



Joint Standing Committee on the National Disability Insurance Scheme

Progress Report

September 2017

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Abbreviations

ANAO	Australian National Audit Office
CMD	Centre for Market Design
COAG	Council of Australian Governments
DES	Disability Employment Services
DHS	Department of Human Services
DRC	Disability Reform Council
DSS	Department of Social Services
ECEI	Early Childhood Early Intervention
IAC	Independent Advisory Council
ICT	Information and communication technology
ILC	Information, Linkages and Capacity Building
LACs	Local Area Coordinators
NDCAC	National Disability and Carer Advisory Council
NDIA	National Disability Insurance Agency
NDIS	National Disability Insurance Scheme
NDS	National Disability Services
PwC	PricewaterhouseCoopers
SDOM	Special Delivery Operating Model

Chapter 1

Introduction

1.1 The Parliamentary Joint Standing Committee on the National Disability Insurance Scheme (the committee) was established on 1 September 2016 following the passing of a resolution in the Senate and the House of Representatives. The committee is comprised of five members and five senators and is tasked with reviewing:

- (a) the implementation, performance and governance of the National Disability Insurance Scheme (NDIS or the Scheme);
- (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

1.2 The committee's establishing resolution requires the committee to present an annual report to the Parliament on the activities of the committee during the year, in addition to reporting on any other matters it considers relevant. As the principal body reporting to Parliament on the NDIS, the committee's work is particularly pertinent in the early years of implementation. In light of the speed of changes and the complexity of issues experienced to date within the sector, the committee agreed to provide its annual report to the Parliament on a twice-yearly basis. The committee hopes to contribute constructively to the Scheme's progress by offering recommendations intended to improve the efficiency and effectiveness of the Scheme over the coming years.

Structure of the report

1.3 This is the first progress report of the committee in the 45th Parliament. The report covers events from 1 July 2016 to 30 June 2017. Chapter 2 provides an overview of activities that relate to the implementation, performance and governance of the NDIS. Chapter 3 outlines the committee's activities during the year and considers general issues raised in evidence to the committee. It concludes with the committee's view and recommendations.

1 House of Representatives, *Votes and Proceedings*, No. 3, 1 September 2016, pp. 78–80.

Chapter 2

Scheme progress

Introduction

2.1 This chapter provides a background and overview of activities that occurred during the 2016–17 year which relate to the implementation, performance, governance, administration and expenditure of the National Disability Insurance Scheme (NDIS or the Scheme).¹

2.2 The chapter covers current developments arising from the national rollout, including the four Quarterly Reports published in the last year by the National Disability Insurance Agency (NDIA). The chapter summarises the completed Australian National Audit Office (ANAO) performance audit and future potential audits; the Productivity Commission's interim report on NDIS costs; policy and legislation development; disability sector reform; and relevant measures announced by the Federal Government in the 2017–18 Budget. Issues arising from these sources, alongside written and oral evidence received by the committee, are discussed in Chapter Three.

Background

2.3 For the first time in Australia, a nationally consistent approach to support those living with significant and permanent disability is being implemented across the country. Unlike previous welfare-based funding models, the NDIS is a new way of investing in and building the capacity of people with disability who are eligible for support to boost their social and economic participation. Broadly, the NDIS provides support to people with disability, their families, and carers through individualised packages of support. The NDIS also has a broader role in helping people with disability access mainstream and community services.²

2.4 The Scheme operates under the *National Disability Insurance Scheme Act 2013* (NDIS Act) and is jointly governed by the Commonwealth, State and Territory Governments. The National Disability Insurance Agency (NDIA or the Agency) was established when the NDIS Act came into force in 2013 and is the organisation responsible for implementation and operation of the Scheme. The Board of the NDIA is responsible for managing the strategic direction of the Agency and is advised by the NDIS Independent Advisory Council (IAC).³

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- 1 Committee Resolution, available at: http://www.aph.gov.au/Parliamentary_Business/Committees/Joint/National_Disability_Insurance_Scheme/Role_of_the_Committee
 - 2 Parliamentary Library, Research Paper Series 2016–17, *The National Disability Insurance Scheme: a quick guide*, 3 March 2017, p. 1.
 - 3 National Disability Insurance Agency, *Annual Report 2015–16*, October 2016, p. 126.

National rollout of the NDIS

2.5 The NDIS became operational on 1 July 2013 with the commencement of the trial sites. At the conclusion of the trial (30 June 2016), the NDIS was active in nine locations across Australia. From 1 July 2016, the NDIS commenced transition to full Scheme on a geographical or age basis. At full Scheme, approximately 460 000 people will be supported by the NDIS. The disability workforce is expected to more than double in this time, from 73 000 full time equivalent jobs in 2013 before the trials began to 162 000 jobs when the Scheme is fully implemented.⁴

2.6 The rollout is expected to be completed progressively. The Australian Capital Territory completed transition to the Scheme in July 2017; New South Wales and South Australia are expected to have completed transition by July 2018; and Victoria, Queensland, Northern Territory, and Tasmania are expected to be completed by July 2019.

2.7 As at 30 June 2017, 90 638 participants had an approved plan.⁵ A breakdown of this figure is provided in Table 2.1. In addition to participants with an approved plan, a further 6134 children are supported in the Early Childhood Early Intervention (ECEI) gateway, resulting in a total of 96 772. However, it should be noted that the actual number of participants with an approved plan falls well below the projected bilateral estimates—116 555 participants should have had plan approvals—for the period.

Table 2.1—NDIS participants with approved plans at 30 June 2017

State/Territory	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
Participants with approved plans	43 936	15 434	7188	3782	11 634	2229	6047	388

Source: National Disability Insurance Scheme, *4th Quarterly Report*, 30 June 2017 p. 2.

Western Australia

2.8 Unlike other jurisdictions, Western Australia (WA) trialled two service delivery models (WA NDIS and NDIA NDIS) from July 2014 to June 2016. Following the trial, an independent evaluation of the two models was conducted by Stantons International, although the quality of the evaluation was criticised by the Department of Social Services (DSS) for using too small a sample of participants and 'not focusing on outcomes...which was not very useful'.⁶ Subsequently, a Bilateral Agreement was finalised by the Commonwealth and West Australian Governments

4 The Hon. Christian Porter MP, Minister for Social Services, 'Guaranteeing the NDIS and providing stronger support for people with disability', *Media release*, 9 May 2017.

5 National Disability Insurance Scheme, *4th Quarterly Report*, 30 June 2017 p. 2.

6 Ms Felicity Hand, Deputy Secretary, Disability and Housing, Department of Social Services, *Committee Hansard*, 2 March 2017, p. 137.

which resolved that a nationally consistent but state-run NDIS would be implemented in WA with transition to commence from July 2017. The Scheme was expected to roll out in WA geographically from 1 July 2017, with eligible people to gain access at different times.⁷ However, in August 2017, media reported that the WA Government was reconsidering its approach to the Scheme.⁸ According to reports, while the previous WA Government had signed onto the WA-delivered program, there are ongoing discussions between the WA and Commonwealth Governments on whether WA should switch to the national Scheme. Minister Porter, in an interview in March 2017, expressed his support for WA to join the national Scheme with a range of conditions placed around the WA model.⁹ In August 2017, the Minister for Disability Services, the Hon. Stephen Dawson MLC, indicated that a final decision could be forthcoming in the next month or so.¹⁰

Transition of Commonwealth programs to the NDIS

2.9 The NDIS will eventually replace a range of Commonwealth funded disability programs. There are 17 programs transitioning to the Scheme which are administered by DSS or the Department of Health. As the Scheme becomes available in each area, participants should be able to access equivalent services through the NDIS. According to DSS, for people deemed ineligible for the Scheme, the Commonwealth will continue to provide continuity of support through existing programs.¹¹ However, during the committee's inquiry into the *Provision of services under the NDIS for people with psychosocial disabilities related to a mental health condition*, it received evidence which indicated that the transition into the NDIS of programs such as Partners in Recovery, Personal Helpers and Mentors, Day to Day Living and Mental Health Respite: Carers Support, amongst others, will result in a significant number of current clients of those services not accessing the Scheme.

7 The Hon. Christian Porter MP, Commonwealth Minister for Social Services, the Hon. Colin Barnett MLA, WA Premier, the Hon. Donna Faragher MLC, WA Minister for Planning, Disability Services, 'Governments sign bilateral agreement on local delivery of NDIS in WA', *Media release*, 1 February 2017.

8 Taelor Pelusey, *NDIS decision could come next month*, *The West Australian*, 11 August 2017, <https://thewest.com.au/news/south-west/ndis-decision-could-come-next-month-ng-b88563213z> (accessed 30 August 2017).

9 6PR Morning Program with Gareth Parker, 16 March 2017, <https://christianporter.dss.gov.au/transcripts/6pr-morning-program-with-gareth-parker-2> (accessed 6 September 2017).

10 Taelor Pelusey, *NDIS decision could come next month*, *The West Australian*, 11 August 2017, <https://thewest.com.au/news/south-west/ndis-decision-could-come-next-month-ng-b88563213z> (accessed 30 August 2017).

11 Department of Social Services, *Transition of Commonwealth programs to the NDIS*, <https://www.dss.gov.au/disability-and-carers/programs-services/for-people-with-disability/national-disability-insurance-scheme/transition-of-commonwealth-programs-to-the-national-disability-insurance-scheme-ndis> (accessed 16 August 2017).

National Disability Insurance Agency activities

2.10 This section briefly considers the NDIA's activities over the year, and summarises notable findings from the Agency's quarterly reports. The section concludes with the Agency's governance arrangements.

2.11 The first year of the national transition to the NDIS presented a number of challenges for the Agency. Portal issues significantly impacted the Agency's ability to meet the bilateral estimates for 2016–17 and had a flow-on effect to its delivery of services.¹² Poor participant and provider experiences resulted in a decision by the Agency to conduct an end-to-end review of its pathways and improve its future approach.¹³ Following the Agency's 2017 Price Review, participant and provider workshops, and the Productivity Commission's report, the NDIA advised that an Independent Pricing Review would be undertaken by McKinsey & Company. The review is expected to be completed by the end of 2017.¹⁴

MyPlace portal

2.12 From 1 July 2016, the NDIS Participant Portal was replaced by a new portal called 'MyPlace'. Within weeks, service providers were reporting issues with the new system—most importantly the inability to process claims for payment.¹⁵ Some service providers experienced significant delays in payment, leading to financial stress and the cessation of service provision. The cessation of services, or the inability to pay for them, resulted in participants not being able to access supports.

2.13 At the end of July 2016, NDIA Chief Executive Officer, Mr David Bowen, acknowledged that there were some problems with the migration of data from the trial sites.¹⁶ A week later, the Minister for Social Services, the Hon. Christian Porter MP, advised that, 'the main issues have been rectified and outstanding payment requests are being prioritised'. Concurrently, Minister Porter announced an independent review

12 The Hon. Christian Porter MP, Minister for Social Services, 'NDIS MyPlace portal', *Media release*, 31 August 2016.

13 National Disability Insurance Agency, *Participants and providers work with NDIS to improve processes*, 6 June 2017, <https://www.ndis.gov.au/news/ceo-message-6june.html> (accessed 5 July 2017).

14 National Disability Insurance Agency, *Letter to Registered NDIS Providers from CEO David Bowen*, 12 June 2017, <https://www.ndis.gov.au/news/letter-to-ndia-registered-providers.html> (accessed 5 July 2017).

15 The Hon. Christian Porter MP, Minister for Social Services, and the Hon. Jane Prentice MP, Assistant Minister for Social Services and Disability Services, 'Review of the Implementation of the NDIS MyPlace Portal', *Media release*, 5 August 2016.

16 ABC, 'NDIS payment breakdown continues with no end in sight', 29 July 2016, <http://www.abc.net.au/worldtoday/content/2016/s4509826.htm> (accessed 4 July 2017).

of the MyPlace portal 'to determine how and why the problems arose so we can be confident that they will not reoccur'.¹⁷

2.14 By the end of August 2016, successful payments to providers and participants had increased from around 70 per cent to 96 per cent, however the diversion of resources to achieve this outcome resulted in a slowdown of plan approvals.¹⁸ The government emphasised that providers affected by MyPlace portal issues had received individual attention, and that the number of providers and participants who were still experiencing problems had reduced significantly.

2.15 Consequently, the then Chair of the NDIA Board, Mr Bruce Bonyhady, was requested to immediately take a number of actions to resolve outstanding issues concerning information provision and to ensure that the transitional plan remains on target for the first two quarters of transition. The actions included:

- establishment of an NDIS Transition Management Team;
- appointment of a Chief Operating Officer for the transition;
- more robust reporting on key metrics around portal issue resolution and plan approval rates; and
- establishment of stronger information sharing arrangements between the NDIA, DSS and Department of Human Services (DHS).¹⁹

2.16 The Council of Australian Governments Disability Reform Council (the DRC) met on 2 September 2016 and unanimously agreed that the impact and scale of the issues had been unacceptable for NDIS participants, their carers, and providers, however it noted that the NDIA had fulfilled the actions requested by the Minister. The DRC committed to working with the NDIA to get participants plans back on track by the end of 2016. To this end, it agreed that:

The NDIA will provide monthly reports to Council members to ensure appropriate progress against agreed actions and transition targets for plan approvals in relation to bilateral targets in each jurisdiction and monthly reports on key metrics of payment portal performance.²⁰

2.17 In December 2016, the DRC reported that the issues experienced by participants and providers in implementing the new MyPlace portal had been largely resolved and users of the MyPlace portal reported a significantly improved

17 The Hon. Christian Porter MP, Minister for Social Services, and the Hon. Jane Prentice MP, Assistant Minister for Social Services and Disability Services, 'Review of the Implementation of the NDIS MyPlace Portal', *Media release*, 5 August 2016.

18 The Hon. Christian Porter MP, Minister for Social Services, 'NDIS MyPlace portal', *Media release*, 31 August 2016.

19 The Hon. Christian Porter MP, Minister for Social Services, 'NDIS MyPlace portal', *Media release*, 31 August 2016.

20 Disability Reform Council, *Communiqué*, 2 September 2016, pp. 1–2.

experience.²¹ However, people involved in the Scheme continue to experience a myriad of portal issues, which is discussed further in Chapter 3.

2.18 In August 2016, an independent review was conducted by PricewaterhouseCoopers (PwC). PwC concluded in its report to government that 'the root cause of payment failure was not a single catastrophic event, but rather a series of compounding issues which prevented a viable option to delay ICT implementation'.²² In assessing the adequacy of the NDIA's practices and businesses processes in implementing the ICT system, PwC found that:

The NDIA has not implemented a comprehensive Service Delivery Operating Model (SDOM). This has impacted the successful execution of the Full Scheme Launch and put the existing organisational operating model under stress. Stakeholder engagement, training and preparedness were insufficient, and necessary training materials were not finalised for staff and providers by 29 June 2016.²³

2.19 PwC made six recommendations to address identified issues with implementing the MyPlace portal. The recommendations focus on continual quality improvements as more participants transition to the Scheme, and include:

- implement and embed the SDOM;
- enhance program management fundamentals including inter and intra-agency governance and an integrated program plan;
- monitor payments and service recovery against agreed performance metrics;
- review the resourcing model for Full Scheme Transition;
- undertake a comprehensive Stakeholder and Change Impact Assessment; and
- tailor and measure the Change Management approach.²⁴

2.20 The DRC also discussed a number of changes to the NDIS governance structure to enable governments to respond and implement solutions quickly as issues over transition arise.²⁵ Changes to the Agency's governance arrangements are discussed further at paragraph 2.55.

