



JOINT STANDING COMMITTEE ON THE NATIONAL DISABILITY INSURANCE SCHEME

National Disability Services

Inquiry into Current Scheme Implementation and Forecasting for the NDIS – Public hearing – 2 March 2022

Questions on Notice from the Deputy Chair, Senator Brown

- Do you think there are areas that NDIS costs could be reduced? Are service providers being consulted on ways to reduce areas of waste in the scheme? Do you think they would have ideas?

The administration of the scheme, from a provider perspective, remains very burdensome. Claiming by hourly units is the most obvious example, made even more difficult when claims need to be adjusted for different group sizes across a day. Service agreements need to be negotiated, documented and updated regularly for changed support arrangements or new prices. Programs of Support, designed to reduce administration, are sometimes having the opposite effect as they can take many hours to plan, negotiate and implement.

Changes made to SIL about 18 months ago removed the ability to claim a weekly SIL payment for every participant receiving those supports, to being required to claim per hourly unit of support (adjusted often for how many participants were being supported in a group). It added substantially to the administrative tasks to be undertaken by a provider and almost certainly did not improve a participant's experience.

NDS is aware a new portal is being developed but has not been involved (despite the introduction of the last portal being a disaster as providers were not able to be paid for an extended period). Providers are also aware that a 'point of sale' facility will come in at some stage which may streamline payments for some supports. Providers must be involved in the designing and testing of systems that impact on them.

The best way to identify ways to reduce scheme costs without negatively impacting on providers would be to convene a number of roundtables where systems and processes could be discussed in depth and suggestions for improvements proposed.



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- Participants plans are being cut as evidenced by recent media reports. What impact is this having on providers, and how do you see this impacting the scheme's insurance principles? Do you think participant plans are an appropriate area of the scheme to target to get costs down?

Providers are concerned about plan cuts but not generally because of the impact on their business; they are concerned because of the impact the cuts may have on participants' ability to achieve their goals.

There is one important exception and that is in SIL. A shared living arrangement of, say, 4 participants is funded on an understanding that the costs of some support will be shared between the participants. If one person moves out and there is a vacancy for a period of time, the cost of the shared support can no longer be covered. In these circumstances, providers generally continue to provide the same level of shared support even though they are not able to fully cover the cost of providing that support.

This situation is acute in circumstances where an 'active overnight' is required by one person living in the house (say again a house designed for 4 participants). They might only receive funding in their plan to cover one quarter of the cost of having a worker awake at night (no other participants have funding for this night time support). The provider must have the active overnight worker rostered on but covers the bulk of the cost as the participant/s do not have the funds to cover the cost.

The NDIS is ground-breaking reform and is a vast improvement on the fragmented, inequitable state and territory-based systems it replaced. NDIS wants it to find/regain widespread support. To achieve this, governments and the broader sector need to agree on the scheme's economic and other benefits, likely future expenditure, and the arrangements for sharing the costs between the Commonwealth and state and territory governments.

The bilateral agreements between governments will be re-negotiated over the coming year. It is not in the interest of the scheme, and importantly, not in the interests of participants, for this to be a brutal media battle. Participants need the reassurance that they will receive the supports they required to live a good life.