



Consumers
Health Forum
of Australia

28 April 2011

Inquiry into Disability Care and Support
Productivity Commission
GPO BOX 1428
CANBERRA ACT 2601

Dear Sir/Madam

Productivity Commission Disability Care and Support Draft Report

The Consumers Health Forum of Australia (CHF) welcomes the opportunity to provide input into the Productivity Commission's *Disability Care and Support Draft Report* (the Draft Report).

CHF is the national peak body representing the interests of Australian healthcare consumers. CHF works to achieve safe, quality, timely healthcare for all Australians, supported by accessible health information and systems.

We are unable to provide detailed comment on the Draft Report; however, we have consulted briefly with members and attended the public hearing held in Canberra on 8 April 2011. Some brief comments are provided below.

CHF generally supports the Productivity Commission's plan to introduce a National Disability Insurance Scheme (NDIS) and a National Injury Insurance Scheme (NIIS) to enhance to quality of life and increase economic and social participation for people with a disability and their carers as part of the National Disability Strategy.

CHF members have reported that the current arrangements for consumers with a disability are underfunded, unfair, difficult to navigate, inefficient and unresponsive to their individual needs. The introduction of a system that aims to protect the most vulnerable members of our society and those who care for them by increasing funding, choice, support flexibility and ease of navigation would be welcomed. CHF broadly supports the three tiers proposed by the Commission:

- minimising the impacts of disability and increasing social participation
- ensuring appropriate support through information, referral and web services
- providing individually tailored funding.

Increased choice of services and providers for consumers and their carers is strongly supported by CHF members. The provision of choice through individualised support packages and in the way funding allocation is managed could help maximise opportunities for consumers with a disability to increase their independence and participation in society.

It could also increase empowerment and wellbeing. Provision of choice will ensure consumers have greater control of the services they need and want; there will be less waste and a decrease in inappropriate services that do not provide the support needed by an individual. Increased funding through the NDIS and NIIS to provide more appropriately for support including early intervention, training, therapy, aids and equipment, respite, transport and specialist employment supports is strongly supported.

CHF welcomes the proposal of a move from a fragmented state and territory based system to a National Scheme that will ensure consumers are covered nationally and are able to access support even when crossing state and territory borders. We also support the use of effective local support managers and organisations to assist people to connect with local services.

However, CHF calls for further detail about how the new insurance schemes would integrate with already established support systems and resources. According to the Draft Report, the scheme is intended to replace or interact with other Centrelink payments such as mobility allowances and the taxi subsidy scheme. Further information about how this would work is required. CHF also seeks clarification about how the NDIS and NIIS would interact with other charitable and community organisations that provide support to those with a disability. As this is a national program, further clarification is also required on how current state based services (for example, taxi subsidy vouchers) would integrate with the new system.

The Draft Report indicates that all people with a *significant* disability would be able to access funding and services from the NDIS. It is unclear how the '*significance*' of disability will be determined. This is of particular concern for consumers with episodic conditions who might not always meet set criteria for a significant disability. For example, consumers who experience mental illness or arthritis may experience different levels of disability at different times during their illness, and might require support but not meet criteria when they are experiencing periods of comparative wellness.

The proposed NDIS and NIIS appear to rely heavily on the assessment process. This could be positive for consumers, as it could result in individually tailored programs to suit all consumers and their families and carers. However, this would only work if the assessment process is comprehensive and consistent. We argue that it is essential that assessors are competent and well trained and would like to see further guidelines on this issue. The Draft Report also mentions that an 'assessment toolbox' will be developed. CHF seeks further information on what will be included in this 'toolbox'. Some concerns raised by consumers about the toolbox and assessment processes include:

- How will the assessment toolbox be developed?
- Who will develop it? Will consumers and carers be involved in its development?
- What recourse will consumers have if they consider that their assessment is not accurate or fair?
- Will assessors have specialised knowledge about the needs of people with a range of different disabilities?

The Draft Report acknowledges workforce issues and indicates that sourcing and training competent assessors and staff for the NDIS and NIIS will be difficult. The labour shortage issues raised in the Draft Report are of serious concern, particularly due to the ageing disability workforce and the increasing demand on skilled workers. CHF would like more detail on how the Commission recommends these difficulties should be addressed.

