



# **Parliamentary Joint Standing Committee on the National Disability Insurance Scheme**

## **New inquiries on NDIS Planning and Supported Independent Living**

**Submitted by:**

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## **About Northcott**

Northcott is a well-established disability services provider that has been supporting people with disability in NSW since 1929. We provide services across NSW, as well as some allied health services (therapy) in the ACT. We have a workforce of over 2,200 staff and support around 14,000 people with disability, their families and their carers.

Northcott provides a wide range of disability supports ranging from therapy services to the provision of medical/disability care in group home settings. As such many of our customers are people with complex and multiple needs, some of which are a result of their disability and others that may be health-related.

Northcott is also a major provider of Supported Independent Living (SIL) services in range of settings from traditional Specialist Disability Accommodation group homes, to new housing models such as supporting SIL customers in a private rental house in metropolitan and regional areas across NSW.

## **Background**

The implementation of the National Disability Insurance Scheme (NDIS) has had major impacts on the way that disability services are delivered.

Whilst there are a number of issues that have become apparent in the implementation of the NDIS, many of those are related to the rollout of a brand-new, complex system that encompasses services and approaches that were previously delivered by state and territory governments. As NSW was the first state with full implementation of the NDIS, it would be realistic to assume that there would be some implementation issues and that systems would need to be refined in light of on the ground impacts of new policies and approaches.

This submission seeks to highlight a number of key issues that refer more specifically to the interaction between the NDIS and existing and ongoing State systems and responsibilities.

## **Relationships between providers and customers**

In this submission we have tried to frame issues from the perspective of the impact on customers (which is how we refer to NDIS participants that we support). The NDIS is about providing customers with more choice and control. Whilst as a service provider we experience a number of issues around individual plans, making claims, dealing with exceptions and miscommunications, ultimately these are solved by understanding and improving the customer's experience.

## **NDIS Planning issues**

### ***Issues***

#### ***a) the experience, expertise and qualifications of planners***

Many people with disability do not have a strong working knowledge of the NDIS and the type of supports that might benefit them and that they may be entitled to receive. They are dependent on planners to assist them in navigating and understanding the NDIS, as well as

identifying evidence and documentation to support their case. This includes family members who may be undertaking this process on behalf of their son/daughter/sibling.

Therefore a key requirement for planners is to have a good understanding and exposure to disability and disability issues and often this is quite low or absent. A second area of a lack of knowledge and experience is understanding how service delivery impacts on plans. This can lead to frustrations for customers when they don't have practical information on issues such as availability of suitable services in their area (such as therapy) or how periodic services such as respite care should be scheduled.

One area that we would particularly like to highlight is employment. Firstly, we are surprised that inclusion of this isn't more common in plans considering increased workforce participation was a core foundation of the NDIS. This may be due to a lack of understanding from planners or outdated perceptions of people with disability (which reinforces the need for planners to have disability experience). Secondly, employment goals are not being re-funded, even when the customer hasn't found a job. This is particularly the case for SLES where customers are generally funded for two years. Even when the customer hasn't yet found a job, and they still want to, the funding ends. In some cases the funding changes to "Finding and Keeping a Job". We would like to see more of this option being used.

*Suggested approach:*

- *Mandatory training and testing for planners about disability and the characteristics of different disabilities and how they impact on plans.*
- *Engagement with providers to understand how a plan is implemented in a practical setting and real-world issues (such as cancellations) being taken into account.*
- *Creating resources such as checklists for customers to ask potential planners about their relevant experience and knowledge.*
- *A focus on employment related goals being actively supported by planners, regardless of a customer's chances of employment, employment goals should continue to be funded.*

**b) the ability of planners to understand and address complex needs**

Customers with complex needs are best advised by planners that do have experience in dealing with those issues and understand the nuances of service delivery (such as where a person needs to build in flexibility to allow for periodic or health events impacting on their service use). There is a tendency for some inexperienced planners to use a "one size fits

all” approach to a stated disability where the same services and amount of services are recommended for different people, not properly taking into account their individual needs. Again this can lead to frustration where the services do not work together and a plan needs to be resubmitted or a new planner is engaged.

