



NDIS Supported Independent Living

Submission to the Joint Standing Committee

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1. Introduction

DARE Disability Support (DARE) has been providing disability services to people with profound intellectual disabilities for almost 60 years in the Blue Mountains and surrounding communities of New South Wales (NSW).

People supported in addition to profound intellectual disability have a range of comorbidities, not limited to physical and psychiatric issues, requiring a range of specialist modifications, together with behavioral issues including violence and self-harm.

Services include residential, community and center based activities and an Australian Disability Enterprise.

DARE commenced the transition to the National Disability Insurance Scheme (NDIS) as part of the first NSW region.

2. Executive Summary

DARE has always been a supporter of the goals of improving the quality of life for people with disabilities, potentially through the NDIS. However the experiences for most participants and families to date have been mixed.

Many people's ongoing issues include:

- Poor planning process, that excludes consideration of information provided,
- Ignoring of feedback from specialists, Allied Health professionals or providers in Planning decisions,
- Decisions made unilaterally by a planner without substance,
- Frustration at the ongoing level of errors in plans,
- Inability to benchmark plans to identify anomalies or inconsistent plans,
- Provision of inconsistent information,
- High levels of bureaucracy,
- IT system, that appears not fit for purpose,
- Ongoing plan gaps impacting on operations, and
- Overheads created by the NDIS inefficiencies and burdensome bureaucracy not based on an assessment of risk.

Other issues around the portal have been acknowledged in numerous reports and in the main will not be repeated here other than in passing.

The SIL process has evolved over the last three years however access to SIL is arduous, long winded and time consuming, with commencement of the process predicated on a vacancy being identified. A far preferable approach in DARE's view would be to confirm eligibility prior to a search for a vacancy commencing, in effect creating a pre-approval.

It is DARE's understanding this is already occurring with Specialist Disability Accommodation.

Once pre-approval has been provided, planners, not the complex process as being currently implemented, consequent on a SIL quote being prepared that is within benchmarks set, should be approved by the planner. The planner in any event is the one closest to the information and hopefully having direct knowledge of the participant, not a person's located in a different State.

Whilst acknowledging the scale of SIL funding creates some additional risk, for which reasonable controls can be implemented, not a range of new teams to process, SIL is still a support similar to any other. Given an appropriate assessment is in place, why does it need to be treated differently?

Indeed given the SIL tool is almost solely based on support hours delivered in a given week, it would seem to be a fairly straight forward process for a planner to make this decision and indeed provide a more objective funding position than that created for other funded supports.

Vacancy management is nonexistent with no process of matching participants to vacancies, nor method of projecting demand or encouraging new investment, particularly to non SDA eligible participants. Delays and cost are further exacerbated through the current approval process.

Plan gaps continue to frustrate operations and growth with substantial unfunded time lost in trying to obtain monies for which there is no dispute as to entitlement or level. This could clearly be overcome through the automatic plan extension being applied to other supports, but not SIL.

Similarly greater flexibility is required in the SIL tool to cater for the geographical locality or client specific support issues, that impact on a participant.

Finally major changes to the cost of delivering supports such as created by recent Fair Work Commission decisions need to be incorporated immediately into all SIL arrangements, not left until the price review.

3. Recommendations

1. The proposed SIL process be modified and simplified to include a pre-approval process,
2. Benchmarks for SIL be created based on a tested and proven assessment too that allows sufficient flexibility to accommodate individual needs and changing circumstances,
3. Planners (not separate teams) be empowered within bench marks to approve SIL funding in plans,
4. The current separation of approval of SIL and SIL bookings be consolidated in order to remove the plan gaps that continue to occur,
5. SIL process and assessment be separated from SDA, with SIL approval based on the planner's recommendation,
6. In the event of a vacancy, SIL funding be automatically adjusted (based on a SIL quote) to the actual levels of support provided, until the vacancy is filled,
7. NDIS collect and provide current information on a regular basis with regard to vacancies,
8. NDIS creates an area on the portal to enable participants to post their accommodation requests including contact details, similarly providers are able to post their vacancies,
9. Where a plan expires and has not been replaced there is an automatic extension for 28 days to SIL,

10. The SIL tool be amended to enable planners to make additional funding available where specific circumstances exist such as a degenerative condition or additional access to transport,
11. NDIS given fees are primary based on wages, create a system to amend the price guide (not yearly) where significant changes to remuneration or conditions occur and that this be assessed independently, and
12. A system for a provider of last resort is created.