CHF commends the Commission for noting the high level of stress faced by informal carers and welcomes strategies aimed at relieving this stress and improving support for these workers. Family carers are seen in many cases to be beneficial to the health and wellbeing of a consumer, so CHF welcomes the proposed initiative of providing payment to family members for their caring role. However, there are still concerns about the potential for abuse of payment of family members as part of self-directed funding. CHF would support a trial of payments to family members to assess the risks, advantages, disadvantages and optimal design of such a system.

It is essential that the NDIS and the NIIS, under the proposed National Disability Insurance Agency, are implemented with effective governance. The Agency must ensure efficacy and efficiency of the scheme and maintain a consumer-centred approach to its work. More detailed information on the proposed governance model needs to be provided. CHF notes that the Commission has proposed that a commercial board of directors will play a role in governance, supported by an advisory committee (including consumers). CHF is supportive of this framework but argues that to ensure a comprehensive understanding of the issues faced by consumers with a disability and their carers strong consumer involvement at all levels of governance needs to be implemented.

When considering the NIIS, which will provide no-fault lifetime care and support for all catastrophic injuries, there needs to be greater clarification and discussion of the scope and design of the Scheme. There would clearly be benefits in this sort of scheme when compared to common-law, fault-based schemes, for example reduced inequity and delays. However, there needs to be greater clarity about what kind of injuries would be covered and how this will be assessed and determined.

Generally, no-fault compensation systems remove the common-law rights of injured individuals, this could be a contentious issue and CHF would recommend further discussion with legal experts to better understand the potential implications of a Scheme of this kind.

As discussed in the Draft Report, it is essential that there are deterrents to discourage organisations from allowing unsafe or risky situation or behaviours that may increase due to the introduction of a no-fault insurance system. We argue that the introduction of policy approaches and incentives to increase safety and reduce the likelihood of accidents will need to be considered by both Government and the private sector.

The financing of the NDIS and NIIS is important when considering the benefits of the proposed System. The Draft Report provided the highly 'uncertain' estimate that the current system is between 50 per cent and 100 per cent underfunded. The Draft Report also noted that the Commission has had only partial access to data and that there is uncertainty around this data.

As such it is unable to provide clear, definitive projections on cost of developing, implementing and managing the scheme. CHF is concerned about endorsing such a Scheme without a clearer understanding of the costs to Government and Australian taxpayers.

CHF supports the Commission's assertion that a stable funding source is required to underpin appropriate governance arrangements and ensure consistency in providing services to those accessing the NDIS or NIIS. The Draft Report argues that the Federal Government should reduce expenditure in lower priority areas of spending, or increase taxes, to finance the NDIS. CHF argues that, when determining the appropriate financing mechanisms for the Schemes, it is essential that a range of views on sustainability, economic efficiency and equity are sought. Whatever method is employed to finance the Scheme, it must be clear, transparent, consistent and meet the needs of all Australians. If funds are going to be redirected from other areas, comprehensive input needs to be sought from the range of stakeholders who will be affected by this redirection.

At this stage, CHF is unsure of the benefit of further fragmenting the disability sector by creating two separate disability schemes. One national scheme with continual national standards would perhaps allow for greater control and less fragmentation of the sector. CHF believes this is an area of the proposed scheme that needs to be discussed further. If the NDIS and NIIS are to operate separately from one another, it is essential that mechanisms are put in place to ensure they are able to interact fluidly with one another when necessary. CHF would recommend consistent standards and assessment tools for both Schemes to ensure no consumer is left disadvantaged by accessing one Scheme over the other.

Finally, it is essential that consumer and carer perspectives are considered during the development and implementation of the NDIS and the NIIS. CHF urges the Productivity Commission to continue to specifically consult and engage with consumers in order to achieve the best outcomes for all Australians including those with a disability and their carers. CHF would also support the implementation of a review mechanism to assess consumer and carer satisfaction with the System, to ensure it is meeting their needs.

We appreciate the opportunity to comment on the Draft Report and we would be interested in participating in future consultations on this issue.

Yours sincerely

Carol Bennett
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