

# Chapter 1

## Introduction

### Referral of inquiry and terms of reference

1.1 The Joint Standing Committee on the National Disability Insurance Scheme (NDIS) was established on 1 September 2016. The committee is composed of five Members and five Senators.

1.2 The committee is tasked with inquiring into:

- a. the implementation, performance and governance of the NDIS
- b. the administration and expenditure of the NDIS; and
- c. such other matters in relation to the NDIS as may be referred to it by either House of the Parliament;

1.3 After 30 June each year, the committee presents an annual report to the Parliament on the activities of the committee during the year, in addition to other reports on any other matters it considers relevant.

1.4 The committee is also able to inquire into specific aspects of the Scheme. The committee agreed to undertake an inquiry into the provision of hearing services under the NDIS on 30 November 2016.

1.5 The terms of reference for the inquiry are as follows:

1. That the joint committee inquire into and report on the provision of hearing services under the National Disability Insurance Scheme (NDIS), with particular reference to:
  - (a) the eligibility criteria for determining access to, and service needs of, deaf and hearing impaired people under the NDIS;
  - (b) delays in receiving services, with particular emphasis on early intervention services;
  - (c) the adequacy of funding for hearing services under the NDIS;
  - (d) the accessibility of hearing services, including in rural and remote areas;
  - (e) the principle of choice of hearing service provider;
  - (f) the liaison with key stakeholders in the design of NDIS hearing services, particularly in the development of reference packages;
  - (g) investment in research and innovation in hearing services; and
  - (h) any other related matters.

### Reporting by the committee

1.6 Initially, the committee delayed the completion of its report because it was expecting the release by the NDIA of key operational guidelines relating to a) the access criteria to the Scheme for deaf and hard of hearing people and b) to the

development of early intervention reference packages. The NDIA indicated that they would release these guidelines for by the end of April 2017.<sup>1</sup>

1.7 On 1 September 2017, the NDIA publically released the access criteria to the NDIS. The NDIA is yet to release the early intervention reference packages.<sup>2</sup>

1.8 As a result, the committee has decided to release this interim report, which focuses on these two critical issues: the access criteria to the NDIS for deaf and hard of hearing people and early intervention services.

1.9 The committee intends to release its final report once the early intervention reference packages have become public. The final report will discuss the reference packages and will address the other terms of reference not covered by this interim report as well as additional issues raised by participants.

### **Structure of interim report**

1.10 This interim report is comprised of three chapters, as follows:

- this chapter (chapter one) outlines the administration of the inquiry and provides an overview of hearing services and the transition to the NDIS;
- chapter two discusses the eligibility criteria and the recently released NDIA guidelines for determining access to the NDIS; and
- chapter three focuses exclusively on early interventions issues and the development of the early intervention reference packages.

### **Conduct of the inquiry**

1.11 The committee received 55 submissions to the inquiry from individuals and organisations. These submissions are listed in Appendix 1.

1.12 The committee also conducted two public hearings on 20 February 2017 and 24 March 2017.

1.13 Transcripts from these hearings, together with submissions and answers to questions on notice are available on the committee's website.<sup>3</sup>

### **Acknowledgements**

1.14 The committee would like to thank the individuals and organisations that made written submissions to the inquiry, as well as those who gave evidence at the two public hearings. We are grateful for their time and expertise.

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1 Ms Louise Glanville, Deputy Chief Executive Officer, NDIA, *Committee Hansard*, 24 March 2017, p. 16.

2 NDIA, additional information received, 1 September 2017.

3 [www.aph.gov.au/joint\\_ndis](http://www.aph.gov.au/joint_ndis)

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## Note on terminology and references

1.15 References to submissions in this report are to individual submissions received by the committee and published on the committee's website. References to Committee Hansard are to official transcripts.

1.16 The committee intends to use the term deaf and hard of hearing to encompass the diverse community that has some form of hearing impairment, including people who identify as deaf, hard of hearing, or deafblind.