Review of participant and provider pathways

2.21 Towards the end of 2016–17, the then NDIA Chief Executive Officer, Mr David Bowen, released a statement acknowledging that even before the

21 Disability Reform Council, *Communiqué*, 5 December 2016, p. 1.

22 PricewaterhouseCoopers, *National Disability Insurance Scheme MyPlace Portal Implementation Review – Final Report*, 31 August 2016, p. 2.

23 PricewaterhouseCoopers, *National Disability Insurance Scheme MyPlace Portal Implementation Review – Final Report*, 31 August 2016, p. 2.

24 PricewaterhouseCoopers, *National Disability Insurance Scheme MyPlace Portal Implementation Review – Final Report*, 31 August 2016, p. 2.

25 Disability Reform Council, *Communiqué*, 2 September 2016, p. 4.

commencement of transition to full Scheme in July 2016, the quality of the NDIA's internal preparation warranted significant improvement.²⁶ Mr Bowen noted that the Agency's processes and systems had not resulted in a high-quality experience for participants or providers and that the Agency had been working to identify areas for improvement.²⁷

2.22 The Agency sought feedback from participants, providers, peak disability bodies and other stakeholders from April 2017. Following that process, the Agency advised that:

...400 specific improvement ideas and 200 solution concepts have been generated. Detailed work is currently underway to incorporate participants' and providers' insights to ensure the NDIA delivers a high quality, outcomes focussed participant and provider experience that is simple, clear and accessible, at the same time as ensuring the Scheme's financial sustainability...The NDIA is committed to getting the proposed approach right. As a result, full implementation, which will be dealt with as a matter of priority, may take somewhat longer because of the need to retrain staff; implement systems changes; and significantly improve communications...During the interim period, until the full proposal can be implemented, the NDIA will work hard to actively engage with stakeholders and to provide information on progress.²⁸

2.23 In June 2017, the Chair of the NDIA Board, Dr Helen Nugent AO, and Mr Bowen reported the findings of the participant and provider pathways review to the DRC.²⁹ By July 2017, the DRC was expected to have reviewed the NDIA's approach to developing and implementing participant plans, with a focus on plan quality, participant experience, and outcomes.³⁰ However, by the end of August 2017, no public information on the DRC's progress against this term of reference was available.

Annual review of the NDIS Price Guide

2.24 The NDIA is required to ensure that the disability services market operates in a way that will help the NDIS achieve its objectives. To this end, the Agency applies price controls to a range of supports that can be purchased under the NDIS. Price

26 National Disability Insurance Agency, *Participants and providers work with the NDIS to improve processes*, 6 June 2017, <https://www.ndis.gov.au/news/ceo-message-6june.html> (accessed 5 July 2017).

27 National Disability Insurance Agency, *Participants and providers work with the NDIS to improve processes*, 6 June 2017, <https://www.ndis.gov.au/news/ceo-message-6june.html> (accessed 5 July 2017).

28 National Disability Insurance Agency, *Participants and providers work with the NDIS to improve processes*, 6 June 2017, <https://www.ndis.gov.au/news/ceo-message-6june.html> (accessed 5 July 2017).

29 Disability Reform Council, *Communiqué*, 16 June 2017, p. 1.

30 Disability Reform Council, *Terms of Reference*, April 2017, p. 3.

controls are monitored by the Agency through an annual price review to ensure that the NDIS is delivering value for money and promoting choice in the marketplace.³¹

2.25 In the 2017 Price Review, feedback from stakeholders was used by the Agency to determine which price changes should be implemented. The 2017–18 Price Guide for NDIS Service Providers was published in late May 2017 and took effect from 1 July 2017. The following changes were incorporated:

- a 4.5 per cent increase in prices for Personal Care and Community Participation in all jurisdictions. The base rate for these supports, delivered between Monday to Friday, increased from \$42.79 to \$44.72 in the eastern states, with higher rates available for supports delivered out of hours and on weekends, and higher rates applicable for participants requiring high intensity supports;
- a 1.94 per cent increase in price levels for all other supports that are subject to growth in wage costs, to be applied nationally, except for Therapy supports, which remain unchanged;
- increased price loadings for the delivery of supports to participants in remote areas (20 per cent) and very remote areas of Australia (25 per cent); and
- extension of the cancellation policy to allow providers to charge up to two participant cancellations for therapeutic supports per annum.³²

2.26 The Chief Executive Officer of National Disability Services (NDS), Mr Ken Baker, expressed disappointment with the results of the Agency's Price Review.³³ Mr Baker noted that the announcement will only enable some services to keep pace with inflation, with lesser increases for others, and no increase at all for therapy services. He argued that pricing remains inadequate for providers of disability services:

These pricing decisions effectively ignore evidence provided to a price review earlier this year which promised to test the assumptions that underlie the hourly rate...NDIS prices are not where they need to be to ensure the highest-quality services for people with disability.³⁴

2.27 Following its 2017 Price Review, the NDIA's Board and management commissioned McKinsey & Company to immediately undertake an independent pricing review and report by the end of 2017. Mr Bowen outlined the decision to undertake an independent review in a letter to providers:

Some providers argued that existing prices do not allow adequate recovery of their costs, impeding their ability to make a return and acting as a barrier to market growth. On the other hand, some participants argued that

31 National Disability Insurance Agency, *2017 Price Controls Review—Discussion Paper*, March 2017, p. 1.

32 National Disability Insurance Agency, *Pricing and payment*, <https://www.ndis.gov.au/providers/pricing-and-payment.html> (accessed 5 July 2017).

33 National Disability Services, 'NDIS prices continue to fall short', *Media release*, 12 June 2017.

34 National Disability Services, 'NDIS prices continue to fall short', *Media release*, 12 June 2017.

providers are overpricing supports in some categories. More detailed work is required to gain a deeper understanding of these divergent perspectives.³⁵

2.28 In making the decision, several sources had been taken into account, including perspectives from providers and participants, economic data, and Wage and Consumer Price Indexes.³⁶ The terms of reference for the independent review are as follows:

- (1) Provide recommendations in relation to improved pricing effectiveness, including but not limited to:
 - national versus regional pricing;
 - pricing of services with different levels of complexity;
 - pricing of short stay support, and for emergency and crisis supports;
 - thin and undersupplied markets, particularly in regional and remote areas;
 - relative provider efficiencies (including overheads);
 - adequacy of provider returns; and
 - effectiveness of the Hourly Return approach used to set prices.
- (2) Provide recommendations in relation to the potential early de-regulation of price in more mature sub-markets and the glide path for the eventual de-regulation of price more generally.³⁷

Quarterly reports

2.29 In accordance with Section 174 of the NDIS Act, the Board members of the NDIA must prepare a report on operations of the Agency for each period of three months starting on 1 July, 1 October, 1 January, and 1 April. The NDIS Performance Reporting Framework contained in the Bilateral Agreements between the Commonwealth and State and Territory Governments outlines the outcomes, key performance indicators, and performance measures against which to report.³⁸

2.30 The committee notes that it is difficult to draw conclusions about the progress of the Scheme as the 2016–17 Quarterly Reports have used metrics which do not

35 National Disability Insurance Agency, *Letter to Registered NDIS Providers from CEO David Bowen*, 12 June 2017, <https://www.ndis.gov.au/news/letter-to-ndia-registered-providers.html> (accessed 5 July 2017).

36 National Disability Insurance Agency, *Letter to Registered NDIS Providers from CEO David Bowen*, 12 June 2017, <https://www.ndis.gov.au/news/letter-to-ndia-registered-providers.html> (accessed 5 July 2017).

37 National Disability Insurance Agency, *Letter to Registered NDIS Providers from CEO David Bowen*, 12 June 2017, <https://www.ndis.gov.au/news/letter-to-ndia-registered-providers.html> (accessed 5 July 2017).

38 National Disability Insurance Scheme, *2nd Quarterly Report*, 31 December 2016, p. 2.

enable clear comparison and analysis.³⁹ The NDIA should be reporting in a way that aids external scrutiny; to this end, it could consider whether improvements that promote transparency can be applied to future quarterly reporting.

1st Quarter 2016–17 notable findings

2.31 The need to respond to initial IT issues caused a delay in the Agency's phasing of participants into the Scheme in line with Bilateral Agreements. Consequently, the DRC and the NDIA agreed to a Transition Recovery Plan which indicated that the Agency would aim to meet half of the quarter one bilateral estimate for 2016–17, with the cumulative quarter two estimate for 2016–17 to remain the same.⁴⁰

2.32 Participant plan approval numbers at the end of September 2016 were much lower than the bilateral estimates due to the Agency's diversion of resources to address IT and payment issues. Table 2.2 provides a breakdown of plan approvals compared to bilateral estimates by state and territory as at 30 September 2016.

Table 2.2—Plan approvals compared to estimates as at 30 September 2016

State/Territory	2016–17 Q1 approved plans	2016–17 Q1 bilateral estimate (revised)	2016–17 Q1 bilateral estimate (original)
NSW	4397	7459	14 919
VIC	670	1062	2125
QLD	376	500	1000
WA	156	198	396
SA	751	386	772
TAS	142	127	255
ACT	948	797	797
NT	-	-	-
Total	7440	10 529	20 264

Source: National Disability Insurance Scheme, *1st Quarterly Report*, 30 September 2016, p. 46.

39 For example, the numbers of people awaiting a plan were listed in the Q3 and Q4 reports, but not included in the Q1 and Q2 reports. A breakdown of Administrative Appeals Tribunal (AAT) determinations were provided in the Q1 and Q2 reports, but not provided in Q3 or Q4 (eg. decision affirmed, set aside, pending, varied, dismissed or withdrawn).

40 National Disability Insurance Scheme, *1st Quarterly Report*, 30 September 2016, p. 46.

2.33 During the first quarter of 2016–17, the NDIS grew by almost 11 000 people. By 30 September 2016, 37 721 participants had approved plans, and \$3.3 billion had been committed to participants. By the end of September 2016, the NDIA had received 6857 service provider registration requests of which 3696 were approved.⁴¹ In comparison to previous quarters, results from the participation satisfaction survey showed a reduction in overall satisfaction with the Agency in the first quarter of 2016–17.⁴²

2.34 A number of pressures were identified during the first quarter of the year. These included:

- higher than expected numbers of children entering the Scheme;
- increasing package costs over the impacts of inflation and ageing;
- potential participants continuing to approach the Scheme;
- lower than expected participants exiting the Scheme; and
- a mismatch between benchmark package costs and actual package costs.⁴³

2.35 Two specific initiatives were introduced by the Agency to address these pressures—the Early Childhood Early Intervention (ECEI) approach and the First Plan approach. In addition to these initiatives, the NDIA put in place a Sustainability and Liability Review Working Group led by the CEO to oversee the initiatives and address the identified cost pressures.⁴⁴

2.36 The ECEI approach provides a gateway to the NDIS for eligible children aged 0–6 years to enter as a participant. The ECEI approach is intended to provide support for children to access mainstream and community services when they do not meet the eligibility criteria but need assistance to access services. According to the NDIA, the First Plan process is a method for better aligning levels of function and need with support packages for participants when they first enter the Scheme.⁴⁵ However, the First Plan process caused many of the issues of dissatisfaction with regards to the planning process (discussed in Chapter 3). The NDIA have now altered the model as indicated in its Q4 report.

2nd Quarter 2016–17 notable findings

2.37 During the second quarter of 2016–17, the NDIS grew by more than 25 000 people. A further 23 494 participants received an approved plan and 2267 were referred to the ECEI approach.⁴⁶ For participants who received a plan in Q2, close to

41 National Disability Insurance Scheme, *1st Quarterly Report*, 30 September 2016, p. 36.

42 National Disability Insurance Scheme, *1st Quarterly Report*, 30 September 2016, p. 34.

43 National Disability Insurance Scheme, *1st Quarterly Report*, 30 September 2016, p. 60.

44 National Disability Insurance Scheme, *1st Quarterly Report*, 30 September 2016, p. 60.

45 National Disability Insurance Scheme, *1st Quarterly Report*, 30 September 2016, p. 60.

46 National Disability Insurance Scheme, *2nd Quarterly Report*, 31 December 2016, p. 7.

25 per cent received a plan within 30 days of being made eligible for the Scheme, and a further 30 per cent over 90 days.⁴⁷

2.38 Participant plan approval numbers at the end of December 2016 were lower than the original bilateral estimates but in line with the revised Q2 estimates. Table 2.3 provides a breakdown of plan approvals compared to bilateral estimates by state and territory as at 30 December 2016.

Table 2.3—Plan approvals compared to estimates as at 30 December 2016

State/Territory	Plans approved in 2016–17 Q2	Plans approved in 2016–17 total	Plans approved in 2016–17 total incl. ECEI	End of Q2 2016–17 revised estimate	End of Q2 2016–17 bilateral estimate
NSW	14 772	19 169	20 976	20 259	24 547
VIC	3416	4086	4378	3733	6110
QLD	1835	2211	2268	2227	4218
WA	301	457	457	792	792
SA	2329	3080	3191	1548	1548
TAS	341	483	483	314	511
ACT	494	1442	1442	977	977
NT	6	6	6	1	1
Total	23 494	30 94	33 201	29 851	38 704

Source: National Disability Insurance Scheme, *2nd Quarterly Report*, 30 December 2016, p. 3.

2.39 By 30 December 2016, 61 215 participants had approved plans, and \$5.1 billion had been committed for participant supports. Similar to Q1, committed support was again higher than revenue.⁴⁸ By the end of December 2016, the NDIA had received 8076 service provider registration requests, of which 5110 were approved.⁴⁹

2.40 Results from the participation satisfaction survey showed a similar rate of satisfaction with the agency as Q1, and identified the same five pressures.⁵⁰ With

47 National Disability Insurance Scheme, *2nd Quarterly Report*, 31 December 2016, p. 65.

48 National Disability Insurance Scheme, *2nd Quarterly Report*, 31 December 2016, p. 47.

49 National Disability Insurance Scheme, *2nd Quarterly Report*, 31 December 2016, p. 11.

50 National Disability Insurance Scheme, *2nd Quarterly Report*, 31 December 2016, p. 84.

regards to the mismatch between benchmark package costs and actual package costs, the Agency noted that a large driver of the disparity is participants in shared supported accommodation. According to the Agency, this is a legacy issue from the existing disability system that is expected to be present for several years.⁵¹

3rd Quarter 2016–17 notable findings

2.41 During the third quarter of 2016–17, the NDIS grew by over 16 000 people. By 31 March 2017, 75 567 participants had approved plans, and \$6.3 billion of support had been committed to participants. By the end of the quarter, \$2.2 billion of support had been paid to providers and participants.

2.42 Participant plan approval numbers at the end of March 2017 were much lower than the bilateral estimates. Table 2.4 provides a breakdown of plan approvals compared to bilateral estimates by state and territory as at 31 March 2017.

Table 2.4—Plan approvals compared to estimates as at 31 March 2017

State/Territory	Prior quarters	2016-17 Q3	Total excluding ECEI	Total including ECEI	Bilateral estimates
NSW	28 774	7261	36 035	38 163	45 937
VIC	9369	2454	11 823	11 980	13 973
QLD	2572	2481	5053	5177	10 296
WA	2951	489	3440	3440	6049
SA	10 198	854	11 052	11 081	11 467
TAS	1645	232	1877	1877	1938
ACT	5540	448	5988	5989	5075
NT	161	138	299	299	413
Total	61 210	14 357	75 567	78 006	95 148

Source: National Disability Insurance Scheme, *3rd Quarterly Report*, 31 March 2017, p. 4.