*Suggested approach:*

- *Again the training and engagement of planners with service providers will help with this issue.*
- *Creating some NDIA assessments of planner skills/ratings so that customers are aware of who has good knowledge and training in complex needs and would be best suited to advising customers with complex needs. .*

***c) the ongoing training and professional development of planners***

There are new customers accessing the NDIS all of the time and some of these come from underrepresented parts of the market, such as people from CALD backgrounds. At a very basic level, having planners that have good skills and knowledge of other languages and cultures would assist this process.

As the NDIS evolves and improves through customer and service experience, some of the systems and approaches change and it is imperative that planners keep up to date with changes to the systems, eligibility and types of services offered. A key issue for customers is that they are not professionals operating in this market and therefore are reliant on planners to understand their needs and how the NDIS can support those, especially when the NDIS offerings change.

*Suggested approach:*

- *Ongoing mandatory training around updates/changes to NDIS funded services.*
- *Targeted approaches to encourage people from a CALD background to become planners.*

***d) the overall number of planners relative to the demand for plans***

In our experience customers often have delays in the planning process, which is a consequence of shortages of planners. This is particularly frustrating when it comes to reviews. For example, when a customer is inadequately funded or there is a change in their circumstances and they appeal, this process can take a long time. This often means that the

provider then has to cover the services for a period on the presumption that they will be included in the revised plan.

*Suggested approach:*

- *That the NDIA uses data such as processing time taken for reviews to identify areas of potential planner shortages and look at strategies to increase the number of planners in those areas.*

***e) participant involvement in planning processes and the efficacy of introducing draft plans***

The customer is at the centre of the planning process and should be involved in all stages of the creation of their plan. This would also include family members and other supporters who are often engaged in the process on the customer's behalf. We know that well-trained and experienced planners already operate in this way and use their knowledge and understanding of the NDIS system and disability service delivery to guide a customer's needs and wishes into the formation of an appropriate plan.

Whilst draft plans might seem like a simple solution, the real issue is ensuring that planners are properly trained and experienced to guide and assist customers so that the first submitted plan is the right one and meets their needs.

*Suggested approach:*

- *Training and mentoring from experienced planners showing how customers and their families should be involved in the process, especially around complex needs.*

***f) the incidence, severity and impact of plan gaps***

A source of frustration for customers is the issue of plan gaps where customers have not yet been given their new plan by the NDIA, and their old plan has expired. The main impact on them is that they become involved with complex claiming arrangements that they may not understand or feel that they have little control over as the service provider continues to provide services but understandably needs to be compensated for this.

Most service providers will continue to provide services (some customers have essential services that require the service to be delivered, e.g. short-term/respite accommodation) whilst customers are waiting on the new plan to be released. When the customer finally receives their new plan, the NDIA will usually extend the old service booking end date to the

day before the new one starts. One of the issues is that the funds are then increased by the pro-rata amount to the customer's account (not the service booking). This means that the customer becomes involved in a more complicated process where they need to engage with providers around funds being released for those services that have been delivered. This can be especially problematic for customers who have chosen to discontinue their relationship with the service provider (as is their choice).

*Suggested approach:*

- *Putting more focus on approving new plans prior to the end date of an old plan will ensure that these gaps occur less frequently and the customer doesn't have to deal with providers over the issue.*

**g) the reassessment process, including the incidence and impact of funding changes**

Another area of frustration and unnecessary engagement for a customer with a provider is around funding changes. The main issue in this area is the change in funding from one plan to the next and so the plans are not for a full 12-month period.

The assumed practice is that a customer will generally sign with a provider for a full 12-month period, or until the remainder of the customer's planned end date. The issue arises if a provider is not informed about a plan review (which is the customer's prerogative) and the provider is alerted when the provider portal claims are returned with errors.

The provider continues providing services based on the old plan end date/s. Depending on how often the provider claims these services, there may be up to half a dozen claims that showing an error. This causes major impacts on customers as the provider has to take it up directly with them or their planner to receive payment.

*Suggested approach:*

- *The NDIA could inform any providers that a customer is using of a plan review/change so that an approach can be put in place that allows continuation of service and timely payment for those services.*

**h) the review process and means to streamline it**

The review process, if the plan has been reviewed early, can often cause issues for customers in either having to engage in payment issues or not receiving adequate ongoing funds to meet their needs. Generally this is because the funding within the old plan will be reduced on a pro-rata basis.

