants needing this service to access their plans, exercise choice and control and allow us to implement their plans in a way that addresses their stated goals. We are forced to locate unfunded informal translation services/supports not reasonably available as in the example of a new participant who is a profoundly deaf recently arrived Burmese refugee who can't sign, read or write and who's family don't yet have the language skills to support him, we are sometimes reliant on his young children, a burden to them and only accessible after school hours.

Overhead Costs

Pricing levels *across the board/generally* are not sufficient to cover overhead costs and indirect costs necessary to deliver services in accordance with service standards, the law and NDIS requirements. These costs include:

- the induction and orientation of staff;
- compliance training for new staff;
- undertaking safety checks, etc;
- rostering;
- review and quality assurance of services being delivered;
- payroll and other employment functions; and
- administrative functions involved in claiming and invoicing for NDIS services

Including a recovery for overhead costs is normal practice both in the commercial and public sector environments as it is recognised that these are genuine costs associated with delivering a sustainable and financially viable service.

In addition to meeting these costs, there needs to be some margin in the pricing to allow for risk, fluctuations in participant demand and organisational management, consistent with normal business practice.

Workforce Capacity

Our experience is that there is a major shortfall in the workforce capability needed to deliver services under the NDIS. We have had considerable difficulty in recruiting staff with the necessary experience, qualifications and skills in providing support services to people with a disability.

For example, in a recent recruitment exercise for a support coordinator, we received 10 applications. Not one of the applicants had previous experience in this or a similar role. This is not an isolated case and suggests a general shortfall in workforce capacity.

In addition, we have observed a general casualisation of the disability services workforce. The impacts of this are: higher employment costs; increased costs for induction, orientation, training, and employment requirements such as police checks; and reduced continuity of service provision

for participants - a significant factor in the quality of care for many people in the NDIS client group. BCS has endeavoured to maintain ongoing staff (full-time and part-time) to counter these disadvantages and increased costs. Additionally there is significant employment flux and movement across the sector.

Other issues

Information, Linkages and Capacity Building Framework(ILC)

ILC does not appear to cover the apparent lack of low intensity early intervention services needed for people who are not eligible for an NDIS package.

The limited amount of funding for ILC and the competitive nature of these resources means people living with low to moderate mental health/psychosocial disabilities will struggle to access the supports required to maintain good mental health.

Case Study

Robert 58, full time carer suffering from anxiety and depression was referred to BCS Open Art program. Open Art provided a creative space with the aim to reduce social isolation and participate within the community. Robert attended Open Art twice a week for six years and during this time his mental health improved and this increased his capacity to be able to manage his role as a carer.

Unfortunately for Robert as he was not unwell enough to receive an NDIS package Robert could no longer attend Open Art as the block funding ceased in order to fund the NDIS. Robert was also in receipt of Centrelink thus making it unaffordable for him to attend.

Recommendation

The Department of Health must provide additional funding for low intensity early intervention mental health programs.

Funding

The full marketisation of disability services is likely to bring risks to both participants and funders. As these services do not have the qualities of a commodity, and have a single funder, the scope for providers to game the system, cut corners, and find ways around controls, will test the system and require close supervision. Similarly, with the eventual lifting of price controls, providers will be able to use the full range of marketing strategies to differentiate services and their organisations (offering perceived value rather than genuine value) and to engage in promotional practices that take advantage of people with minimal experience of purchasing services in a market, with funding provided by a remote funder.

Case Studies

We have provided a number of case studies which illustrate the challenges of the operation of the NDIS and some associated issues, including issues of people with genuine support needs falling through the gap in the move from block funding to NDIS, difficulties in accessing timely support services, and the day to day dealings with the NDIA.

Case studies:

1 In the January school holidays mum required more days than what was in her Plan so BCS did allow her to attend the program as mum was desperately trying to juggle this time of year. The mother and father had separated, mum worked part time, required respite and socialisation for her child and was having trouble managing the holidays and work with her child. The child did have an NDIS plan but was only approved for 19 days for the year to attend Vacation Care. As a single mum trying to juggle work and home with the limited allocation of days this was a challenge for her. The child needs one to one ratio support in holiday care so the cost to send the child is high. Not being able to send the child to holiday care impacts on mum's work and also time that she can spend with the child's sister who desperately needs a break from her brother. Mum cannot take the child to public places, to the movies etc. as he gets, distressed or grabs food off strangers or just runs away.

2. The D2DL program has had no increase in funding to accommodate the extra work that has been done to help program participants correctly fill out NDIS applications. This has included writing support letters, going to planning meetings at the NDIS and to generally check for all the necessary elements that need to be put in place for successful NDIS transition.

There has also been no additional funding to help with the extra administration that has been done to account for in-kind funding that the program has received from the NDIS. This includes collecting, checking and scanning rolls to the BCS administration team - that are responsible for accounting this process - and other admin tasks such as phone calls to tutors and clients to follow up on missing or incomplete information.

There have been clients who have been rejected from the NDIS who are now worse-off than before because they feel that their mental health has not been taken seriously and there have been other clients who have stopped attending D2DL social groups because they don't want the label of having a permanent condition. And in contrast to this there have been other participants who have been accepted into the scheme but have had to wait for an inordinate amount of time to have a planning meeting – this despite repeated emails to the NDIS to progress this problem. This has put further stress on these individuals and created extra work for D2DL staff.

The NDIS has not been able to address the needs of some clients with complex needs. For example there is one D2DL client who works as a nurse at the Canberra hospital who suffers from depression and has been taking medication for 20 years who was rejected by the NDIS. She failed to get a supporting letter from her psychiatrist because she feared that the staff where she worked would find out, particularly her neurologist, and that the number of shifts she was doing would be reduced or stopped entirely. She is currently clinically managed by Tuggeranong Mental Health. The extra help that she would have received with cleaning, transport, personal hygiene, her choice of counselling etc. would have made a positive difference to her mental health and this is not happening. The D2DL staff are compromised between continuing to run an on-going service as it was originally funded and having to do extra work to meet the needs of people, who for whatever reason, fail or succeed in getting into the NDIS.