2.43 The Agency reported that the overall percentage of people exiting the Scheme was lower than expected. Exits are an important sustainability control for ensuring that only participants that continue to meet the access criteria of the Act receive

51 National Disability Insurance Scheme, *2nd Quarterly Report*, 31 December 2016, p. 84.

individualised funding.⁵² The majority of participants who exited the Scheme had a section 24 plan.⁵³

2.44 A higher proportion of active participants with First Plan approvals in the third quarter of 2016–17 had average annualised committed supports greater than \$30 000, compared with active participants who entered in prior quarters.⁵⁴

2.45 There was an increase of 33 per cent in registered providers with 6814 service providers registered by the end of the quarter, noting that 32 registrations had ended during the third quarter.⁵⁵ Pressures identified in Q1 and Q2 were again identified in Q3.⁵⁶

4th Quarter 2016–17 notable findings

2.46 In 2016–17, a total of 60 357 participants entered the Scheme and received an approved plan. In addition, there were 6134 children with a confirmed referral to the ECEI gateway. This represented 83 per cent of the cumulative bilateral estimate to 30 June 2017.⁵⁷

2.47 In the period of 1 July 2013 to 30 June 2017, \$7.3 billion of support has been committed to 90 638 participants who have had at least one approved plan. This includes \$1.5 billion of support in respect of the trial years, \$3.2 billion in respect of 2016–17, and \$2.6 billion for later years (due to current plans in place that have an end date past 30 June 2017).⁵⁸

2.48 Consistent with previous reports, the Q4 report acknowledged the same pressures which require monitoring, such as higher than expected number of participants approaching the Scheme, and a degree of committed support in participant plans increasing above indexation.⁵⁹

2.49 The Q4 report noted that limitations continue to exist in the data available for reporting. Specifically, data is not available to report on:

- the number of participants that are culturally and linguistically diverse;

52 National Disability Insurance Scheme, *3rd Quarterly Report*, 31 March 2017, p. 15.

53 A section 24 plan refers to participants who meet certain disability requirements, such as: the participant has a disability that is attributable to one or more intellectual, cognitive, neurological, sensory or physical impairments or to one or more impairments attributable to a psychiatric condition; the impairment is likely to be permanent; the impairment results in substantially reduced functional capacity to undertake activities; the impairment affects capacity for social or economic participation; and the participant is likely to require support under the NDIS for their lifetime.

54 National Disability Insurance Scheme, *3rd Quarterly Report*, 31 March 2017, p. 30.

55 National Disability Insurance Scheme, *3rd Quarterly Report*, 31 March 2017, p. 39.

56 National Disability Insurance Scheme, *1st Quarterly Report*, 30 September 2016, p. 60.

57 National Disability Insurance Scheme, *4th Quarterly Report*, 30 June 2017, p. 3.

58 National Disability Insurance Scheme, *4th Quarterly Report*, 30 June 2017, p. 5.

59 National Disability Insurance Scheme, *4th Quarterly Report*, 30 June 2017, p. 5.

- the amount of supports provided as in-kind for each participant. This in turn affects reporting on utilisation at the participant level;
- participants exiting the Early Childhood Early Intervention (ECEI) gateway;
- decision reviews; and
- service provider complaints and investigations.⁶⁰

2.50 Ongoing enhancements to the Customer Relationship Management system, data warehouse and business practices are intended to address these issues in future reports.⁶¹

2.51 The report also discussed its end to end review of the participant and provider pathways, and advised that the current approach is being redesigned to deliver a pathway that is participant-centric, outcomes focused and based on insurance principles. Changes will be piloted before nation-wide rollout.⁶²

2.52 Since the Scheme's inception there have been 268 access, plan, and plan review related Administrative Appeals Tribunal appeals (0.19 per cent of all access decisions) and 4968 complaints made (5.1 per cent of all participants).

2.53 In relation to financial sustainability, the Q4 report highlighted the same five cost pressures discussed above, however, one of the two specific initiatives put in place to manage these trends has changed. The First Plan Process seems to have been replaced by the reference package and planning process. According to the NDIA, the reference package and planning process is a method for better aligning the support need with support packages for participants when they first enter the Scheme.⁶³ However, the methodology will require ongoing refinement to ensure the right assessment tools and questions are used.⁶⁴

2.54 The numbers of participant plan approvals at the end of June 2017 were much lower than the expected bilateral estimates. Table 2.5 provides a breakdown by state and territory as at 30 June 2017.

Table 2.5—Plan approvals compared to estimates as at 30 June 2017

State/Territory	Prior quarters	2016–17 Q4	Total excluding ECEI	Total including ECEI	Bilateral estimates
NSW	36 029	7 907	43 936	48 266	55 333
VIC	11 823	3611	15 434	16 484	20 205

60 National Disability Insurance Scheme, *4th Quarterly Report*, 30 June 2017, p. 9.

61 National Disability Insurance Scheme, *4th Quarterly Report*, 30 June 2017, p. 9.

62 National Disability Insurance Scheme, *4th Quarterly Report*, 30 June 2017, p. 12.

63 National Disability Insurance Scheme, *4th Quarterly Report*, 30 June 2017, p. 39.

64 National Disability Insurance Scheme, *4th Quarterly Report*, 30 June 2017, pp. 39–40.

QLD	5054	2134	7188	7442	14 966
WA	3440	342	3 782	3782	5301
SA	11 051	583	11 634	12 116	12 887
TAS	1877	352	2229	2247	2242
ACT	5987	60	6047	6047	5075
NT	299	89	388	388	546
Total	75 560	15 078	90 638	96 772	116 555

Source: National Disability Insurance Scheme, *4th Quarterly Report*, 30 June 2017, p. 4.

Governance arrangements

2.55 Under the NDIS Act, Board members are appointed on a part-time basis for three years. However, the contracts of the first NDIA Board were extended to the end of December 2016. At the conclusion of its term, the first Chair, Mr Bruce Bonyhady, was replaced by Dr Helen Nugent AO.

2.56 In March 2016, the DRC agreed to increase the size of the Board from eight members and a Chair, to eleven members and a Chair. According to the DRC, the additional three Board members would enable greater stability and diversity during transition to full Scheme.⁶⁵ The Commonwealth introduced legislation to this effect and the *National Disability Insurance Scheme Amendment Act 2016* received Royal Assent on 5 May 2016.

2.57 At its last meeting for the year in June 2017, the DRC agreed to undertake further work on NDIS governance reform for full Scheme and to discuss this at its next meeting.⁶⁶

2.58 On 19 July 2017, the Board announced that following Mr David Bowen's retirement, Mr Rob De Luca had been appointed as the next CEO of the NDIA to commence 28 August 2017. Mr De Luca was the Managing Director of Bankwest, a position which he held for five years.⁶⁷

Australian National Audit Office

2.59 The Australian National Audit Office (ANAO) completed one performance audit in relation to the NDIS. The *NDIS Management of Transition of the Disability Services Market* was the first in a series of potential audits to be conducted by the

65 Disability Reform Council, *Communiqué*, 4 March 2016, p. 3.

66 Disability Reform Council, *Communiqué*, 16 June 2017, p. 2.

67 The Hon. Christian Porter MP, Minister for Social Services, and the Hon. Jane Prentice MP, Assistant Minister for Social Services and Disability Services, 'Government welcomes new NDIA Chief', *Media release*, 19 July 2017.

ANAO as part of a five-year audit strategy. The ANAO is expected to table a second report *Decision-making controls for sustainability—NDIS access* in August 2017.

NDIS—Management of Transition of the Disability Services Market

2.60 The ANAO's audit report was published in November 2016. The objective of the audit was to assess the effectiveness to date of the DSS and the NDIA's management of the approach to transitioning the disability services market to the NDIS market arrangements. In carrying out the audit, the ANAO considered whether:

- the approach by the department and the NDIA to transition the market was informed by lessons learnt from the trial sites and other relevant market transformations;
- the department and the NDIA have effectively considered implementation issues in their management of the approach to transitioning the market;
- the Sector Development Fund has been used strategically to support and inform the transition; and
- the department and the NDIA have effective mechanisms to continue to adjust and refine their approach to transitioning the market.⁶⁸

Planning the market transition

2.61 The ANAO examined whether management of the transition of the disability services market is underpinned by effective governance arrangements; clear roles and accountabilities; and a strategic approach to market regulation and transition. It also considered whether there are processes in place to monitor implementation and whether the Sector Development Fund is being used strategically to support the market transition.

2.62 The ANAO found that, within the NDIS intergovernmental governance arrangements, the processes and timeframes for collective decision-making have been inconsistent with the timeframes for the rollout of the Scheme. This, along with a lack of clarity over roles and responsibilities, has contributed to delays, risk, and complexity. Furthermore, there is limited evidence of a strategic approach to the use of the Commonwealth's \$146 million Sector Development Fund in the first three years of the Fund's administration.⁶⁹

Implementing the market transition

2.63 The ANAO examined whether DSS and the NDIA have in place a program of work to transition the market, including how lessons learned from the NDIS trials were used to inform NDIS policy and implementation; and whether risk management arrangements are in place to identify and mitigate risks associated with the market transition.

68 Australian National Audit Office, *NDIS—Management of the Transition of the Disability Services Market*, Audit Report No. 24, 2016–17, p. 7.

69 Australian National Audit Office, *NDIS—Management of the Transition of the Disability Services Market*, Audit Report No. 24, 2016–17, p. 9.

2.64 The ANAO found that both DSS and the NDIA captured, analysed and used lessons from the trial sites to develop market policy and operational settings in response to feedback and experience. While the department did not have a clearly documented work program to implement its disability workforce development responsibilities, the NDIA had documented a program of activities to operationalise its market transition responsibilities. However, there is no published overall work plan which sets out timeframes and deliverables. The ANAO concluded that although there is a high degree of executive oversight of NDIS risks within both DSS and the NDIA, opportunities remain to enhance both intergovernmental and Commonwealth risk management.⁷⁰

Meeting future market challenges

2.65 The ANAO examined the organisational arrangements and mechanisms to support the market transition and entities' responsibilities; processes and systems for the continued collection and analysis of data and market learnings; and whether barriers to a successful market transition have been considered and addressed.⁷¹

2.66 The ANAO found that in October 2016, DSS developed a draft NDIS Transition Program Plan to support its market oversight role in the NDIS market transition. The NDIA's transition planning provides for continued collection of data, and mechanisms are in place, or under development, to improve data collection. It recommended prioritising finalisation of the national *NDIS Quality and Safeguarding Framework* and supporting infrastructure and implementation arrangements to improve regulatory certainty and address market transition risks.⁷²

2.67 The *NDIS Quality and Safeguarding Framework* was finalised in December 2016 and is discussed further at paragraph 2.99 under the DRC activities section.

Audit recommendation

2.68 The ANAO recommended that DSS produce and publish a disability care workforce action plan as soon as practicable, which includes specific actions, timeframes, accountabilities, and monitoring arrangements for implementation.⁷³ Both DSS and NDIA agreed with the recommendation and its findings, however, the department noted that:

...the NDIS is a ground-breaking reform to offer life-long, multi-service support to people with disability, which does not lend itself easily to

70 Australian National Audit Office, *NDIS—Management of the Transition of the Disability Services Market*, Audit Report No. 24, 2016–17, p. 10.

71 Australian National Audit Office, *NDIS—Management of the Transition of the Disability Services Market*, Audit Report No. 24, 2016–17, p. 54.

72 Australian National Audit Office, *NDIS—Management of the Transition of the Disability Services Market*, Audit Report No. 24, 2016–17, p. 11.

73 Australian National Audit Office, *NDIS—Management of the Transition of the Disability Services Market*, Audit Report No. 24, 2016–17, p. 41.

comparisons with other reforms. Similarly, while it was critical to capture the learnings from the trial sites to inform development of strategies and approaches, the information derived from the trials is limited to geographic areas or participant cohorts and does not provide a sound basis for forming judgements about the wider market. The Department considers that a stronger basis for intervention in the market is likely to emerge in the later part of the transition to full Scheme.⁷⁴

Decision-making controls for sustainability—NDIS access

2.69 The objective of the *Decision-making controls for sustainability—NDIS access* audit is to assess the effectiveness of controls being implemented and/or developed by the NDIA to ensure NDIS access decisions are consistent with legislative and other requirements. The ANAO will examine whether:

- suitable information, training and guidance is available to support effective decision-making about access to the NDIS;
- suitable administrative systems and processes are in place to support transparent, accurate, timely and consistent assessment of eligibility; and
- suitable quality and compliance arrangements have been established to mitigate the risk of incorrect NDIS access decisions.⁷⁵

2.70 The ANAO is due to table its report in November 2017.

Potential audits

2.71 The ANAO has identified two potential audits to be conducted as part of a five-year performance audit strategy.⁷⁶

2.72 The potential *Administration of the Sector Development Fund* audit would examine the outcomes achieved by the NDIS Sector Development Fund, including whether the impact of funded activities were evaluated within an agreed performance framework, and whether outcomes of funded projects were distributed and utilised to support the transition of the disability sector.⁷⁷

74 Australian National Audit Office, *NDIS—Management of the Transition of the Disability Services Market*, Audit Report No. 24, 2016–17, p. 12.

75 Australian National Audit Office, *Decision-making controls for sustainability—NDIS access*, <https://www.anao.gov.au/work/performance-audit/decision-making-controls-sustainability-ndis> (accessed 4 July 2017).

76 Australian National Audit Office, *NDIS—Administration of the Sector Development Fund*, <https://www.anao.gov.au/work/performance-audit/national-disability-insurance-Scheme—administration-sector-development-fund> (accessed 4 July 2017) and Australian National Audit Office, *NDIS—Fraud and Compliance Program*, <https://www.anao.gov.au/work/performance-audit/national-disability-insurance-Scheme—fraud-and-compliance-program> (accessed 4 July 2017).

77 Australian National Audit Office, *NDIS—Administration of the Sector Development Fund*, <https://www.anao.gov.au/work/performance-audit/national-disability-insurance-Scheme—administration-sector-development-fund> (accessed 4 July 2017).

2.73 The potential *Fraud and Compliance Program* audit would examine the efficiency and effectiveness of the NDIA's compliance program for the NDIS, including the controls in place to register providers and administer payments, as well as the frameworks in place to assist providers and participants to manage their obligations. The audit would provide assurance that suitable controls, including effective and efficient prevention, early detection and response mechanisms, are in place to ensure accurate payments are being made to eligible providers to support the Scheme's ongoing sustainability.⁷⁸

Productivity Commission review

2.74 On 20 January 2017, the Treasurer, the Hon. Scott Morrison MP, requested that the Productivity Commission (the Commission) undertake a study into the NDIS costs.⁷⁹ The Heads of Agreement between the Commonwealth and State and Territory Governments on the NDIS specified that the Commission would undertake a review of Scheme costs in 2017 in order to inform the final design of the full Scheme prior to its commencement.⁸⁰

2.75 In February 2017, the Commission published its Issues Paper and received over 200 submissions from a wide range of stakeholders, such as governments, service providers, research organisations, individuals, NDIS participants and carers, lawyers, consultants and peak bodies for professionals and advocates.⁸¹ The Commission released its Position Paper on 14 June 2017 to seek feedback on its preliminary conclusions and outlined the Commission's initial findings on the NDIS Costs study. The Commission will release its final report in September 2017.⁸²

2.76 The DRC is expected to deliver its advice on the Commission's report to the Council of Australian Governments (COAG) by December 2017.⁸³

Summary of key findings

2.77 The Commission highlighted that, based on trial and transition data, NDIS costs are broadly on track with the NDIA's long term modelling. While there are some emerging cost pressures (such as higher numbers of children entering the Scheme), the NDIA has put in place initiatives to address them.⁸⁴

78 Australian National Audit Office, *NDIS—Fraud and Compliance Program*, <https://www.anao.gov.au/work/performance-audit/national-disability-insurance-scheme—fraud-and-compliance-program> (accessed 4 July 2017).

79 Productivity Commission, *NDIS Costs Terms of Reference*, 20 January 2017, <http://www.pc.gov.au/inquiries/current/ndis-costs/terms-of-reference> (accessed 23 June 2017).

