CatholicCare Canberra & Goulburn and the NDIS

NDIS Joint Standing Committee - ACT

Thank you for the opportunity to speak today about our experience of the NDIS as a trial site in the ACT. I would like to table 2 case studies to demonstrate our experience, as well as the submission from our peak body Catholic Social Services Australia that was submitted to the Productivity Commission with regards to their review of costs.

CatholicCare Canberra & Goulburn are the welfare arm of the Catholic Archdiocese of Canberra & Goulburn. Our mission is to provide quality services to the most marginalised within the community. The organisation employs around 280 staff and volunteers, and provides support and care to over 10,000 individuals and families every year. CatholicCare is a diverse organisation, and provides services in disability and the NDIS, aged care, homelessness, youth outreach, mental health and early intervention, parenting groups, student and family counselling, marriage education, supported accommodation and community housing.

In 2014 CatholicCare commenced in the ACT trial for the NDIS. CatholicCare and its clients have experienced significant challenges in this transition and new individualised funding model. The number of people we support have doubled during this time, while our income has reduced.

CatholicCare sought advocacy assistance from its peak Catholic Social Services Australia, as well as the National Disability Services NDS regarding our significant concerns related to the scheme. We have met with ADACAS and the ACT and Commonwealth Ombudsman, met with the Productivity Commission, as well as the ACT Minister for Disability Rachel Stevens-Smith to raise our concerns.

Key challenges we are experiencing are:

1. **Lack of transparency and Inadequate price levels.** CatholicCare has found that the current pricing levels are not sustainable for organisations and are set way below expenditure. Sector awards determine wages, as do our own quality requirements for employing skilled and trained staff, these prices do not enable provision of margin to ensure services are profitable. This margin allows agencies to fund the costs of staff travel, cancellation of shifts, staff training, supervision and management oversight of services. As such a large number of providers are operating with nil profit or a loss, making the sector unprofitable and unviable. NDS reported that 42% of ACT providers reported a loss or break even last year. CatholicCare expects to see market failure in sections of the market (such as personal care, social support) where providers withdraw because they cannot do it for the price set by the NDIA. There has been no clear explanation about how the prices were set, and how they relate to the true costs of service provision. The NDIA expects the market to evolve and meet the price, but there is not enough margin to cover the true costs of running a responsive service to people with disabilities and their families.
2. **Focus by the NDIS on cost, rather than client need.** We are seeing a shift away from meeting needs, to balancing the NDIA budget. We are being told by NDIS staff that the scheme has been too generous its in client plans, and this is a fundamental shift from the philosophy of meeting individual needs. While initially we saw clients were receiving the

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same or more within their plans, we are now seeing plans coming through with reduction in funding, where needs have not changed or reduced. We are also finding that plans are being reviewed with client or family involvement or even notification. Commitment when the scheme commenced was that no person would be worse off. Assessments should be about meeting needs, not a measure of government generosity. This is a great concern regarding where the scheme is headed, and is moving away from an insurance approach where investment and intervention reduces costs of care in the long term.

3. **Lack of true partnership with the NDIA.** There is a lack of transparency and accountability with the NDIA and how it interacts with providers. CatholicCare is experiencing daily issues with a lack of responsiveness – our calls and emails go unanswered. Service providers are continually chasing the NDIA to provide support to address issues with claiming and the portal, and cash flow is an issue as organisations cannot get paid, and cannot pay suppliers, who may then withdraw services to clients. I need to emphasise this again – organisational cannot get paid for the work they are doing.
   The NDIA is a large entity that does not make itself available, staff phone numbers and emails are not provided, and providers are frustrated at being unable to escalate problems – we have nowhere to go. Our staff are regularly on hold for over an hour, and then one issue is resolved when we have hundreds more to resolve as we find claims are regularly rejected. The NDIA needs to value the role of service providers and see us as part of the solution, building partnerships and working relationships with us to build a strong and viable sector that offers choice to clients and their families. An immediate solution is to have the NDIA create account coordinators to address issues with claims, plans and reviews with providers. That way the NDIA can ensure that their providers, their stakeholders – can actually get paid, and therefore provide services to their customers.
4. **Ongoing workforce and capacity issues:** There were workforce shortages in the sector prior to the NDIS, these have been amplified by the NDIS roll out, which predicts a requirement for doubling the workforce. The workforce is not there, and this is affecting the schemes ability to expand and meet need. There is significant concern by CatholicCare about our ability to offer these services in NSW regional areas, where the cost of travel is significantly higher (not funded) and there is a shortage of skilled experienced personnel.
5. **Poor systems:** CatholicCare has experienced the poor implementation of systems within the NDIA which impact upon the organisation and the people we support. Last year the portal was closed with 9 days notice, significant affecting our EOFY process and ability to be paid. It didn't come back up for 3 months. We have families who this year have requested reviews for their plans, and have waited over 3 months for templates to be developed by the NDIA, and for the plans to be reviewed. In the meantime – what do providers do – do we provide the care without payment or leave someone with care needs without support. The NDIA need to invest into their own staff training and provide them with enough resources to enable their staff to respond to the demand from the sector – and communication needs to be the key focus. Improved communication could address many implementation issues with the NDIA.