Pro-rata reduction of plans might seem to be the most efficient way to deal with this issue, but it assumes that customers consume their services in a linear, even pattern, which often they don't.

For example:

If customer has \$20,000 to spend in a 12-month period, and they sign up with Provider (A) for \$20,000 worth of services. Due to the nature/availability of the service in a 3-month period they utilise \$15,000 of the available funds, thus they have spent 75% of their total funded amount in the first 3 months. The customer may then decide to choose a different provider (perhaps because of availability of that service or not being happy with the quality of the service).

The customer now signs up with provider (B) for \$5,000. In a short time there is a plan review (which is not totally unusual). As 9 months' worth of funding has already been utilised, the service booking that was made for \$5,000 with provider (B) will have \$0 funding available to claim against, because the pro-rata spent amount has been surpassed. This then requires the customer and provider to negotiate an extraordinary payment.

*Suggested approach:*

- *Reduce the end date of the plan but do not reduce the original amount of the service booking. We estimate that this would have an impact of reducing the amount of claims sent to the NDIA by at least 70%, and negate the need for customers to deal with the NDIA on this.*

***i) the incidence of appeals to the AAT and possible measures to reduce the number***

We do not have any specific comments on this issue.

***j) the circumstances in which plans could be automatically rolled-over***

If the customer is happy with the level of service that they are receiving from a provider and their circumstances have not significantly changed, it may be appropriate to automatically roll over a plan, although there should always be the option for a customer to change providers and/or request a plan review.

*Suggested approach:*

- *Provide automatic roll-over as an option for customers, but on the proviso that there is always an opportunity to review a plan.*

***k) the circumstances in which longer plans could be introduced***

There are some customers where their needs and circumstances are fairly stable, such as people living in SDA housing and accessing the same programs and supports for a number

of years. In this case it may be suitable to look at longer plans of 2 or 3 years duration, as long as the primary right of a customer to seek a plan review or change providers is not sacrificed.

*Suggested approach:*

- *Provide longer plans as an option for customers, but on the proviso that there is always an opportunity to review a plan. There should be some limits placed on the duration of a plan to ensure that customers do not miss out on new services or approaches that may be beneficial to them.*

### ***l) the adequacy of the planning process for rural and regional participants***

We would comment that the experience of customers in regional areas is similar to customers in metropolitan areas in that there are good planners who understand their needs and supports and those that require training and skills upgrading, especially around the practical delivery of disability support. It is particularly important in that some specialist services (such as some therapy services) have less providers or availability in regional areas and planners should be aware of the range of services in their geographic area.

*Suggested approach:*

- *Training and upskilling of planners, especially around practical service delivery, is essential in regional areas.*

### ***m) any other related matters***

#### **Self-Managed customers**

Customers have the right to self-manage their own funds and planning. Whilst this is a good example of providing choice and control, we feel that the NDIA could provide more resources in educating and assisting people with self-management. Issues often arise when self-managed customers utilise multiple providers for a range of services and they have problems properly tracking the funds that they have “allocated” to different providers. This can be made more difficult when they switch providers and have not yet paid for existing services. Similarly, they may have changes to their circumstances, such as illness or impact of disability, that impacts on their ability to self-manage.

*Suggested approach:*

- *Self management is a good opportunity to exercise choice and control; however some customers need support and information on how to manage this. The NDIA*



*could provide more resources around this and look at options for limited advice or guidance for customers that want to self-manage.*

## **Supported Independent Living**

### **Introduction**

The disability housing market has changed significantly since the introduction of the NDIS. The states have started (or have almost finished in the case of NSW and Victoria) to devolve their interest in disability housing and stopped managing long-standing approaches such as waiting lists for eligible people. Whilst the new system provides an opportunity for people to find suitable housing and not be bound by very limited choice under the old systems, there are issues around a lack of knowledge in the market. There is also an expected surge in demand for disability housing likely to occur over the next 10 years, with most of the people entering the market having no real knowledge of the market.