80 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 6.

81 Productivity Commission, *NDIS Costs Position Paper*, June 2017, pp. 349–354.

82 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 3.

83 Disability Reform Council, *Terms of Reference*, April 2017, p. 3.

84 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 2.

2.78 The Commission concluded that the speed of the NDIS rollout, as specified in Bilateral Agreements between governments, is compromising the NDIA's ability to implement the NDIS as intended, and putting the financial sustainability of the Scheme at risk—and the number of participants entering the Scheme is only now just starting to ramp up.⁸⁵ The schedule has resulted in the NDIA focusing too much on meeting participant intake estimates and not enough on planning processes, supporting infrastructure and market development.⁸⁶

2.79 According to the Commission, the speed of the rollout has:

- compromised the quality of plans;
- impacted the development of other parts of the Scheme, especially the disability care workforce, which is unlikely to be sufficiently developed by 2020 to deliver the supports the NDIA is expected to allocate; and
- imposed challenging timeframes on the development of important structural elements of the Scheme—including details around responsibilities at the coalface in services like health and transport, and instituting the new Quality and Safeguarding Framework.⁸⁷

2.80 A significant challenge is the need to develop the disability supports market, to ensure there are enough providers and workers to meet the increased demand for services from Scheme participants.⁸⁸

2.81 There is also a need for all governments to work together to better manage the integration of the NDIS and other services, as there is evidence of service gaps and an apparent reluctance in some instances to find ready solutions.⁸⁹ Some disability supports are not being provided because of unclear boundaries about the responsibilities of the different levels of government. Governments must set clearer boundaries at the operational level around 'who supplies what' to people with disability, and only withdraw when continuity of service is assured.⁹⁰

2.82 Early evidence suggests that the NDIS is improving the lives of many participants and their families and carers. Many participants report more choice and control over the supports they receive and an increase in the amount of support provided. However, not all participants are benefiting from the Scheme. Participants with psychosocial disability, and those who struggle to navigate the Scheme, are most at risk of experiencing poor outcomes.⁹¹

85 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 13.

86 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 2.

87 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 49.

88 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 52.

89 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 52.

90 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 2.

91 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 54.

Summary of key insights

Costs pressures

2.83 Average package costs (for plans effective from 1 July 2016) are higher than the modelling assumptions (after accounting for disability, age and level of function). However, utilisation rates are lower than expected. Therefore, underutilisation is currently offsetting the increase in Scheme costs attributable to higher prevalence rates for children and higher than expected package costs.⁹²

2.84 The NDIA has identified five early cost pressures that need to be managed for the full Scheme going forward:

- the number of children entering the Scheme is higher than expected;
- the number of people approaching the Scheme in trial sites that have been operating the longest (since 2013) is higher than would be expected if only people with newly acquired conditions were approaching the Scheme;
- the number of participants exiting the Scheme has been lower than expected (particularly for children entering under the early intervention requirements);
- levels of committed support tend to increase as participants move to their second and third plans (over and above the impacts of inflation and ageing);
- there is greater than expected variability in package costs for participants with similar conditions and levels of function (suggesting inconsistencies in planners' decisions).⁹³

Confusing planning process and speed of transition

2.85 The Commission considered that the pre-planning phase of the planning process has not received the attention that it requires and many participants are ill-prepared for planning conversations (which is affecting the quality of plans).⁹⁴

2.86 At present, the planning process is complex and confusing, and often lacks clarity and transparency. Limited information is publicly available to help Scheme participants and their families, carers and advocates to navigate the planning system. Scheme participants are often not aware of their rights and options, such as their entitlement to request a face to face meeting, or have an advocate present during the planning meeting.⁹⁵

2.87 The Commission noted that NDIS planners' limited disability knowledge is an issue of real concern and recommended specialised planning teams for some types of disability, such as psychosocial disability.⁹⁶

92 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 17.

93 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 17.

94 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 27.

95 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 28.

96 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 28.

Importance of Information, Linkages and Capacity Building (ILC) for sustainability

2.88 ILC is important for Scheme sustainability because it is expected to reduce reliance on NDIS funded support and costs over time. Therefore, it is important that ILC is adequately funded. The Commission recommended that funding for ILC should be increased to the full Scheme amount of \$131 million for each year during the transition.⁹⁷

Boundaries and interfaces between the NDIS and services outside the Scheme—emerging issues

2.89 For the NDIS to work efficiently and effectively, the interface of the Scheme with other services on which people rely must be as seamless as possible.⁹⁸

2.90 The Commonwealth has entered into Bilateral Agreements with State and Territory Governments to delineate the types of services to be provided and funded by the NDIS and mainstream services. The boundary issues are yet to be tested. However, the NDIA reports some instances of possible cost shifting, scope creep and service gaps, including:

- providers trying to extend the amount of therapeutic (health) interventions through use of NDIS funding;
- reports that mainstream services are refusing entry to people who are likely to be eligible for the NDIS;
- issues around a lack of accessible public transport options, particularly in regional, rural and remote areas, which means NDIS participants seek transport funding through the NDIS despite having the capacity to travel independently.⁹⁹

Gaps in services

2.91 Many are concerned that, as disability support programs are rolled into the NDIS, people using these services (including those not eligible for the NDIS) may no longer receive continuity of support. This is a key risk to the financial sustainability of the NDIS and one that the NDIA has little control over.¹⁰⁰

2.92 While the Commonwealth and State and Territory Governments have agreed to provide continuity of support for disability services outside the NDIS, in practice there is confusion and uncertainty about what services will continue to be provided and/or funded. Governments need to be clearer about how they will approach continuity of care, and in particular about what disability services they will continue to provide for people who are not eligible for the NDIS.¹⁰¹

97 Productivity Commission, *NDIS Costs Position Paper*, June 2017, pp. 189–190.

98 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 30.

99 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 32.

100 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 33.

101 Productivity Commission, *NDIS Costs Position Paper*, June 2017, pp. 33–34.

2.93 The Commission warned that gaps in disability services need to be quickly identified and managed, possibly with the assistance of ILC and Local Area Coordinators (LACs), to ensure the sustainability of the overall Scheme.¹⁰²

Market readiness and pricing issues

2.94 The market based approach of the NDIS means that there will be significant changes in the way that supports are demanded by and provided to participants.¹⁰³ Prices are currently regulated and the NDIA sets maximum prices or 'price caps' for many of the supports provided by NDIA registered providers.¹⁰⁴

2.95 There is a potential conflict of interest with the NDIA setting prices and also being responsible for the financial sustainability of the Scheme. This is a structural issue in the design of the Scheme that needs to be addressed, as the mere perception of a conflict is sufficient to disrupt the transition to price deregulation.¹⁰⁵ The Commission proposed moving towards the deregulation of prices in three stages:

- (a) immediately introduce an independent price monitor;
- (b) shift the NDIA's price setting powers to a regulator that is an independent statutory authority;
- (c) subsequent monitoring of prices by the independent price monitor.¹⁰⁶

Disability care workforce

2.96 Growing the disability care workforce required to deliver the Scheme is a significant challenge—it is estimated that 1 in 5 new jobs created in Australia over the next few years will need to be in the disability care sector. Present policy settings are unlikely to see enough providers and workers as the Scheme rolls out. Some emerging shortages need to be mitigated by:

- better price monitoring and regulation;
- better tailored responses to thin markets;
- formal and informal carers allowed to provide more paid care; and
- a targeted approach to skilled migration.¹⁰⁷

Governance and performance reporting

2.97 In 2011, the Commission recommended a single national Scheme, and a single national agency, to provide disability care and support. All states, except WA, joined the national Scheme. In 2017, the Australian Government and Western

102 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 34.

103 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 34.

104 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 36.

105 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 37.

106 Productivity Commission, *NDIS Costs Position Paper*, June 2017, pp. 37–38.

107 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 2.

Australian Government signed a Bilateral Agreement for the implementation of the WA NDIS. Under the agreement, the WA NDIS will be administered by the WA Government, not the NDIA. The Commission considered that WA should be in the national NDIS.¹⁰⁸

2.98 While the NDIA is still developing its performance reporting—making it too early to determine whether the performance reporting is sufficient to shed light on Scheme objectives—the Commission identified some gaps in the framework and the performance reporting against this framework:

- there is limited reporting against the outcomes indicators;
- too few indicators for mainstream services, ILC and LACs;¹⁰⁹ and
- the performance reporting framework does not have a strong enough focus on reporting on quality, including the quality of participants' plan.¹¹⁰

Disability Reform Council activities

2.99 This section contains a brief overview of the activities of the DRC. The DRC oversees implementation of the NDIS and makes recommendations to COAG on the transition to full Scheme.¹¹¹ It is chaired by the Minister for Social Services and consists of Commonwealth and state ministers within disability and treasury portfolios, as well as a representative from the Australian Local Government Association.¹¹²

2.100 During the year, the DRC worked to drive national reform in disability policy through:

- the implementation of the *NDIS Quality and Safeguarding Framework*;
- changes in NDIS governance arrangements; and
- agreement of market development indicators.

NDIS Quality and Safeguarding Framework

2.101 In February 2017, the DRC released a national Quality and Safeguarding Framework for the NDIS (the framework) to be implemented at full Scheme. The framework is a high-level policy which establishes nationally consistent protections for participants in the NDIS by setting out their rights to safe, high-quality services. It is designed to help participants and providers resolve issues quickly, and strengthen

108 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 43.

109 Given the importance of understanding the interaction between the NDIS and mainstream services, and the critical role that ILC and LACs play in the Scheme, data on these activities should be an important component of reporting on the NDIS performance.

110 Productivity Commission, *NDIS Costs Position Paper*, June 2017, p. 46.

111 Disability Reform Council, *Terms of Reference*, April 2017, p. 1.

112 Department of Social Services, *Disability Reform Council*, <https://www.dss.gov.au/our-responsibilities/disability-and-carers/programmes-services/government-international/disability-reform-council> (accessed 23 June 2016).

the capability of participants, the workforce, and providers to participate in the NDIS market.¹¹³

2.102 The framework will replace existing state-based, fragmented quality and safeguarding measures that are no longer applicable in the new market-based system. A nationally consistent system will reduce duplication of requirements for providers who operate across jurisdictions, make it easier for participants who move interstate, and enable emerging trends to be identified and addressed.¹¹⁴ Until the framework is implemented in their jurisdiction, State and Territory Governments will continue to maintain their current quality and safeguarding arrangements, such as arrangements for managing complaints and feedback.

2.103 The framework's underpinning foundations are based on the UN Convention on the Rights of Persons with Disabilities, the *Disability Services Act 1986*, the National Disability Strategy 2010–2020, and the NDIS Act. It consists of developmental, preventative, and corrective measures which are targeted at individuals, the workforce, and providers.¹¹⁵

2.104 Broadly, measures for individuals are designed to help people with disability to exercise choice and control over how their supports are delivered and help them resolve any issues they encounter with workers or providers. Workforce measures are designed to promote safety and competence and ensure people who are unsafe are not able to support NDIS participants. Measures for providers are designed to encourage safe, innovative, high-quality support provision and ensure that providers who do not meet acceptable safety and quality standards are not able to support participants.¹¹⁶

2.105 Introducing worker screening and reducing restrictive practices are key components of the framework. Responsibility for these components will be shared between the Commonwealth and State and Territory Governments. With regards to worker screening, the Commonwealth will work with all governments to develop national policy and standards to be implemented, while the states and territories will be responsible for worker screening checks in their own jurisdictions. The DRC is expected to deliver a national approach to NDIS worker screening by 31 December 2017.¹¹⁷ Restrictive practices will be reduced through the NDIS senior practitioner, who will provide clinical leadership in positive behaviour support, and reduce and eliminate the use of restrictive practices in the NDIS, while states and

113 Department of Social Services, *NDIS Quality and Safeguarding Framework*, December 2016, p. 4.

114 Department of Social Services, *NDIS Quality and Safeguarding Framework*, December 2016, pp. 7–8.

115 Department of Social Services, *NDIS Quality and Safeguarding Framework*, December 2016, p. 13.

116 Department of Social Services, *NDIS Quality and Safeguarding Framework*, December 2016, pp. 19–97.

117 Disability Reform Council, *Terms of Reference*, April 2017, p. 3.

territories remain responsible for the authorisation of restrictive practices in their jurisdiction.¹¹⁸

2.106 In the new framework, the Commonwealth will be responsible for the following national regulatory functions:

- provider registration including quality assurance;
- a complaint handling system;
- serious incident notification;
- restrictive practice oversight; and
- investigation and enforcement.¹¹⁹

2.107 The regulatory components of the framework will be supported through three new roles:

- (1) the NDIS complaints commissioner will receive and support the resolution of complaints about providers of NDIS-funded supports, and investigate serious incident reports and potential breaches of the NDIS code of conduct. The commissioner will refer matters to the NDIS registrar, senior practitioner, and other authorities as needed;
- (2) the NDIS registrar will have responsibility for registering providers, managing the NDIS practice standards and certification Scheme, leading the design and broad policy settings for nationally consistent NDIS worker screening, and monitoring provider compliance and anti-competitive conduct; and
- (3) the NDIS senior practitioner will oversee approved behaviour support practitioners and providers; provide best practice advice; receive, review and report on provider reports on use of restrictive practices; and follow-up on serious incidents that suggest unmet behaviour support needs. The senior practitioner will refer concerns about worker or provider non-compliance to the NDIS registrar. Approval for the use of restrictive practices will continue to be managed through current state and territory government processes.¹²⁰

2.108 According to DSS, once capability has grown and the market has become more established, the framework will need to be reviewed to ensure it remains fit for purpose.

118 Department of Social Services, *Summary of the NDIS Quality and Safeguarding Framework*, January 2017, p. 2.

119 Department of Social Services, *Summary of the NDIS Quality and Safeguarding Framework*, January 2017, p. 1.

120 Department of Social Services, *NDIS Quality and Safeguarding Framework*, December 2016, pp. 16–17.

2.109 The National Disability Insurance Scheme Amendment (Quality and Safeguards Commission and Other Measures) Bill 2017 (the bill) is the legislative foundation that gives effect to the Commonwealth's regulatory responsibilities under the framework. The bill was referred to the Senate Standing Committee on Community Affairs for inquiry and report by 5 September 2017. On 17 August 2017, the Senate granted an extension of time for reporting until 13 September 2017.

Market development indicators

2.110 In September 2016, the DRC identified that a key risk to NDIS implementation is the development of a market that will ensure the supply of quality supports and workforce to NDIS participants. The DRC decided to enhance its oversight of the developing market for the NDIS, including by agreement of the market-related roles and responsibilities of the Commonwealth, State and Territory Governments and the NDIA. The DRC further agreed to a number of strategies to focus attention on development of a strong workforce, including the role of the Commonwealth's Sector Development Fund, to support people with disability, the disability services sector and its workforce to transition to the NDIS.¹²¹

2.111 In order to monitor and encourage market development, the DRC considered a number of market development indicators. In March 2017, the DRC agreed to Key Performance Indicators to monitor market development and performance and to identify immediate and emerging market risks.¹²² The Key Performance Indicators do not appear to be publically available.