1.17 The diversity of the deaf or hard of hearing community was best described by Ms Philippa Angley, Executive Officer to the Chief Executive Officer, National Disability Services:

NDIS participants with hearing impairment are diverse. There are those who acquire a hearing impairment as they age, which is well after they have developed language; children who are born deaf or who may become deaf as a young child; children who may receive a cochlear implant, children born to parents who decide that their child will be part of the deaf community and not receive a cochlear implant or may receive hearing aids; there are people who are born or become deafblind, and I think they are a particularly marginalised group within the disability population; there are Indigenous Australians with hearing loss; there are those living in rural and remote areas, where access to services is much more limited; and, of course, there are people from culturally diverse backgrounds.<sup>4</sup>

1.18 Ms Angley noted that as a consequence of this diversity, attention should be focussed on the need to design and implement an NDIS that supports all eligible people with hearing impairment and their varied needs: 'There is no single solution that will meet the needs or preferences of all'.<sup>5</sup>

## Overview of hearing services

1.19 One in six Australians is affected by hearing loss. Prevalence rates for hearing loss are associated with increasing age, rising from less than one per cent for people aged younger than 15 years to three in every four people aged over 70 years.<sup>6</sup>

1.20 In Australia, between 9 and 12 children per 10 000 live births will be born with a moderate or greater hearing loss in both ears. Around another 23 children per 10 000 will acquire a hearing impairment that requires hearing aids by the age of 17 through accident, illness or other causes.<sup>7</sup>

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4 Ms Philippa Angley, Executive Officer to the Chief Executive Officer, National Disability Services, *Committee Hansard*, 20 February 2017, p. 40.

5 Ms Philippa Angley, Executive Officer to the Chief Executive Officer, National Disability Services, *Committee Hansard*, 20 February 2017, p. 40.

6 Access Economics, *The economic impact and costs of hearing loss in Australia*, a report by Access Economics Pty Ltd, February 2006.

7 Australian Hearing, *What are the most common causes of hearing loss?*, <https://www.hearing.com.au/causes-hearing-loss-australia/> (accessed 24 August 2017).

1.21 All babies born in Australia are screened for hearing loss at birth under the Australian Government's Universal Newborn Hearing Screening program. Those who receive a 'refer' result from their screening (or are detected later) will go on to a diagnostic service and then, if a hearing loss is diagnosed, attend Australian Hearing and/or a Cochlear Implant service for further assessment and assistance.<sup>8</sup>

1.22 The majority of hearing services are provided by the Hearing Services Program (the Program), which provides services to a range of people with mild to profound hearing loss, including children and young adults, some Indigenous Australians and aged and disability pensioners. The Program is delivered through Australian Hearing and through other accredited private sector providers.

1.23 Therapies, including education and communications programs are mostly delivered by a range of private providers, including charitable organisations. Access and referral pathways to these services vary depending on jurisdictions.

### ***Hearing Services Program (the Program)***

1.24 The Office of Hearing Services (OHS) was established in 1997 to administer the Hearing Services Program (the Program). The Program provides access to subsidised hearing services and devices for eligible people, and supports research that assists with reducing the incidence and consequences of hearing loss in the community.<sup>9</sup>

1.25 The Program has two streams for the delivery of hearing services: the Voucher Scheme and the Community Service Obligations (CSO). Additionally, it supports and funds program-relevant research, including through the National Acoustic Laboratories (NAL).

1.26 Hearing services are provided under the Voucher Scheme by a national network of private hearing services and Australian Hearing.

1.27 Australian Hearing is the sole provider of hearing services for the CSO stream.<sup>10</sup> The organisation was originally established by the Australian Government in 1947 to provide hearing services to children and veterans who suffered hearing damages during World War II. Australian Hearing is a statutory authority constituted under the *Australian Hearing Services Act 1991*, reporting to the Minister for Human Services.

### ***The Voucher Scheme***

1.28 The Voucher Scheme enables eligible clients to obtain hearing services and devices from a national network of private hearing services providers and Australian Hearing. In 2015–16, around 690 000 clients received a service under the Scheme,

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8 Department of Health, *Submission 1*, p. 4.

9 Department of Health, *Submission 1*, p. 5.

10 Australian Hearing, *Submission 47*, p. 1.

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with approximately 1.2 million services being delivered. The average age of eligible clients was 77, with 89 per cent of program clients aged over 65.<sup>11</sup>

1.29 The Scheme gives participants access to a wide range of fully or partially subsidised hearing devices, maintenance, and ongoing support. These services are provided by approximately 300 private providers, offering services out of approximately 3700 sites, accredited with the program, including Australian Hearing.<sup>12</sup>

1.30 The majority of people who receive a voucher from the program are over 65 years of age and are ineligible for the NDIS. Voucher clients who are not eligible for the NDIS will continue to receive services through the Program.