This is manifested in a number of ways:

- People entering the market are not well educated in how the market works or what options and solutions are potentially feasible and available for them.
- The market for housing is expanding, but there is a concentration of current developments in Specialist Disability Accommodation driven by incentives for developers to fund the housing through SDA contributions. SDA is not the solution for most people entering the market (in fact the NDIA has said that SDA will be limited to around 6% of NDIS participants). Providers like Northcott are developing new forms of housing options, such as SIL-only houses that are created using houses in the private rental market, but these are very new.

Northcott is an innovator in this process. The free online matching service Nest - [www.gonest.com.au](http://www.gonest.com.au) - provides a service whereby a customer can identify suitable vacancies in a range of housing types and then apply to a housing provider to be potentially considered for those vacancies. This service is being expanded Australia-wide and has also expanded to include different housing options. The service is open to all suppliers and has been entirely developed and funded through Northcott Innovation (a subsidiary of Northcott).

## **Issues**

### **a) the approval process for access to SIL**

The main issue for customers in the approval process around SIL is the time it takes for SIL quotes to be reviewed and approved. As SIL quotes are highly dependent on input and information from the SIL provider in a house, this means that a customer needs to be seriously considering a vacancy and to have already been through a matching and acceptance process with other potential housemates (unless it is a single bedroom dwelling). This process may also be slowed up by the workload of the SIL provider in submitting other SIL quotes for other properties.

Another issue for existing SIL customers is the impact of the process when they want to explore moving to a different location, either for lifestyle or because of different circumstances. Whilst their eligibility for SIL funding should not be an issue, because the SIL funding is tied to a particular location and house set-up, it can take considerable time for a new SIL quote to be approved. This may be where a customer is in competition for

#### *Suggested approach:*

- *There have already been some process improvements around SIL approvals, but more resources are needed within the NDIA to ensure that turnaround times are shortened, particularly in light of the likely number of people wanting to enter the market.*
- *As housing tends to be a longer-term service with fewer changes than other services within a customer's plan, there is more scope to approve SIL for longer periods of say up to three years, rather than insisting on an annual submission. If long term SIL plans are approved, there needs to be scope for annual increases to be included (such as CPI indexing or automatic addition of any changes in the NDIA price guides) to ensure that SIL funding across a house is fair, consistent and viable for the provider.*

### **b) the vacancy management process, including its management and costs**

There are three major issues for customers around vacancy management. The first is the lack of market knowledge that was outlined in detail in the introduction to this section. This has meant that people have tended to make many enquiries around vacancies that they see advertised on providers' websites and through matching services such as Nest. Often those vacancies are not really suitable for that person or the best option for their particular circumstances.

The second issue is around matching people to suitable vacancies, especially the other people that already live in a house. This is a drawn out process that can take many weeks. These costs are borne by the provider, but also mean that a person looking to move into a particular vacancy has to wait to see if it is suitable and then proceed to a SIL application.

Northcott and other providers are undertaking some market education and promotion steps by holding seminars and information sessions for consumers in regional and metropolitan areas, but these tend to be limited to areas where the provider sees opportunities to fill its vacancies or develop new options. There is a lack of general market education and promotion.

The final issue is that inadequate SIL quoting that doesn't include some reasonable compensation for providers around vacancies could well lead to inappropriate matching or pressure on customers as providers push to fill their vacancies. It should be noted that SDA housing providers do have the ability to claim for compensation around extended vacancies.

*Suggested approach:*

- *There is a need for better promotion of housing options, especially non-SDA options.*
- *There is a need for more education about how the housing and related SIL processes work.*
- *There could be consideration of funding market development so that independent information and advice could be given to any people with disability and their families.*
- *A loading for potential vacancies could easily be built into a SIL quote based on staffing ratios.*

**c) the funding of SIL**

The funding of SIL has become more flexible with a move to allow SIL funding for a person sharing a house with non-disabled people that are family members. This should be expanded to include people that choose to share with housemates that do not have a disability. Whilst there may be costs associated with this, it does support the idea of people with disability being part of the broader community and choosing who they want to live with, not just with other people with disability.

*Suggested approach:*

- *There is a need for flexibility and consideration of the full range of housing options and combinations of people who choose to live together, rather than just the traditional view of people with disability being forced to live only with other people with disability.*

**d) any related issues**

There are no other issues that we would like to comment on.