DisabilityCare Australia Fund

2.112 The DRC considered the current DisabilityCare Australia Fund (the Fund) payment arrangements. The Fund was established on 1 July 2014 by the *DisabilityCare Australia Fund Act 2013*. The Fund is a financial asset, consisting of cash and investments, with the purpose of holding and distributing money raised from the increase in the Medicare Levy. Revenue raised from the increase in the Medicare Levy will reimburse the Commonwealth, State and Territory Governments for expenditure incurred in relation to the NDIS. Disbursement from the DisabilityCare Australia Fund to State and Territory Governments is subject to key conditions being met, including that a state has agreed to deliver the full Scheme.¹²³

2.113 In June 2017, the DRC discussed the initial one-off DisabilityCare Australia Fund payment to states and territories and agreed that continued consideration of DisabilityCare Australia Fund payment arrangements is required.¹²⁴ The DRC is expected to agree on any necessary arrangements for full Scheme by 31 December

121 Disability Reform Council, *Communiqué*, 2 September 2016, p. 3.

122 Disability Reform Council, *Communiqué*, 3 March 2017, p. 1.

123 Department of Finance, *DisabilityCare Australia Fund – Overview*, <https://www.finance.gov.au/investment-funds/disabilitycare-australia-fund-overview/> (accessed 4 July 2017).

124 Disability Reform Council, *Communiqué*, 16 June 2017, p. 2.

2017, including appropriate future arrangements for access to the DisabilityCare Australia Fund.¹²⁵

National Disability and Carer Advisory Council

2.114 Parallel to the rollout of the NDIS, the disability sector is undergoing significant reform. In 2010, all states signed up to the National Disability Strategy 2010–2020 to ensure mainstream supports and services are inclusive and accessible for the more than four million people living in Australia with a disability, not just the 460 000 likely to become participants.¹²⁶

2.115 As part of the Australian Government's election commitment on 7 November 2016, the National Disability and Carer Advisory Council (NDCAC) was established to oversee the implementation of the National Disability Strategy 2010–2020 and regularly report to the DRC on progress.¹²⁷

2.116 At its inaugural meeting in December 2016, NDCAC noted the progress of reform in several areas and agreed to initially form three Working Groups to focus on providing advice in the key areas of: reinvigoration of the National Disability Strategy 2010–2020; greater employment of people with disability; and enhanced supports and services for carers.¹²⁸ At its second meeting, NDCAC developed a 12-month activity plan and identified priority activities to be achieved over the next year. These included:

- improving engagement with the business community and employers, with a particular focus on small and medium enterprises and regional and remote areas;
- developing strategies to assist the transition from education to work for people with disability;
- promoting success stories, especially by engaging champions of change and the lived experience of people with disability;
- enhancing the services and supports for carers by examining best practice and promote these initiatives across jurisdictions;
- identifying improvements to the national measurement and reporting of achievements under the National Disability Strategy 2010–2020;
- making recommendations about strategies to improve advocacy for people with disability and the need for all governments to support advocacy services; and
- identifying regulation and red tape reforms.¹²⁹

125 Disability Reform Council, *Terms of Reference*, April 2017, p. 3.

126 Disability Reform Council, *Communiqué*, 2 September 2016, p. 2.

127 National Disability and Carer Advisory Council, *Communiqué*, 14 December 2016, p. 1.

128 National Disability and Carer Advisory Council, *Communiqué*, 14 December 2016, pp. 1–2.

129 National Disability and Carer Advisory Council, *Communiqué*, 3 May 2017, p. 2.

Legislation introduced in 2016–17

National Disability Insurance Scheme Savings Fund Special Account Bill 2016

2.117 The National Disability Insurance Scheme Savings Fund Special Account Bill 2016 (the bill) was introduced into the House of Representatives on 16 March 2016. The bill passed that chamber but had not been debated in the Senate when the Parliament was dissolved for the election. The bill lapsed with the dissolution of the Parliament on 9 May 2016.

2.118 In the 45th Parliament, the bill was introduced into the House of Representatives on 31 August 2016. It was referred to the Senate Standing Committee on Community Affairs in September 2016, which tabled its report on 7 November 2016 recommending that the bill be passed without changes. The bill remains under the consideration of the Senate.

2.119 The bill establishes a new ongoing special account, known as the National Disability Insurance Scheme Savings Fund Special Account. The bill enables the Minister for Social Services to determine amounts to be credited to the special account which will be subject to a review before 1 July 2027. Credits to the special account will be announced and committed for a period of 10 years, with estimated savings calculated with the Budget Process Operational Rules. The credits may result from:

- underspends and net savings from the NDIS and other portfolio savings, as determined by the Minister for Social Services;
- discretionary decisions by the Prime Minister or the Cabinet (for example, to establish a starting balance at the special account's commencement); and
- decisions by the Prime Minister or the Cabinet about identified savings from other Commonwealth portfolios.

2.120 Credits to and debits from the special account would be subject to the provisions of the bill. The Minister for Social Services will be solely responsible for the day-to-day policy and management of the special account.

Social Services Legislation Amendment (Transition Mobility Allowance to the National Disability Insurance Scheme) Bill 2016

2.121 The Social Services Legislation Amendment (Transition Mobility Allowance to the National Disability Insurance Scheme) Bill 2016 (the bill) was introduced in the House of Representatives on 13 October 2016. The bill remains under the consideration of the Senate.

2.122 The bill amends the *Social Security Act 1991* and *Social Security (Administration) Act 1999* to:

- tighten the eligibility criteria for mobility allowance for new claims and reduce the period for which the allowance is continued when a person ceases to be qualified;
- provide that the allowance will no longer be payable to individuals who transition to the NDIS; and
- close the mobility allowance program from 1 July 2020.

2.123 These changes support transition from mobility allowance to the NDIS or to other arrangements for continuity of support. This bill proposed that mobility allowance will cease on 1 July 2020 to ensure the NDIS is the main source of support for people with disability who need assistance to engage in the workplace and other economic activities.¹³⁰

National Disability Insurance Scheme Amendment (Quality and Safeguards Commission and Other Measures) Bill 2017

2.124 As discussed above, the DRC released the *NDIS Quality and Safeguarding Framework* (the framework) in February 2017 which addresses many of the issues raised in the Senate inquiry into violence, abuse and neglect against people with a disability in institutional and residential settings.

2.125 The National Disability Insurance Scheme Amendment (Quality and Safeguards Commission and Other Measures) Bill 2017 (the bill) is the legislative foundation that gives effect to the Commonwealth's regulatory responsibilities under the framework. The bill establishes an independent NDIS Quality and Safeguards Commission to protect and prevent people with disability from experiencing harm arising from poor quality or unsafe supports or services under the NDIS.

2.126 The bill was introduced in the House of Representatives on 31 May 2017. The following month, the bill was referred to the Senate Standing Committee on Community Affairs for inquiry and report by 5 September 2017. On 17 August 2017, the Senate granted an extension of time for reporting until 13 September 2017.

2.127 The Scrutiny of Bills Committee considered the bill according to its usual process and made a number of comments in relation to the scrutiny principles outlined in Senate Standing Order 24. The committee identified the following concerns with the bill's proposed provisions which would:

- grant the Commissioner broad discretionary public interest disclosure powers;
- place significant matters in delegated rather than primary legislation;
- allow broad delegation of administrative powers;
- remove fair hearing rights;
- not identify whether there are any non-reviewable decisions; and
- allow broad delegation of administrative powers.

2.128 A brief overview of the Scrutiny of Bills Committee's comments is as follows:

Broad discretionary power

2.129 The committee identified that the bill proposes to grant the NDIS Quality and Safeguards Commissioner broad discretionary public interest disclosure powers. An

¹³⁰ Explanatory Memorandum, p. 1.

example of when it might be necessary to disclose personal information would be for the protection of persons with disability or the investigation of a criminal offence.¹³¹

2.130 The committee's view is that the information that may be disclosed under this power may be sensitive and the provision is extremely broad. It pointed out that there is no requirement that rules must be made in relation to the Commissioner's power to disclose the information and no information as to the circumstances in which the power can be exercised, other than that the Commissioner must be satisfied that it is in the public interest to make the disclosure. The committee highlighted that there is no requirement for the Commissioner to notify the person, give them reasonable opportunity to make written comments, or consider any written comments made by that person before disclosing the information. The committee requested the Minister's advice as to:

- why rules or guidance about the exercise of the Commissioner's disclosure power could not be included in the primary legislation; and
- why there was no requirement that rules must be made to regulate the exercise of the Commissioner's power.¹³²

Significant matters in delegated legislation

2.131 The committee identified that the bill enables a number of significant matters to be included in delegated legislation rather than set out in the primary legislation. For example, enabling the NDIS rules to make provision for the establishment of an NDIS Code of Conduct for NDIS providers and their employees.

2.132 The committee's view was that matters such as the establishment of a Code of Conduct—breaches of which could be subject to significant penalties—should be included in primary legislation unless a sound justification for its inclusion in delegated legislation has been provided. As no explanation was provided in the explanatory memorandum as to why it was necessary to include this detail in the rules and not in the primary legislation, the committee requested the Minister's advice as to:

- why it was considered necessary to leave significant matters such as the establishment of the Code of Conduct to delegated legislation; and
- the type of consultation envisaged to be conducted prior to the making of regulations establishing the NDIS rules and whether specific consultation obligations could be included in the legislation.¹³³

Broad delegation of administrative powers

2.133 The committee identified that the bill enables authorised officers to be assisted 'by other persons' in performing functions related to monitoring and investigation which could potentially include coercive duties such as entering

131 Explanatory Memorandum, p. 12.

132 Senate Scrutiny of Bills Committee, *Scrutiny Digest 6 of 2017*, 14 June 2017, p. 50.

133 Senate Scrutiny of Bills Committee, *Scrutiny Digest 6 of 2017*, 14 June 2017, p. 52.

premises and inspecting documents. As the explanatory memorandum did not provide an explanation and the bill did not confine who may exercise such powers, the committee requested the Minister's advice as to why it may be necessary to confer monitoring and investigatory powers on any 'other person' to assist an authorised officer and whether it would be appropriate to amend the bill to require that any person assisting an authorised officer have specified skills, training or experience.¹³⁴

Fair hearing rights

2.134 The bill proposes to grant the Commissioner power to prohibit or restrict activities by an NDIS provider in certain circumstances. The Commissioner would only be able to make a banning order after first giving the person an opportunity to comment on the matter. This would not apply in the circumstance that there is an immediate danger to the health or safety of a person with a disability or where the Commissioner has revoked the registration of the person as a registered NDIS provider. However, the committee pointed out that this would appear to remove fair hearing requirements.

2.135 The committee noted that it would be possible to reconcile the need for urgent action and the right to a fair hearing by providing for the banning order to have immediate effect but only making it permanent after a hearing has been provided. The committee requested the Minister's advice as to the appropriateness of amending the bill to provide that the banning order have a temporary immediate effect in specified circumstances but that it would only become a permanent order after the affected person had been given an opportunity to make submissions to the Commissioner on the matter.¹³⁵

Merits review

2.136 Under the *National Disability Insurance Scheme Act 2013*, a person must be notified by the decision-maker of their right to request a review of a reviewable decision. As the explanatory memorandum does not explain whether there are any decisions that may not be described as 'reviewable', the committee considered that it is difficult to assess whether there are any decisions that may not be subject to internal review and AAT review processes. The committee requested the Minister's advice as to whether there are any decisions that could be made under the *National Disability Insurance Scheme Act 2013* that are not listed as being a 'reviewable decision', and if any decisions are excluded that might have an adverse impact on an individual, the justification for not including these in the list of 'reviewable decisions'.¹³⁶

Broad delegation of administrative powers

2.137 The committee identified that the bill includes provisions which would allow the Commissioner to delegate to 'a Commission officer' any or all of his or her power

134 Senate Scrutiny of Bills Committee, *Scrutiny Digest 6 of 2017*, 14 June 2017, p. 53.

135 Senate Scrutiny of Bills Committee, *Scrutiny Digest 6 of 2017*, 14 June 2017, pp. 52–53.

136 Senate Scrutiny of Bills Committee, *Scrutiny Digest 6 of 2017*, 14 June 2017, p. 54.

or functions under the NDIS (except in relation to privacy powers, which may only be delegated to an SES employee in the Commission). Generally, the committee prefers to see a limit set either on the scope of powers that might be delegated, or on the categories of people to whom those powers might be delegated. As no explanation was provided in the explanatory materials, the committee requested the Minister's advice as to why it was considered necessary to allow most of the Commissioner's powers and functions to be delegated to any Commission officer at any level. The committee also requested the Minister's advice as to whether the bill could be amended to provide legislative guidance on the scope of powers that might be delegated, or the categories of people to whom powers might be delegated.¹³⁷

Ministerial response

2.138 On 27 June 2017, the Minister for Social Services, the Hon. Christian Porter MP, responded to the Scrutiny Committee. With regards to the bill's proposed provisions that would grant the Commissioner broad discretionary disclosure powers, Minister Porter advised that it is necessary to adapt guidance during the transition period from the states and territories quality and safeguards arrangements to the Commission's arrangements.¹³⁸ The Minister reiterated the rationale contained in the bill's explanatory memorandum which states that:

It is necessary to provide for the parameters of this discretion in the NDIS rules as the Commissioner will be operating within the context of complex mainstream systems and services. The purposes for disclosure, the bodies to whom disclosure can be made and the type of information which may be disclosed is likely to change over time as States and Territories withdraw from the regulation of disability services under the NDIS and establish new arrangements for the protection of vulnerable people under mainstream service systems.¹³⁹

2.139 In relation to the requirement that rules be made to regulate the exercise of the Commissioner's powers, Minister Porter drew attention to subsection 67E(2) which references 'the NDIS rules' rather than 'any NDIS rules'. This wording indicates that the Commissioner can only make disclosures under the provisions if there are rules in place. A draft copy of the rules was included in the Minister's response to the Scrutiny Committee. Minister Porter advised that the rules are intended to commence at the same time as Schedule 1 of the bill in its establishment of the Commission.¹⁴⁰

2.140 The Minister advised that careful consideration had been given to ensuring any personal information held by the Commission is given proper protection. However, in regards to the Scrutiny Committee's suggestion that the Commissioner be

137 Senate Scrutiny of Bills Committee, *Scrutiny Digest 6 of 2017*, 14 June 2017, pp. 54–55.

138 The Hon. Christian Porter MP, Minister for Social Services, *Response to the Scrutiny of Bills Committee*, 27 June 2017, p. 1.

139 Explanatory Memorandum, p. 12.

140 The Hon. Christian Porter MP, Minister for Social Services, *Response to the Scrutiny of Bills Committee*, 27 June 2017, p. 1.

required to notify and receive submissions from a person before a disclosure, he advised, 'this would compromise situations of urgency such as where a child is at risk of harm or there are serious allegations of neglect, abuse or exploitation'.¹⁴¹

2.141 In response to the Scrutiny Committee's concerns that the bill places significant matters in delegated rather than primary legislation, the Minister argued that separating the rules from the bill provides flexibility and enables the Commission to be responsive in circumstances where the NDIS market is uncertain and rapidly changing. Minister Porter highlighted that the rules are subject to ongoing consultation with states and territories and peak organisations.¹⁴²

2.142 In relation to the bill's proposal to allow broad delegation of administrative powers, Minister Porter assured the Scrutiny Committee that proposed section 73ZR provides that the Commissioner may only appoint persons assisting under proposed section 181W if he or she is satisfied that the person has suitable training or experience or is an appropriate person to be appointed.¹⁴³ The Minister emphasised that the person appointed must comply with the directions of the Commissioner, and that proposed sections 73ZE and 73ZF of the bill are subject to the *Regulatory Powers (Standard Provisions) Act 2014* which provides that any use of powers by an appointed person is subject to the direction of the authorised person being assisted.¹⁴⁴

2.143 With regards to banning orders in the bill, the Minister pointed out that if a registered NDIS provider poses an immediate danger to a person with disability, the Commissioner may suspend the registration of the provider pending consideration of whether the provider's registration should be revoked. A ban order is also a reviewable decision and a person may apply under proposed section 73Z0(2) for the revocation or variation of a ban order. Minister Porter argued that the approach taken is considered to be the most appropriate to protect people with disability from unsafe providers or workers.¹⁴⁵

2.144 The Minister provided the Scrutiny Committee with a table of decisions that are not reviewable decisions, noting that they are not reviewable because they are subject to separate review process and guidelines not administered by the Commissioner.¹⁴⁶

141 The Hon. Christian Porter MP, Minister for Social Services, *Response to the Scrutiny of Bills Committee*, 27 June 2017, p. 2.