#### *Community Service Obligations (CSO)*

1.31 The Community Service Obligations (CSO) provides specialist services to young Australians aged 0–26 years, including young NDIS participants, Voucher eligible adults with complex hearing needs, Indigenous groups, or participants in the Remote Jobs and Communities Program or the Community Development Employment Projects Program.<sup>13</sup>

1.32 In 2015–16, DHS provided \$65.3 million to Australian Hearing for CSO services.<sup>14</sup> Australian Hearing reports that under the CSO in 2015–16:

- 29 850 children or young adults under 21 received 67 864 services;
- 3628 young adults aged between 21–26 received 7736 services;
- 23 344 adults with specialised needs received 53 771 services;
- 4300 Indigenous people received 8256 services; and
- 578 cochlear implant speech processors were funded through the speech processor upgrade program.<sup>15</sup>

1.33 Australian Hearing services include assessing hearing, fitting hearing devices and providing counselling and rehabilitative programs to enable eligible customers to manage their hearing impairment.<sup>16</sup>

1.34 Australian Hearing works closely with newborn hearing screening programs and early intervention agencies to streamline service access. Newly diagnosed children are offered an appointment within two weeks of the referral receipt.<sup>17</sup>

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11 Department of Health, *Submission 1*, p. 6.

12 Department of Health, *Submission 1*, p. 5.

13 Department of Health, *Submission 1*, p. 7.

14 Department of Health, *Submission 1*, p. 7.

15 Australian Hearing, *Annual report 2015-16*, p.16, <https://www.hearing.com.au/wp-content/uploads/2016/10/Australian-Hearing-Annual-Report-2016-FINAL.pdf> (accessed 25 August 2017).

16 Australian Hearing, *Submission 47*, p. 1.

1.35 The system has been described as world class, especially in the field of early intervention services and programs for newborns and young children:

The system that we have achieved for early identification of hearing loss and effective engagement with intervention services beyond that identification is, without doubt, at the forefront of services internationally, arguably matched only by services in Denmark...<sup>18</sup>

### ***Transition of services to the NDIS***

1.36 Commonwealth, state and territory programs providing services and supports to people who are deaf and hard of hearing are transitioning in full or in part to the NDIS.

1.37 There are four Commonwealth programs transitioning in full or in part to the NDIS. They are:

- Hearing Services Program (the Program) funded by the Department of Health transitioning part of its services to eligible NDIS participants. It is expected that by 2019–20, when the NDIS reaches full national roll out, a portion of program clients under 65 years of age will transition to the NDIS;<sup>19</sup>
- National Auslan Interpreter Booking and Payment Service (NABS) funded by the Department of Social Services. Funds for clients under 65 years will be transitioned to the NDIS;<sup>20</sup>
- Remote Hearing and Vision Services for Children up to 18 years of age in outer and remote locations across Australia funded by the Department of Social Services. It is a small program currently providing services to fewer than 60 children<sup>21</sup> via remote service delivery methods. The Royal Institute for Deaf and Blind children is the sole provider of this program. It is expected most participants will be eligible for the NDIS. The program is transitioning in full to the NDIS;<sup>22</sup>
- Better Start for Children with Disability, which assists eligible children with developmental disabilities to access funding for early treatment, diagnostic and management services. Under the program, children under the age of six with an eligible diagnosis can access early intervention funding up to \$12 000 (a maximum of \$6 000 per financial year). There are currently more than 5900

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17 Australian Hearing, *Submission 47*, p. 5.

18 Professor Greg Leigh, Director, Royal Institute for Deaf and Blind Children, *Committee Hansard*, 20 February 2017, p. 4.

19 Department of Health, *Submission 1*, p. 11.

20 Department of Social Services, *Submission 12*, p. 2.

21 Department of Social Services, *Submission 12*, p. 3.

22 Department of Social Services, *Remote Hearing and Vision Services for Children*, <https://www.dss.gov.au/disability-and-carers/programmes-services/for-people-with-disability/remote-hearing-and-vision-services-for-children> (accessed 28 August 2017).