4. The approval process for access to SIL

At initial commencement of the NDIS the majority of current DARE SIL participants were rolled-over and not required to seek approval to access SIL.

New residents have been forced to undergo a long, ill-conceived and drawn out process, in a number of instances taking well over 12 months. Whilst a new system is being introduced it is our understanding it is a very complex, the former system required,

- a) Participants to identify a vacancy,
- b) Seek a plan review to access funding for required reports, to support their eligibility,
- c) Obtain reports for both SIL and SDA,
- d) Submit reports,
- e) NDIS considers reports and investigate other options, if participant or their supporters persist,
- f) NDIS approve placement, and
- g) Make SIL booking, this is not done at the same time as approval.

Throughout this process the SIL provider is required to maintain at their expense the vacancy.

DARE's experience is best demonstrated by example, in 2017 DARE identified three men (aged 30 to 40 years) who wished to move out of their parents' houses.

As a result DARE identified and purchased a property for this express purpose. The participants then commenced their SIL journey to be approved and funded. The final process took over 12 months, during which time DARE was forced to maintain an empty house.

This delay was despite the almost weekly emails to the NDIS seeking to expedite the process.

As with many other participants during this period various documents and reports were lost by the NDIS, only rediscovered through DARE's perseverance.

Clearly this sort of delay discourages investment, wastes an inordinate amount of time and creates uncertainty and distress for participants and their families.

This delay was further exacerbated waiting on various Allied Health professional reports, most particularly Occupational Therapists, long delays that continue to this day. At the time DARE was advised that a SIL and SDA assessment were not able to be separated and the process could not progress without an Occupational Therapist report, despite the fact that only minor modifications were required to the house, all funded by DARE

Subsequent advice for these three participants was that they were ineligible for SDA in any event.

Accordingly where a participant is only applying for SIL and not SDA, or SDA is not integral to the decision, DARE does not believe that an Occupational Therapist's report is required and that planners should be empowered to approve eligibility and a SIL quote within predetermined benchmarks.

NDIS's view also appears that rather than respect a participant's wishes (choice and control) that SIL is a last resort rather than an option of choice, as demonstrated that after a participant obtains all the reports, funded by NDIS, finds a vacancy, NDIS still reserves the right to find a cheaper option.

Whilst not explored in the submission, it is DARE's belief that planners should be proactive in having a discussion with regard to alternative housing solutions or ways of keeping participants safe, rather than wait for a crisis to occur. For instance where a participant is living with ageing parents, again a circumstance where a SIL preapproval will support a timely transition and prevent a crisis.

The new process being proposed appears to be very complex with many stages moving between a National and State based team and planners.

DARE's concerns whilst desperate for meaningful changes to reduce extended delays and create certainty for participants and providers seeking to make substantial capital investment, is the more complex a system the more that can go wrong.

Given the nature of the current SIL tool, which is based on contact hours in a given week, subject to meeting predetermined benchmarks the process should be simplified to:

- a) Establishing the eligibility,
- b) Pre-approval for SIL,
- c) Identifying a vacancy, and
- d) Approving funding based on the SIL tool

In the absence of this change the current bureaucratic and burdensome system will continue.

5. The vacancy management process, including its management and costs

There is no genuine vacancy management system in place or method to identify potential participants. The impact of this is:

- 1. Participants not able to identify vacancies,
- 2. Unfilled vacancies with providers,
- 3. Poor or less than optimum matches,
- 4. Reluctance to invest in new or upgrading existing housing,
- 5. Participants, Coordinators of support or support people continually contacting the same providers for individual vacancies, and

6. Skewing of builds to existing areas of vacancies (no forward planning or identification of areas of need).

Whilst two providers have created some online vacancies systems, they are provided at a cost and not utilized by DARE for a range of reasons, neither is able to provide a total picture of current or future demand in any event.