142 The Hon. Christian Porter MP, Minister for Social Services, *Response to the Scrutiny of Bills Committee*, 27 June 2017, p. 3.

143 The Hon. Christian Porter MP, Minister for Social Services, *Response to the Scrutiny of Bills Committee*, 27 June 2017, p. 4.

144 The Hon. Christian Porter MP, Minister for Social Services, *Response to the Scrutiny of Bills Committee*, 27 June 2017, p. 5.

145 The Hon. Christian Porter MP, Minister for Social Services, *Response to the Scrutiny of Bills Committee*, 27 June 2017, p. 6.

146 The Hon. Christian Porter MP, Minister for Social Services, *Response to the Scrutiny of Bills Committee*, 27 June 2017, p. 7.

2.145 Lastly, the Minister addressed concerns regarding the bill's proposed broad delegation of administrative powers. According to the Minister, a broad delegation is necessary to enable the Commission to regulate the NDIS market in an efficient manner which is responsive to rapid changes. Minister Porter highlighted that the core functions of the Commission outlined in section 181E are consistent with the *NDIS Quality and Safeguarding Framework* released by the DRC. A draft organisational chart was provided to the committee and to stakeholders which illustrated the scope of powers to be delegated and the categories of people to whom specific powers will be delegated.¹⁴⁷

Scrutiny Committee's response to the Minister

2.146 On 9 August 2017, the Scrutiny Committee noted the Minister's response but reiterated all of its concerns bar those related to reviewable decisions. The committee requested that key information provided by the Minister be included in the explanatory memorandum to assist in understanding and interpretation of the law. The committee then drew its scrutiny concerns to the attention of senators and 'left to the Senate the appropriateness of the Commissioner's broad discretionary power to disclose personal information'.¹⁴⁸

2017–18 Budget Measures

2.147 A number of disability-related measures were announced by the Australian Government in the 2017–18 Budget, including an increase in the Medicare levy by half a percentage point from 2 to 2.5 per cent of taxable income from 1 July 2019. On 9 May 2017, the Hon. Scott Morrison MP, Treasurer, announced that the increase in the Medicare Levy is expected to raise an extra \$3.55 billion in revenue in its first year, rising to \$4.25 billion in 2020–21. One-fifth of this revenue, along with any underspends within the Scheme, will be directed to the NDIS Savings Fund where it will be held for meeting the needs of people living with disability.¹⁴⁹

Quality and Safeguards Commission

2.148 As mentioned earlier, the NDIS Quality and Safeguards Commission is still to be legislated; however, the Budget allocated more than \$200 million for its establishment. Preparatory ICT work by DSS and DHS is expected to commence during 2017–18 to allow the Commission to start operating in New South Wales and South Australia from 1 July 2018.¹⁵⁰

147 The Hon. Christian Porter MP, Minister for Social Services, *Response to the Scrutiny of Bills Committee*, 27 June 2017, p. 8.

148 Senate Scrutiny of Bills Committee, *Scrutiny Digest 8 of 2017*, 9 August 2017.

149 Australian Government, *Budget 2017–18*, <http://budget.gov.au/2017-18/content/glossies/essentials/html/essentials-02.htm> (accessed 4 July 2017).

150 Department of Human Services, *NDIS Quality and Safeguards Commission—establishment*, <https://www.humanservices.gov.au/corporate/budget/budget-2017-18/disability-and-carers/national-disability-insurance-scheme-quality-and-safeguards-commission-establishment> (accessed 18 July 2017).

Psychosocial disability services

2.149 Contingent on the funds being matched by states and territories, a commitment of \$80 million for Australians with a mental illness resulting in a psychosocial disability was announced.¹⁵¹ The measure is intended to support community mental health services to assist people with severe mental illness resulting in psychosocial disability that are not eligible for the NDIS.¹⁵²

Sector Development Fund

2.150 The Budget provided \$33 million to help service providers in the disability and aged care sectors grow their workforce and ensure NDIS participants and older Australians can access quality services in their local area. The Local Care Workforce Package will increase the number of local workers available to meet the demand from new entrants into the NDIS, as well as preparing for an influx of care needed because of the nation's ageing population.¹⁵³ This is in addition to the Australian Government's spending to date through the NDIS Sector Development Fund, which has already funded 75 projects totalling more than \$105 million.¹⁵⁴

Disability Employment Services

2.151 Over the next four years from 1 July 2018, the Australian Government will spend over \$3 billion in Disability Employment Services (DES) and associated services to help people with disability find jobs with mainstream employers.

2.152 Under the new arrangements, DES providers will have to attract job seekers to their organisation, rather than being guaranteed a set level of business with a certain number of people referred to them. If a job seeker changes provider, the funding attached to that individual will move with them. The changes are intended to reward providers who are successful in attracting jobseekers, and working with them and with employers to achieve lasting employment outcomes.

2.153 In addition to the changes that will be made to DES, the Australian Government also provided for a trial to evaluate whether extending support through DES to a broader range of children with disability in the final years of their schooling can increase the number who successfully transition from school to work, without

151 Australian Government, *Budget 2017–18*, <http://budget.gov.au/2017-18/content/speech/html/speech.htm> (accessed 4 July 2017).

152 Department of Health, *Prioritising Mental Health—Psychosocial Support Services—funding*, <http://www.health.gov.au/internet/budget/publishing.nsf/Content/budget2017-factsheet28.htm> (accessed 1 July 2017).

153 The Hon. Christian Porter MP, Minister for Social Services, 'Guaranteeing the NDIS and providing stronger support for people with disability', *Media release*, 9 May 2017.

154 The Hon. Christian Porter MP, Minister for Social Services, 'Guaranteeing the NDIS and providing stronger support for people with disability', *Media release*, 9 May 2017.

adverse effects on their education. The trial will commence from July 2018, with the voluntary participation of up to 1000 students with disability.¹⁵⁵

155 The Hon. Christian Porter MP, Minister for Social Services, 'Guaranteeing the NDIS and providing stronger support for people with disability', *Media release*, 9 May 2017.

Chapter 3

Issues raised in evidence

Introduction

3.1 This chapter provides an overview of activities conducted during the year by the Joint Standing Committee on the National Disability Insurance Scheme (the committee). It also considers the main issues raised in evidence to date to the committee's inquiry into general issues around the implementation and performance of the National Disability Insurance Scheme (NDIS or the Scheme). The chapter concludes with the committee's view and recommendations.

3.2 Concerns focused on the National Disability Insurance Agency's (NDIA) planning process, lack of transparency and responsiveness, reductions to plan funding, development of non-contextual pricing for services, portal issues, transport market design, and the early childhood intervention pathway. The committee is pursuing early childhood intervention issues through a new inquiry that is scheduled to report in December 2017.

3.3 While the committee is concerned about the issues of pricing and workforce development, it will carefully review the Productivity Commission's final report before taking further action.

Committee activities

3.4 As part of its role to inquire into the implementation, administration, and expenditure of the NDIS, the committee agreed to inquire into and report on four specific NDIS-related issues:

- (1) the provision of services under the NDIS for people with psychosocial disabilities related to a mental health condition;
- (2) the provision of hearing services under the NDIS;
- (3) the provision of services under the NDIS Early Childhood Early Intervention (ECEI) Approach; and
- (4) the transitional arrangements for the NDIS.

3.5 An overview of each inquiry's terms of reference is as follows.

Provision of services under the NDIS for people with psychosocial disabilities

3.6 On 30 November 2016, the committee agreed to inquire into and report on the provision of services under the NDIS for people with psychosocial disabilities related to a mental health condition, with particular reference to:

- (a) the eligibility criteria for the NDIS for people with a psychosocial disability;
- (b) the transition to the NDIS of all current long and short term mental health Commonwealth Government funded services, including the

Personal Helpers and Mentors services and Partners in Recovery programs, and in particular;

- (i) whether these services will continue to be provided for people deemed ineligible for the NDIS;
- (c) the transition to the NDIS of all current long and short term mental health state and territory government funded services, and in particular;
 - (i) whether these services will continue to be provided for people deemed ineligible for the NDIS;
- (d) the scope and level of funding for mental health services under the Information, Linkages and Capacity building framework;
- (e) the planning process for people with a psychosocial disability, and the role of primary health networks in that process;
- (f) whether spending on services for people with a psychosocial disability is in line with projections;
- (g) the role and extent of outreach services to identify potential NDIS participants with a psychosocial disability; and
- (h) the provision, and continuation of services for NDIS participants in receipt of forensic disability services.

3.7 The committee received 131 submissions to the inquiry. The committee conducted four public hearings; one in Melbourne, two in Canberra, and one in Penrith. Submissions, details of hearings, and additional information received are available on the committee's website. The committee tabled its report in Parliament on 15 August 2017. A copy of the report is available on the committee's website.

Provision of hearing services under the NDIS

3.8 On 30 November 2016, the committee agreed to inquire into and report on the provision of hearing services under the 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.

3.9 The committee received 55 submissions to the inquiry. The committee conducted two public hearings in Melbourne on 20 February and 24 March 2017. Submissions, details of hearings, and additional information for this inquiry are available on the committee's website. The committee had intended to provide its report to Parliament by 22 June 2017; however, it agreed to extend the reporting date to September 2017.

Provision of services under the NDIS Early Childhood Early Intervention Approach

3.10 On 21 June 2017, the committee agreed to inquire into and report on the provision of services under the NDIS ECEI Approach, with particular reference to:

- (a) the eligibility criteria for determining access to the ECEI pathway;
- (b) the service needs of NDIS participants receiving support under the ECEI pathway;
- (c) the timeframe in receiving services under the ECEI pathway;
- (d) the adequacy of funding for services under the ECEI pathway;
- (e) the costs associated with ECEI services, including costs in relation to initial diagnosis and testing for potential ECEI participants;
- (f) the evidence of the effectiveness of the ECEI Approach;
- (g) the robustness of the data required to identify and deliver services to participants under the ECEI;
- (h) the adequacy of information for potential ECEI participants and other stakeholders;
- (i) the accessibility of the ECEI Approach, including in rural and remote areas;
- (j) the principle of choice of ECEI providers;
- (k) the application of current research and innovation in the identification of conditions covered by the ECEI Approach, and in the delivery of ECEI services; and
- (l) any other related matters.

3.11 The committee agreed to conduct public hearings across the country and to report to Parliament by 6 December 2017.

Transitional arrangements for the NDIS

3.12 On 21 June 2017, the committee agreed to inquire into and report on the transitional arrangements for the NDIS, with particular reference to:

- (a) the boundaries and interface of NDIS service provision, and other non-NDIS service provision, with particular reference to health, education and transport services;
- (b) the consistency of NDIS plans and delivery of NDIS and other services for people with disabilities across Australia;

- (c) the rollout of the Information, Linkages and Capacity Building Program; and
- (d) any other related matters.

In considering these issues, the committee will have regard to:

- (i) the Bilateral Agreements between the Commonwealth and State and Territory Governments;
- (ii) the Operational Plans between the Commonwealth and State and Territory Governments;
- (iii) the risks borne by the Commonwealth and State and Territory Governments in the rollout of the NDIS nationally;
- (iv) NDIS decision-making processes, particularly in relation to the Disability Reform Council and COAG; and
- (v) the impact on rural and remote areas, with particular reference to indigenous communities.

3.13 The committee agreed to conduct public hearings across Australia and provide its report to Parliament by 7 December 2017.

Private briefings

3.14 In addition to conducting inquiries, the committee received private briefings from a number of relevant agencies during the year, including the:

- Department of Social Services (DSS);
- National Disability Insurance Agency;
- Scheme Actuaries; and
- Australian National Audit Office.

3.15 The Productivity Commission is expected to brief the committee in November 2017.

General issues

3.16 From its inception, the committee received valuable evidence from a range of individuals and organisations which did not fall under the four specific areas of inquiry. The committee agreed to capture this material through an inquiry into general issues related to the implementation and performance of the NDIS.

3.17 The committee advertised its interest in receiving information and submissions from those involved in the Scheme on its website. The committee continues to welcome information from people in any capacity on their experiences of the implementation and performance of the NDIS to date. It is the committee's intention that future progress reports will consider the evidence on a rolling basis as the Scheme continues to expand.

3.18 As at 7 August 2017, the committee received 17 submissions for this inquiry. Submissions are listed at Appendix 1 and are available from the committee's

website: http://www.aph.gov.au/Parliamentary_Business/Committees/Joint/National_Disability_Insurance_Scheme/General_NDIS.

3.19 The committee held three public hearings on 12 May, 17 May, and 28 July 2017. The first two hearings, held in Canberra and Penrith respectively, gathered varied evidence on general NDIS issues. At a final hearing in Melbourne, the committee heard from officials of the NDIA. A list of witnesses who appeared at the hearings and the *Hansard* transcripts is available at Appendix 2 and on the committee's website.

3.20 Responses to questions on notice and additional information were also received. This information is listed at Appendix 3 and is available on the committee's website.

Acknowledgements

3.21 The committee thanks all those who contributed to the general issues inquiry by lodging submissions, providing additional information, or expressing their views through correspondence. The committee acknowledges those who gave their time to attend the public hearings and give evidence.

Access to the Scheme

3.22 As noted in Chapter 2, plan approvals compared to bilateral estimates are significantly behind. In 2016–17 a total of 60 357 participants entered the Scheme and received an approved plan. In addition, there were 6134 children with a confirmed referral to the ECEI gateway. These figures represent 83 per cent of the cumulative bilateral estimates.¹ According to the NDIA's own report, only NSW and Victoria are meeting expectations.²

3.23 Furthermore, accessing the NDIS and accessing services under the Scheme appear to be two very different things. Across all the states and territories there are 25 857 participants waiting for a plan, with 14 152 in NSW alone.³ Despite the urgency of individuals' circumstances, the committee heard various accounts of extensive delays between when a participant's Access Request is granted and their first planning meeting is scheduled:

Now that he has been approved as a participant we are waiting for the planning process to start. We are still waiting four months on, and we still have no notice of a planning meeting.⁴

3.24 Of particular concern to the committee is that a large number of submissions to the committee's Early Childhood Early Intervention and provision of hearing

1 National Disability Insurance Scheme, *4th Quarterly Report*, 30 June 2017, p. 3.

2 National Disability Insurance Scheme, *4th Quarterly Report*, 30 June 2017, *Appendix B*, p. 48.

3 National Disability Insurance Scheme, *4th Quarterly Report*, 30 June 2017, *Appendix C*, p. 50.

4 For example: Ms Giang Tan, Private capacity, *Proof Committee Hansard*, 12 May 2017, pp. 48–49; Ms Giselle Burningham, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 47.

services under the NDIS inquiries raised similar concerns, as access to intervention services is crucial during a child's developmental years.

Planning issues

3.25 A significant portion of evidence focused on the inefficiency of the Agency's planning process. Participants, their families, carers, and service providers expressed dissatisfaction with plans being developed over the phone; the skills and competence of planners; inconsistency of planning decisions; delays to plans and plan reviews; and the Agency's lack of transparency.