These are they key issues that we wanted to raise today. CatholicCare Canberra & Goulburn have closed our books to new referrals and growth under the NDIS, as we cannot provide the services for the price offered by the NDIA, the sector is not profitable, we cannot recruit enough staff to meet need, and the growth at the expense of ongoing viability is too high a risk. We simply cannot provide the services for the hourly rate set by the NDIA.

We ask anyone who will listen to please review the rates set by the NDIA and work with the sector to ensure that we are able to meet our mission and continue in this sector, providing quality services that meet people's needs. We need a strong, viable and responsive sector, that can be innovative and invest in care, workforce and service delivery. We are concerned that without a review and intervention, organisations will cease operating in the NDIS, reducing choice for clients and families which goes against the fundamental principle of Choice and Control in the scheme, and risks to clients will increase as organisations cannot provide adequate training or oversight to their staff or services.

We are available for further discussion if you would like to seek further examples or clarification on

Yours sincerely

Anne Kirwan
CEO
CatholicCare Canberra & Goulburn
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CatholicCare Canberra & Goulburn

Case Study 1

Participant's first NDIS plan commenced 11th April 2016 with funding for an OT to find suitable equipment and maximise their ability to live safely at home. In July 2016 the OT submitted a report, including a quote to the NDIS that they required a recliner chair. In November 2016 the plan was reviewed. A new plan stating the quote was approved was issued to include funds of $4136.68 for the chair and other assistive technology.

The chair was ordered, but the registered NDIA equipment provider was unable to create a service booking for payment. The Support Coordinator attempted to contact the NDIA on a weekly basis to resolve why the funds were not available without success.

Finally, in Feb 2017, the NDIA sent an email stating that the funds were not approved and requesting a report be completed by an OT. They were sent the report from July 2016. In the following days, the NDIA sent a further two emails advising that they were looking into the matter.

After further unsuccessful requests for a response from the NDIA, the participant, together with the support coordinator, visited the NDIA office on 2nd March and asked if there was any progress with the funding for the chair. The NDIA could not provide any information and so the participant submitted a formal complaint.

On 23rd March the support coordinator again visited the NDIA office to ask about the funding. They were advised that there was no further progress with the complaint or the chair funding and the matter was sitting with the Technical Advisory Team who might take four weeks to come to a decision. If they did approve the funds, it would take another four weeks before they became available. The support coordinator was also informed that while the funds had been approved last year, somewhere along the way someone else had looked at it and unapproved the funds until further information was provided by the OT. A request for further information was not made to either the participant, CatholicCare or the OT.

In the meantime, the participant had surgery to repair an aneurism in her brain and had hoped to have already received the chair. Furthermore, to date, they have not received any communication from the NDIA to acknowledge the complaint.

The SC again had to go to the NDIA office because they were not responding to phone calls and emails. They were informed that the complaint had been 'completed' on their system!

The participant has now had to use further funding n their NDIS plan to again engage the OT for another report. The OT spent over 45 minutes with a representative from the NDIA and was told the cost of the chair did not represent "value for money" and would need to be at benchmark cost. The NDIA would not tell the OT what the benchmark cost was. The OT therefore had to complete another report where the participant had to try approximately 14 different chairs. The report was submitted to the NDIA on 26th April; one year after the first plan commenced. To date, the OT has not been unable to claim their time from the plan.

Case Study 2

home to residents with ABI. They require 24 hour 2 person care that is not adequately funded by the benchmark price for complex care in SIL.

4 residents have NDIS plans funded as per quotes approved by NDIA in March 2016. In Oct 2016 the NDIA Portal rejects claims for funds for 3 participants. Funded amounts in portal do not match our "accepted" quotes. Attempts to contact NDIA for explanation for the different amounts and why we cannot claim are not responded to.

One participant receives a new plan in Jan 2017 despite no communication by the NDIA with either the family or CC. The Plan is for 15 months with insufficient funding for core supports. CC is finally able to arrange meeting with NDIA Director of Services in Feb 2017 who advises that due to the NDIA being "over generous" in the ACT, plans have been reviewed and funding reduced. One participant's plan was now funded at half the CC quote and half benchmark. Another participants plan was now at benchmark and one plan had been issued for 15 months with insufficient "benchmark" funding for shared living. NDIA accepted this was incorrect and they would ask the finance team to rectify the matter. This has still not occurred despite several communications.

The NDIA did not advise the participants' families that the plans were being reviewed, nor did they request information for a review. At the meeting, the NDIA advised that participants will have to use funding from their individual supports to make up the shortfall in shared living funding.

Asked for an explanation as the why CC had not been informed our quotes were reduced to benchmark, the NDIA advised that they contacted those providers who they thought would be severely impacted by the reviews. The NDIA also advised that all quotes for SIL would need to be provided in the "new" template - that was not yet available – as this would help them determine which participants required above benchmark funding.

Another participants plan was reduced to benchmark in April. Three participants have now requested a review of their plans.

CC has had to resubmit quotes without the new template and start changing its operating model at in response to a cut in funding that started in October 2016 without any notice and without knowing what the total funding quantum will be going forward. This has had a severe impact on residents in terms of reduced individual supports and on staff who had to be consulted with at short notice with regards to the funding cuts and changes to rosters. It has also had an impact on business confidence with regards to the NDIS and the agency's ability to plan and implement appropriate business models.