The lack of global information, for instance unless by accident, means young people in aged care facilities are not identified, as such there is no ability to;

1. Identified their location or even approximate location,
2. Contact can only be made via a third party, with some aged care facilities having a vested interest in retaining a participant,
3. No critical mass in which to make sustainable matches for people living together, and
4. No ability to ascertain if there is a local critical mass to sustain investment in a property.

The SIL tool has been created such that NDIS funds supports on a shared basis, resulting in providers being unable to adjust these in the event of a vacancy. There is no other industry of which DARE is aware, where an organization through their effective monopoly (market) position, can force another organization to incur and sustain ongoing losses.

At one DARE's SIL residence following the passing of a resident and given the complex nature and behaviors of the remaining two residents DARE has maintained a vacancy at its expense for over 14 months; this has resulted in a loss of in excess of \$100k. However the alternative being to close the house and make the remaining residents homeless. Effectively DARE is providing almost the same level of support for two thirds of the previous income.

As a result of the complex behaviors of the remaining residents in this instance there are a very limited number of participants that will be suitable to live in this house (for which there is no method of identifying).

A potential resident was identified eventually for this house, after a six month delay whilst this person's eligibility for SIL was confirmed upon moving in his behaviors created issues with the other residents and despite a number of attempts this match failed. Forcing DARE to recommence the entire process, at the time of preparing this submission DARE is still seeking another resident.

Whilst there is a small provision in the SIL quote for a vacancy this is insufficient given long approval times and difficulties in the absence of a global vacancy management system for filling vacancies.

In instances such as this DARE believes it should be funded for the actual level of support provided, not locked into an unsustainable arrangement, exacerbated by a long and drawn out approval process.

In order to overcome and create best matches in an efficient manner there needs to be a global vacancy management system which enables participants to identify vacancies and proactively create an expression of interest for a certain type of housing or locality. This same system will

also serve to enable providers and investors to make informed planning decisions and encourage the development of disability housing options.

Accordingly it is appropriate for the NDIS to collect and disseminate information on demand and vacancies, in addition create a switch on the portal to match request for and available vacancies to be recorded and accessed by participants and providers.

If appropriate this may include a method that enables contact between the two parties.

6. The funding of SIL

The current protocol to calculate the level of funding is the SIL tool. Whilst it appears to produce widely varying results it is supposedly based on labor costs for each support person, shared amongst the participants. Experience to date as with most NDIS funded supports is that there marginal profitability, certainly well short of a commercial return, hence the focus for investors on SDA properties (refer below).

As with most NDIS processes for any change to be incorporated into a plan requires substantial time, effort and, in the main, reports from Allied Health professionals which may take up to six months to receive. In the interim, providers bear the full cost of these changes.

If a specific short term change in a particular support occurs traditionally NDIS's advice is to draw additional funds from the plan with the knowledge that the plan will require an earlier review. Experience to date has indicated seeking earlier reviews due to funds being expended is at best risky with the provider unlikely to be funding any deficit.

To overcome this DARE believes plans should it be considered as living (not extinguished yearly) and planners should have the ability to fine tune plans, including the ability to increased levels of funding if justified. Rather than the current process of submitting a change of circumstances form and undergoing a long, expensive and arduous process for what may be a simple and obvious change.

In addition if the changes are greater than that planner is able to approve based on the risk template or it relates to a specific element of the plan that this element be formally reviewed, rather than rebuilding an entire plan.

The SIL tool is relatively inflexible other than capturing the hours of support it does not consider additional issues such as the cost of transport for a regional area compared to the metropolitan or a participant with a degenerative or episodic condition.

Following a number of recent fair work commission decisions around for instance sick leave and casual loadings, the current calculations in the SIL tool are no longer accurate, indeed potentially creating large losses. As a provider DARE, which is already operating at a narrow margins cannot afford nor should be expected to absorb the significant changes and costs of these decisions, whilst awaiting a yearly fee review.