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children receiving services under the program of which more than 1500 have a primary disability of hearing impairment or deaf blindness.<sup>23</sup> It is expected that most children will be eligible to the NDIS. The program is transitioning in full to the NDIS.<sup>24</sup>

1.38 State and territory support programs for deaf and hard of hearing people, including early intervention programs are also transitioning to the NDIS. These programs were mostly delivered by the non-government sector, which received block funding to provide a range of services.

### ***The NDIS Transition Plan***

1.39 The NDIA anticipates that approximately 16 000–20 000 participants with hearing impairment will enter the NDIS by 2019–2020.<sup>25</sup>

1.40 The National Disability Insurance Agency (NDIA) advised that as of 31 March 2017 there are 1966 NDIS participants with hearing impairment. This represents approximately three per cent of current NDIS participants.<sup>26</sup>

1.41 In February 2016, the Department of Health released the Hearing Services Program NDIS Transition Plan. This transition plan describes the 'activities, dependencies and timeframes', that need to take place to effectively support the transition of eligible Hearing Services' clients to the NDIS.<sup>27</sup>

1.42 The transition plan identifies the key objectives and the proposed strategies to ensure a smooth transition. The plan also identifies the roles and responsibilities between Department of Health (Health), Department of Social Services (DSS) and the National Disability Insurance Agency (NDIA).

1.43 The scope of the transition plan includes identifying and implementing the activities that will enable program clients who will be eligible to move across to the NDIS to receive services. It will also identify program clients who will not be eligible to move to the NDIS and how the Program will continue to support those clients e.g. clients over 65 years of age, and clarify responsibilities of stakeholder agencies for ensuring a successful transition.

1.44 In its submission to this inquiry, the NDIA advised that it was undertaking a range of activities to ensure support under the NDIS for people with hearing

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23 Department of Social Services, *Submission 12*, p. 3.

24 Department of Social Services, *Submission 12*, p. 3.

25 National Disability Insurance Agency, *Submission 13*, pp. 1–2. This figure does not include those who might have hearing impairment in addition to their primary disability (e.g. someone with intellectual disability might also have a hearing impairment).

26 NDIS, *National Public Dashboard*, 31 March 2017. <https://www.ndis.gov.au/medias/root/h81/h56/8800927318046/National-Dashboard-as-at-31-March-2017-Accessible-FINAL.pdf> (accessed 24 July 2017).

27 Department of Health, *Hearing Services Program NDIS Transition Plan*, February 2016.

impairment is appropriate, evidence based and consistent with the *National Disability Insurance Scheme Act 2013* (the NDIS Act). These activities include, but are not limited to:

- developing guidance material for use by NDIA National Access Team, planners and Local Area Coordination (LAC) partners on levels of hearing loss likely to require NDIS supports;
- developing reference packages to guide planners and LAC partners in building participant plans, including guidance on reasonable and necessary funded supports;
- supporting arrangements for transition of people from former Commonwealth Programs;
- designing referral pathways with a particular focus on early childhood/early intervention (ECEI) to ensure appropriate supports are received as early and efficiently as possible;
- working with service providers to assist their transition to the NDIS environment; and
- working with key stakeholders and deafness/hearing loss communities to build their understanding and engagement in NDIS processes.<sup>28</sup>

1.45 The NDIA advised the committee it was 'developing evidence based guidelines to support consistency in decision about accessing the NDIS and reasonable and necessary supports for people with hearing impairment'.<sup>29</sup>

1.46 In its submission, the NDIA also provided information about the development of the reference packages both for early interventions and for evidence based reference packages across the lifespan.<sup>30</sup>

1.47 During the course of the inquiry, the NDIA advised the committee it was anticipating releasing the early intervention reference packages by the end of April 2017.<sup>31</sup>

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28 National Disability Insurance Agency, *Submission 13*, p. 1.

29 National Disability Insurance Agency, *Submission 13*, p. 2.

30 National Disability Insurance Agency, *Submission 13*, pp. 3–4.

31 Ms Louise Glanville, Deputy Chief Executive Officer, NDIA, *Committee Hansard*, 24 March 2017, p. 16.