Plans being developed over the phone

3.26 The committee repeatedly heard negative feedback from participants' whose plans had been developed or reviewed by NDIA planners over the phone. The committee agrees that this form of communication is inappropriate in the circumstances described by witnesses. For example, participants were unaware that their plan was being developed over the phone, called unexpectedly, or rushed during the conversation. Crucially, this method of communication does not allow for accurate information transfer during critical plan development.⁵

Skills and competence of planners

3.27 The evidence received indicates that NDIA planners do not possess a sufficient level of disability knowledge to effectively carry out their roles and responsibilities. The committee heard suggestions that planners lack an understanding of the NDIS legislation and its objectives, and have disregarded advice from participants, carers, and medical professionals during key decision-making.⁶

3.28 Issues concerning the skills and competence of planners do not appear to be isolated occurrences. Repeatedly, the committee heard that planners had developed

5 For example: Ms Pamela Rutledge, Chief Executive Officer, Flourish Australia, *Proof Committee Hansard*, 12 May 2017, p. 15; Ms Pamela Boyer, Director, Mental Health and Housing, Woden Community Service, *Proof Committee Hansard*, 12 May 2017, p. 33; Miss Michel Hansen, Partner and Social Worker, Making Connections Together, *Proof Committee Hansard*, 12 May 2017, p. 52; Dr Jim Hungerford, Chief Executive Officer, The Shepherd Centre, *Committee Hansard*, 17 May 2017, p. 25; Ms Grace Fava, Founder and Chief Executive Officer, Autism Advisory and Support Service, *Committee Hansard*, 17 May 2017, p. 29.

6 For example: Ms Fiona Keary, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 44; Ms Georgina Ovin, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 46; Mr Bob Buckley, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 55; Mr Richard Goward, Director, Orthotist and Prosthetist, Momentum Sports and Rehabilitation Services, *Proof Committee Hansard*, 12 May 2017, pp. 56–57; Ms Ruth Callaghan, General Manager, Stakeholder Relations, Northcott, *Committee Hansard*, 17 May 2017, p. 27; Ms Grace Fava, Founder and Chief Executive Officer, Autism Advisory and Support Service, *Committee Hansard*, 17 May 2017, p. 28; Ms Andrea Ingram, Private capacity, *Committee Hansard*, 17 May 2017, p. 37.

plans which were not representative of participants' needs.⁷ While restrictions in the planning process—such as not being able to identify when a question is not applicable—were identified as potential causes of inappropriate plans, planner capability emerged as the primary concern.

3.29 Seemingly, planners and other Agency staff have not been trained to understand the different disabilities or needs of participants. The committee heard that employees were having difficulty understanding basic disabilities as well as complex ones. For example, staff were unable to assist a participant with vision impairment:

This lady is a blind person, like me, and has spoken of her experience: ...when talking to staff, the staff not treating her with respect, and not understanding simple things like that she wants documents in a readable format and not understanding things like giving her a document in Word format instead of RTF or PDF—not understanding those concepts.⁸

3.30 In Ms Georgina Ovin's case, the Agency was unable to provide her with routine information about orthotics:

...my son...needs orthotics for his feet and specialised shoes, which cost between \$285 and \$315. We could not get a direct yes or no answer as to: were the orthotics included under general funding or considered as assistive technology? That is a question that you would think would be quite simple.⁹

3.31 The NDIS Act sets out how a participant's individual, goal-based plan is prepared and reviewed and how the NDIA approves the funding of reasonable and necessary supports. However, the committee received reports that Agency staff may be failing to adhere to the legislative requirements contained in the Act. Mr Richard Goward, Director, Orthotist and Prosthetist, argued that planners appear to be dismissing the legislative terms of 'reasonable' and 'necessary' and replacing them with 'ordinary life'.¹⁰ Mr Goward questioned how the criteria that defined an 'ordinary life' was developed and how it related to the terms 'reasonable and necessary'.¹¹ In further correspondence with the NDIA¹² he was directed to the Independent Advisory

7 For example: Ms Lisa Kelly, Chief Executive Officer, Carers ACT, *Proof Committee Hansard*, 12 May 2017, p. 60; Ms Grace Fava, Founder and Chief Executive Officer, Autism Advisory and Support Service, *Committee Hansard*, 17 May 2017, pp. 28–29; Ms Narelle Dale, Executive Officer, EMPOWERability, *Committee Hansard*, 17 May 2017, p. 32.

8 Mr Robert Altamore, Executive Officer, People with Disabilities ACT Inc, *Proof Committee Hansard*, 12 May 2017, p. 51.

9 Ms Georgina Ovin, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 46.

10 Mr Richard Goward, Director, Orthotist and Prosthetist, Momentum Sports and Rehabilitation Services, *Proof Committee Hansard*, 12 May 2017, p. 57.

11 Mr Richard Goward, Director, Orthotist and Prosthetist, Momentum Sports and Rehabilitation Services, *Proof Committee Hansard*, 12 May 2017, p. 57.

12 Mr Richard Goward, Director, Orthotist and Prosthetist, Momentum Sports and Rehabilitation Services, *Supplementary Submission 8.1*, p. 2.

Council's paper¹³ setting out the development of the term and how it would be used to determine what constitutes 'reasonable and necessary support'. However, the legislative status of the concept is not set out in that advice.

3.32 The Agency was criticised for not ensuring that planners are appropriately and consistently trained before being given the responsibility of creating plans that will affect the lives of participants and their families.¹⁴ Mr Kevin Rangi, Director, Therapies for Kids, argued that the abilities and skills of planners can make a considerable difference to participants' outcomes:

When we have questioned the parents or caregivers about the process they experienced which resulted in what they have received in their approval, the answers we received indicate that it is dependent upon who they have allocated to assist them from the LAC pool and who they finally get as their NDIA planner. Where either of these persons have little or no clinical expertise, the ability to competently assess the ongoing and future clinical needs of the child is compromised.¹⁵

3.33 NDIS plans that do not meet the needs of participants can have serious consequences. Ms Kylie Wicks, General Manager Clinical Services, ParaQuad NSW and BrightSky Australia, raised the question of how the NDIA plans to address medical complications that have occurred as a direct result of poor care.¹⁶

3.34 The insensitivity of NDIA staff towards people with disability during the planning process was also the subject of criticism.¹⁷ Participants recounted feeling threatened by planners, and observed that the process can feel hostile at times, rather than supportive:

In a system trying to improve people's wellbeing, I find being asked to focus on the negative aspects of my health distressing, depressing and counterintuitive. When my plan was recently reviewed in what I can only describe as a 2½-hour interrogation, I once again had to rehash everything to another planner, who was threatening and unsupportive. This is a hostile

13 National Disability Insurance Agency, *IAC advice on reasonable and necessary support across the lifespan: An ordinary life for people with disability*. Available at: <https://www.ndis.gov.au/about-us/governance/IAC/iac-reasonable-necessary-lifespan.html#exec> (accessed 17 August 2017).

14 Mr Bob Buckley, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 55.

15 Mr Kevin Rangi, Director, Therapies for Kids, *Committee Hansard*, 17 May 2017, p. 27.

16 For example: Mr Bob Buckley, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 55; Ms Kylie Wicks, General Manager Clinical Services, ParaQuad NSW and BrightSky Australia, additional information received 24 May 2017, p. 2.

17 For example: Ms Fiona Keary, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 44; Ms Emilia Della Torre, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 45; Mr Robert Altamore, Executive Officer, People with Disabilities ACT Inc, *Proof Committee Hansard*, 12 May 2017, p. 51; Mrs Clare Steve, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 59; and Ms Roslyn Emerick, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 61.

process, where the system requires you to prove your entitlement to services rather than offering empathy and support.¹⁸

Disregard for medical assessments and carers

3.35 The committee heard concerns that planners with little or no relevant training or knowledge are rejecting clear advice from clinicians and carers and making adverse decisions that they are not qualified to make.¹⁹ Evidence indicated that, 'in the initial stages, the LACs and planners were discouraged from being influenced by clinical reports provided by service providers'.²⁰ Apparently, the medical assessments provided by treating health professionals, to assist in the creation of appropriate plans, are being disregarded during planning:

Many people have said today that it is very difficult for planners to understand the complexities across every disability. The participant group that I deal with is incredibly complex and has very unique roles. Even within the group not every amputee, not every child requiring a mobility device will be the same as the next. I understand this complexity. This is why I provide incredibly comprehensive reports to assist these assessments by planners. Yet agency decisions are ignoring or dismissing the assessments and recommendations of me as a treating health professional. Agency decisions are not reflecting the current best practice or promotion of high-quality and innovative supports, which is mentioned at multiple stages.²¹

3.36 An inefficient planning process can have serious effects on the participant as well as their community. According to Carers ACT, there has been an increase in carer hardship under the Scheme:

We have seen a significant increase in carer distress under the NDIS in carers who are no longer able to continue to achieve their goals, who have ended employment, who have increased suicidality and increased thoughts of murder towards the person they are caring for or of relinquishment. The carer is the absolute foundation to this system, and yet they are probably the most ignored in it.²²

3.37 In a survey conducted by Carers ACT, carers expressed dissatisfaction with the planning process and indicated that they had been ignored during planning. Ms Lisa Kelly, Chief Executive Officer, Carers ACT presented the findings to the committee:

Twenty-three per cent of carers...felt their input was not respected or valued indicated that the NDIS participant plan was not aligned to the needs

18 Ms Roslyn Emerick, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 61.

19 Mr Bob Buckley, *Submission 11*, p. 4.

20 Mr Kevin Rangi, Director, Therapies for Kids, *Committee Hansard*, 17 May 2017, p. 27.

21 Mr Richard Goward, Director, Orthotist and Prosthetist, Momentum Sports and Rehabilitation Services, *Proof Committee Hansard*, 12 May 2017, pp. 56–57.

22 Ms Lisa Kelly, Chief Executive Officer, *Proof Committee Hansard*, 12 May 2017, pp. 60–61.

of the person they cared for, compared to only four per cent who felt their input was valued and respected.²³

Opportunity to review plans before implementation

3.38 The committee heard several accounts where participants and their families had not been given an opportunity to review their plans before implementation.²⁴ The current planning process requires participants to first sign off on their unsuitable plan before they are able to request a review. Evidence to the committee indicated that this is an inefficient process, as plan reviews can sometimes take months to occur, leaving the participant at risk of being unable to meet their daily needs. Similarly, participants reported that the NDIA had not provided enough time between the expiry of one plan and the implementation of the next for participants and their carers to provide feedback.²⁵

Inconsistencies in planning decisions

3.39 The committee received evidence which indicated that NDIA staff do not have access to clear policy and procedure.²⁶ Participants and their carers expressed dissatisfaction at the inconsistency of decisions, capability and training, and highlighted the inefficiency of not pairing planners with a regular group of participants. Lack of case familiarity compounded with unclear guidelines for decision making appears to have placed considerable pressure on participants and providers who face uncertainty in essential funding, equipment, and services.²⁷ For example, in

23 Ms Lisa Kelly, Chief Executive Officer, Carers ACT, *Proof Committee Hansard*, 12 May 2017, p. 60.

24 For example: Riverlink Interchange Inc, *Submission 4*, p. 2; Ms Fiona Keary, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 44; Ms Grace Fava, Founder and Chief Executive Officer, Autism Advisory and Support Service, *Proof Committee Hansard*, 17 May 2017, p. 28; Ms Caroline Cuddihy, Chief Executive Officer, Sunnyfield *Proof Committee Hansard*, 17 May 2017, p. 30.

25 Ms Fiona Keary, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 44.

26 For example: Riverlink Interchange Inc, *Submission 4*, p. 3; Ms Fiona Keary, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 44; Ms Emilia Della Torre, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 45; Dr Damien Palmer, Private capacity, *Committee Hansard*, 17 May 2017, p. 25; Ms Susan Tame, Senior Manager, MS Care, MS Australia, *Committee Hansard*, 17 May 2017, p. 27; Mr Kevin Rangi, Director, Therapies for Kids, *Committee Hansard*, 17 May 2017, p. 27; Ms Grace Fava, Founder and Chief Executive Officer, Autism Advisory and Support Service, *Committee Hansard*, 17 May 2017, p. 28; Ms Sue Werner, Networks Manager, Community Connections Australia, *Committee Hansard*, 17 May 2017, p. 33; Ms Kylie Wicks, General Manager, ParaQuad New South Wales, ParaQuad Northern Territory, BrightSky Australia, *Proof Committee Hansard*, 17 May 2017, p. 35; Ms Cathy Milne, Team Leader, Autism Behavioural Intervention NSW, Assessments and Behaviour Interventions, *Committee Hansard*, 17 May 2017, p. 39.

27 Ms Melissa Way, General Manager, Community Connections Australia, *Committee Hansard*, 17 May 2017, p. 41.

one case, identical information had been provided to the Agency yet staff members reached different decisions.²⁸

3.40 The committee heard that participants in ostensibly similar circumstances received different funding in their plans:

...we have witnessed a number of inconsistencies where client patients who have the same condition and severity grade and who should receive the same intensity and regularity of treatment in fact receive marked differences in funding for the treatment.

We have been able to compare what one participant has had approved for a recommended treatment and frequency of treatment to what another participant who has been approved to achieve the same or substantially similar clinical outcomes, and there are obvious and large variances. With these client patients, the quantum of dollars approved in the participant's plan would appear to be of little relation to the patient's clinical needs. The only other variable factor is that the LAC personnel, the NDIA planner or both have little or no appreciation of the clinical requirements of the participant they are assessing.²⁹

3.41 The unpredictability of decision making was experienced by clients of Ms Donna-Maree Law, NDIS Specialist, Disability, Ageing and Community Care Service, who argued that inconsistency causes unnecessary stress and confusion:

Participant 3 is a gentleman who was very fortunate. His equipment was approved and purchased in February of this year. On 7 May—last Sunday—he received quite a confusing email. I am just going to read out the wording for you so that it is on record: 'The request for the NDIS to fund the Raizer lifting chair will not be approved as it does not represent value for money compared to the cost of alternatives such as modified transfer techniques and utilising suitable transfer equipment to minimise falls. I understand that you are aware how to implement correct transfer techniques and minimise the risk of falls. The provision of the Raizer lifting chair may encourage risk-taking behaviour and non-adherence with correct transfer technique and safe mobility. If the current method of transfers and mobility is not safe, then corrections and modifications should be made to the techniques and methods to ensure that the wheelchair is able to be used safely.' This is three months after the gentleman was approved and has been using this vital equipment in his life. These are the confusions people are dealing with day in and day out. People are stressed and confused.³⁰

3.42 Inconsistency between local and national NDIA decisions was also brought to the committee's attention. Mr Goward described how decisions made by the Agency during the trial period changed after the rollout:

28 Mrs Clare Steve, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 59.

29 Mr Kevin Rangi, Director, Therapies for Kids, *Committee Hansard*, 17 May 2017, p. 27.

30 Ms Donna-Maree Law, NDIS Specialist, Disability, Ageing and Community Care Service, *Proof Committee Hansard*, 12 May 2017, p. 55.

We have a 16-year-old boy who was approved for a trial of a prosthetic device prior to the national rollout. He was approved for trial of a device by the local office. It was deemed reasonable and necessary to provide this for a trial. The trial was incredibly successful beyond anyone's wildest dreams. The amount of difference that this device made to this young boy's life was incredible. The outcome of the trial was resubmitted to recommend the final implementation of this device, and the review panel of the now national Scheme said it was not reasonable and necessary...The prescription guidelines and the legislation have not changed and yet the decision has been effectively reversed by the national review board.³¹

Unacceptable delays

3.43 A correlation between the commencement of the Scheme's national rollout and delays in the Agency's responsiveness emerged during the community sessions of the committee's hearings. In addition to the delay between access and service provision discussed earlier in this chapter, participants consistently reported lengthy delays in receiving plans, plan reviews, and other information from the NDIA.³² Ms Tan highlighted that individuals are placed at an increased risk of delayed recovery, financial pressure, and emotional distress when delays occur:

In my husband's case, it is an illness. There is recovery that happens after an illness and there is momentum to that recovery, and any delay in this planning, which then gives us money to access services for him, delays his recovery, which then affects his mental health, which means he is a less productive member of society. We are waiting for car modifications for him, which we cannot do until we get that funding...³³

3.44 Some argued that the Agency's staffing levels were not sufficient to implement the transition on 1 July 2016,³⁴ while others attributed declining responsiveness to a suspected lack of formal guidelines for staff to adhere to.³⁵

31 Mr Richard Goward, Director, Orthotist and Prosthetist, Momentum Sports and Rehabilitation Services, *Proof Committee Hansard*, 12 May 2017, p. 56.