In a true market place, not one with a mandated price, fees will automatically adjust to offset additional costs. Given NDIS mandates a yearly increase review which is set at their discretion, not based on an independent review, for supports to be sustainable, changes of this nature require a quick and reasonable response.

At the current time DARE is aware of no mechanism that will either;

- a) Adjust the price guide in a timely manner for a substantial change in current cost assumptions,
- b) No process to consult meaningfully with the sector for these changes, and
- c) No independent price setting mechanism or review.

In the absence of the market accommodating these changes there needs to be some ongoing (not yearly review) to monitor and amend the price guide, at the very least to maintain the status quo until the next review.

7. Any related issues

DARE believes the joint committee as part of reviewing supported independent living should consider;

a) Plan gaps

Plan gaps and the excessive amount of unfunded time and effort to resolve these has been an ongoing issue (at the time of preparing this submission DARE has SIL amounts outstanding for over 90 days), with at least one other provider advising of not being paid for a year for one resident. Given the large amounts of costs associated with providing SIL, these amounts outstanding, grow at an exponential rate.

For SIL plan gaps, the primary causes are;

- i. Plans expire prior to a new plan being created, or
- ii. The SIL booking an NDIS responsibility is not made in a timely fashion.

For other funded supports NDIS have advised that a new protocol in instances of plans expiring with no replacement is plans will be automatically extended for 28 days. However senior NDIS staff advise that this does not apply to SIL. Clearly if accurate this is both illogical and will continue the cycle of larger plan gaps with the frustration and costs associated with trying to recover these funds.

With regard to the SIL booking not being made at the point of SIL approval this is either incompetence or a systemic issues, overcome simply by the SIL booking being made at the time of plan approval.

b) Specialist Disability Accommodation (SDA)

DARE's the experience with new SDA participants has been universally poor, with all excluded from accessing this payment despite appearing to be eligible. NDIS's response to this rejection is to try again next year, incurring the costs of all necessary reports, and reviews again.

This rejection is despite DARE funded modifications being made to houses to accommodate individual participant's disabilities.

As noted above, the joining of the SIL and SDA assessments, a previous NDIS requirement resulted in for instance in one DARE house a 12 month delay, whilst the participants were forced to undergo both assessments, only to be denied SDA.

SDA was created to encourage investment in expanding the availability of disability accommodation however is restricted to 6% of participants, resulting in the skewing of new accommodation away from the remaining 94%. Indeed, DARE has been approached by a number of developers and housing providers who require as a condition of occupation that DARE subsidize them for the SDA irrespective of the participants eligibility. Clearly creating a super profit for them, a loss for DARE and restricting access to participants.

The impact of this is effectively damaging 94% of participant's access to disability housing.

The lack of SDA and the rental cap charges will result in the 94% of participants denied SDA being concentrated in cheaper areas which may not be suitable with regard to proximity to family or public transport.

c) Provider of last resort

It is DARE's understanding that this remains an area of work internally within the NDIS and has been for a number of years.

Currently if a match fails, due to behavior or changing needs, there is no option for a participant unless a vacancy can be identified elsewhere, but to make the participant homelessness. This is made worse by the long approval process and no vacancy management system.

Traditionally this role was provided by individual State governments, who unfortunately, certainly in New South Wales, have exited disability services completely.

DARE believes given that NDIS have advised that they have been preparing a strategy for this for a number of years that this strategy needs to be finalized and released for consultation as a matter of urgency.

d) Interface with other systems

There remains significant confusion over funding, responsibilities, transitional arrangements and gaps when a participant, for instance is admitted to hospital. Urgent work is required to resolve these issues and keep participants safe.

e) Transition to higher supports or palliative care

As with d), DARE is aware of little work that has occurred to assist a participant transitioning to a higher level of support than that available in their current SIL accommodation or palliative care. This is linked to both a lack of a vacancy management system and the need to create protocols between various systems.

DARE trust the above are of assistance with your deliberations and please do not hesitate to contact the writer if you require any further information

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