32 Fox example: Ms Fiona Keary, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 44; Ms Giang Tan, Private capacity, *Proof Committee Hansard*, 12 May 2017, pp. 48–49; Ms Giselle Burningham, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 47; Ms Donna-Maree Law, NDIS Specialist, Disability, Ageing and Community Care Service, *Proof Committee Hansard*, 12 May 2017, p. 55; Mr Richard Goward, Director, Orthotist and Prosthetist, Momentum Sports and Rehabilitation Services, *Proof Committee Hansard*, 12 May 2017, p. 56 and Mr George Ayoub, Partner, Lifestyle Directions Pty Ltd and Private capacity, *Committee Hansard*, 17 May 2017, p. 26.

33 For example: Ms Giang Tan, Private capacity, *Proof Committee Hansard*, 12 May 2017, pp. 48–49; Ms Giselle Burningham, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 47.

34 For example: Anowah Community Living Inc, *Submission 5*, p. 4; Therapy 4 Kids, *Submission 12*, p. 1.

35 Mr Richard Goward, Director, Orthotist and Prosthetist, Momentum Sports and Rehabilitation Services, *Proof Committee Hansard*, 12 May 2017, p. 57.

3.45 In some cases, poor responsiveness considerably impacted participants, their families, and carers, with several describing their distress at being disregarded by the Agency.³⁶ Excessive wait times also forced some participants to visit their local NDIS offices in person, which can be difficult for those with a disability:

Like other people here, I spent hours on the phone, trying to access the plan. On many occasions, this involved excessive waiting times. If the call connected, it was immediately disconnected. You try lodging a complaint and, again, it is ignored. You wait excessive times before you actually find any sort of resolution. To find a resolution, I needed to go into the office, which, as a person with a disability, was difficult and hard to do.³⁷

Lack of transparency

3.46 Lack of transparency during the planning process was also the subject of criticisms.³⁸ According to witnesses, key aspects of the planning are not communicated in advance, making it difficult for participants to make informed decisions.

3.47 Participants reported being unsure how to request medical assessments during the formulation of their plans, while others were confused as to how certain decisions had been reached by their planners.³⁹ Dr Damien Palmer found it difficult to extract information from the Agency when he sought an explanation for his daughter's plan:

When we received a copy of my daughter's plan in early November, it was full of surprises...The statement of goals bore little resemblance to anything said in the planning meeting, and there was no clear explanation regarding the decision-making process that had led to the plan we had received. I sought clarification about the decision-making process, but, with no direct access to the planner, this proved to be a fruitless exercise...⁴⁰

3.48 Contributors argued that people do not have access to necessary information as there is limited information publically available on the planning process or the role

36 For example: Ms Giang Tan, Private capacity, *Proof Committee Hansard*, 12 May 2017, pp. 48–49; Ms Giselle Burningham, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 47; Mr Richard Goward, Director, Orthotist and Prosthetist, Momentum Sports and Rehabilitation Services, *Proof Committee Hansard*, 12 May 2017, p. 56.

37 Ms Roslyn Emerick, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 61.

38 For example: Anowah Community Living Inc, *Submission 5*, p. 5; Mr Bob Buckley, *Submission 11*, p. 4; Ms Fiona Keary, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 44; Dr Damien Palmer, Private capacity, *Committee Hansard*, 17 May 2017, pp. 25–26; Ms Sue Werner, Networks Manager, Community Connections Australia, *Proof Committee Hansard*, 17 May 2017, p. 33; Ms Kylie Wicks, General Manager Clinical Services, ParaQuad NSW and BrightSky Australia, additional information received 24 May 2017, p. 2.

39 For example: Mr Bob Buckley, *Submission 11*, p. 4; Dr Damien Palmer, Private capacity, *Committee Hansard*, 17 May 2017, pp. 25–26; Ms Kylie Wicks, General Manager Clinical Services, ParaQuad NSW and BrightSky Australia, additional information received 24 May 2017, p. 2.

40 Dr Damien Palmer, Private capacity, *Proof Committee Hansard*, 17 May 2017, pp. 25–26.

of planners.⁴¹ Mr Buckley argued that there is no clear division of responsibilities between individuals, planners, and plan managers:

We cannot tell what a planner is meant to do in detail nor what processes planners use in developing individual plans: the NDIA does not describe publicly the planners' role or report on equity in planning. It is unclear what information NDIS planners need and how they turn information received about an NDIS participant into an NDIS plan for the individual. It is not clear what information belongs in a NDIS plan for an individual and what is really up to the individual or plan manager to decide.⁴²

3.49 Participants observed that practical explanations and a breakdown of items were often missing from plans.⁴³ This has caused vital information to be missed as participants struggle to interpret their plans:

In previous years, under core supports, for example, we had a dollar value which did not include the in-kind support for education. My son goes to a mainstream school and goes to a learning support unit there. In-kind support was stated as zero in previous plans and in this plan it has been given a dollar amount. Unless I had gone through the switchboard and asked the relevant questions, I would have thought that funding was for core support and possibly would have committed to service plans et cetera that would have spent that money, which we have no access to, during the year. We also cannot see the breakdown of what we have been allocated for different therapies, capacity building and daily activities, which is also quite frustrating because, until the point where I got the breakdown, I did not realise that speech and OT were also missing.⁴⁴

3.50 Impractical language and format has contributed to the indecipherability of plans. Some of the challenges were underscored in the evidence from Ms Sue Werner, Networks Manager, Community Connections Australia:

I can see a lot of people who look at their plans and go, 'This doesn't make sense to me.' I ran a workshop and I had a father who took a day off from his work. He is a barrister and he said: 'I've come here wearing shorts because I'm not working today. I read really complex documents all day and I cannot make sense of my daughter's plan.' I have looked at plans where we get lots of questions. There are things in there like, 'This will be funded, which is R&N.' What does R&N mean? The person asked me, and this person does not have an intellectual disability. 'Does that mean I have a

41 For example: Mr Bob Buckley, *Submission 11*, p. 4; Dr Damien Palmer, Private capacity, *Committee Hansard*, 17 May 2017, p. 26.

42 Mr Bob Buckley, *Submission 11*, p. 4.

43 For example: Anowah Community Living Inc, *Submission 5*, p. 5; Mr Bob Buckley, *Submission 11*, p. 4; Ms Fiona Keary, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 44; Dr Damien Palmer, Private capacity, *Committee Hansard*, 17 May 2017, pp. 25–26; Ms Sue Werner, Networks Manager, Community Connections Australia, *Committee Hansard*, 17 May 2017, p. 33.

44 Ms Fiona Keary, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 44.

registered nurse that is going to be coming?' It was the shortening of 'reasonable and necessary'.⁴⁵

3.51 The reluctance of NDIA staff to provide clear advice in writing was also the subject of criticism:

...when we ask for advice from the NDIA, they are more than happy to give their opinions or advice but they are not happy to put it in writing at all. I have a big issue with that. It is the same issue with guidelines for assistive technology; I do not think that they are terribly clear and they are changing all the time.⁴⁶

3.52 Participants requested that the NDIA make publically available all necessary information for participants and providers in the Scheme to minimise the frustration borne by 'vague fact sheets, inconsistent advice, and a bewildering process'.⁴⁷

Decreases to plan funding

3.53 A significant portion of evidence indicated that plan reviews had sparked unnecessary reductions in participant funding. In several cases brought to the committee's attention, funding had been reduced by the Agency without reason or had been reduced because the participant was deemed to have improved.⁴⁸ In one case, plan funding had been reduced by the Agency because all of the allocated funds had not been used within the year, and in another, funding had been reduced because the allocated monies had not been used within the period, despite the fact the participant had been unable to access their funds due to Agency error.⁴⁹

3.54 Ms Cassandra Hanbridge, Partner and Social Worker, Making Connections Together, told the committee that several members of her organisation had similar experiences of funding being reduced regardless of circumstances or needs:

45 Ms Sue Werner, Networks Manager, Community Connections Australia, *Committee Hansard*, 17 May 2017, p. 33.

46 Ms Sue Werner, Networks Manager, Community Connections Australia, *Committee Hansard*, 17 May 2017, pp. 33–34.

47 Dr Damien Palmer, Private capacity, *Committee Hansard*, 17 May 2017, p. 26.

48 For example: Ms Cassandra Hanbridge, Partner and Social Worker, Making Connections Together, *Proof Committee Hansard*, 12 May 2017, p. 48; Ms Giang Tan, Private capacity, *Proof Committee Hansard*, 12 May 2017, pp. 48–49; Ms Donna-Maree Law, NDIS Specialist, Disability, Ageing and Community Care Service, *Proof Committee Hansard*, 12 May 2017, p. 55; Ms Cheryl Pollard, Chief Executive Officer, DUO Services Australia Ltd, *Proof Committee Hansard*, 12 May 2017, p. 58; Dr Jim Hungerford, Chief Executive Office, The Shepherd Centre, *Proof Committee Hansard*, 12 May 2017, pp. 58–59; Mrs Clare Steve, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 59; and Ms Jennifer Merriman, Executive Director, Technical Aid to the Disabled ACT Inc, *Proof Committee Hansard*, 12 May 2017, p. 63; Ms Narelle Dale, Executive Officer, EMPOWERability, *Committee Hansard*, 17 May 2017, p. 32.

49 For example: Ms Giang Tan, Private capacity, *Proof Committee Hansard*, 12 May 2017, pp. 48–49; Ms Roslyn Emerick, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 62; Ms Jennifer Merriman, Executive Director, Technical Aid to the Disabled ACT Inc, *Proof Committee Hansard*, 12 May 2017, p. 63.

The thing I am hearing as a coordinator when I go and support families at a lot of these meetings is: 'Your plan has to be less than last year. It has to be reduced. You have to have less funding. You have to have improved.' It takes a long time for people with disabilities to improve, and it takes a long time for a young kid with multiple disabilities—autism and mental health—to improve. It does not happen in 12 months. It is not going to happen in 12 months. You are talking three or four years before this guy's supports are going to reduce. The pressure on the families I am seeing, as a provider, makes me feel so sad for the families I am supporting. I hear them have the pressure of: 'Your plan has to be less. Your coordination hours have to be less. You have to be more self-dependent. You have to have less funding. We have to reduce this plan.'⁵⁰

3.55 According to Ms Anne Kirwan, Chief Executive Officer, CatholicCare Canberra and Goulburn, the NDIA's Director of Services advised that plans were being reviewed and funding being reduced as the Agency had been overgenerous in the ACT.⁵¹

3.56 As the largest group that will transition people to the NDIS, the committee sought the NSW Government's input on whether it had received similar concerns on decreases in plan funding to those raised by participants in the ACT. Ms Samantha Taylor, Executive Director NDIS Implementation, NSW Department of Family and Community Services, advised that only a small portion of people in NSW had their funding decreased:

From a state perspective, we actually cannot see that data. So I just preface my response with that note. However, we have looked at where people have had a number of different iterations of their plan. We had a look at about 8,000 as a sample. Over the number of people who have had more than one plan in their participation in the Scheme in New South Wales, out of 8,000 people only 10, from what we could see, had had a financial adjustment downwards in their plans.⁵²

3.57 The committee received suggestions that the Agency should review its current plan funding model and processes to provide participants with more stability and certainty in the future. Indeed, Ms Tan argued that funding should be provided for longer than one year at a time:

You need planning time and, with a disability, it takes time to improve. By the time you have got your plan and you have appealed it if it was not correct, you then have to find a provider who agrees to take you on. They accept and then make an assessment of what the person's needs are. By the time they have come in and done all that, there is not enough time to spend

50 Ms Cassandra Hanbridge, Partner and Social Worker, Making Connections Together, *Proof Committee Hansard*, 12 May 2017, p. 48.

51 Ms Anne Kirwan, Chief Executive Officer, CatholicCare Canberra and Goulburn, *Proof Committee Hansard*, 12 May 2017, p. 64.

52 Ms Samantha Taylor, Executive Director NDIS Implementation, NSW Department of Family and Community Services, *Committee Hansard*, 17 May 2017, p. 21.

the money you have been allocated for that year and time has passed. So we need to seriously consider if we can make the funding a longer time, three years at least. A year is just long enough, with the delays in the process, to achieve anything with that money you have.⁵³

Agency response to planning issues

3.58 As previously discussed, the Agency has been working to improve its planning process by reviewing participant and provider pathways.⁵⁴ However, it has not indicated whether the results of its review would be published.

Reductions to plan funding

3.59 In response to reports of gradual and unjustified reductions to participants' plan funding, the NDIA assured the committee that no direction was in place to reduce plan costs and that there is no mechanism for automatic decreases to plan funding each year.⁵⁵ It did, however, note that 'the evidence to date...indicates that opportunities for community inclusion are growing, thereby enabling participants to fulfil goals through connection to everyday activities rather than specialised supports'.⁵⁶

3.60 With regards to cases where allocated funds were unable to be used by participants due to IT issues, the NDIA asserted that it 'considers utilisation of plans and the factors contributing to this as part of the plan review...planners work with participants to identify any IT specific barriers to plan utilisation and claiming to develop solutions to address these'.⁵⁷

Planner training and quality assurance

3.61 The NDIA addressed some of the quality assurance concerns raised by participants. The NDIA's Chief Operating Officer, Mr Grant Tidswell, provided an update on the progress of the Agency's participant and provider pathways review, which has connected with approximately 300 individuals to date:

We've identified over 300 pay points. We are well on the way to thinking our way through what we need to do about those pay points so we can come back and tell stakeholders more broadly about what we're doing about it. We haven't landed that yet. We're still in the process of working through options and thoughts and ideas, and then we'll come back to the board with a plan on how we will deliver that in the next little while. Our goal would

53 Ms Giang Tan, Private capacity, *Proof Committee Hansard*, 12 May 2017, pp. 49.

54 National Disability Insurance Agency, *Letter to Registered NDIS Providers from CEO David Bowen*, <https://www.ndis.gov.au/news/letter-to-ndia-registered-providers.html> (accessed 5 July 2017).

55 National Disability Insurance Agency, answers to questions on notice, 1 August 2017 (received 4 August 2017).

56 National Disability Insurance Agency, answers to questions on notice, 1 August 2017 (received 4 August 2017).

57 National Disability Insurance Agency, answers to questions on notice, 1 August 2017 (received 4 August 2017).

be to finalise our thinking through August and then we'll come back with an approach for the rest of this financial year.⁵⁸

3.62 The Agency was cognisant of general dissatisfaction with plans and the planning process, and advised that it had commenced revised refresher training for all staff in response to issues raised.⁵⁹ Ms Stephanie Gunn, Acting Deputy Chief Executive Officer—Participants and Planning Group, explained that the Agency conducts regular planner training on a monthly basis, but that the Agency is developing disability understanding across its network and that subject matter experts would be made available for staff to refer to if needed.⁶⁰ Ms Gunn spoke to the Agency's management of systemic quality assurance issues, noting that quality teams had not been fully operational at the commencement of the national rollout:

We've now instigated a quality management framework across all our sites, which basically looks at the identification of issues, uses all of the standard tools about peer based supports, draws examples out, uses case studies, uses both risk assessed and random sampling of decisions and actions both predecision and postdecision, explores that, and spreads those lessons out across our network to try and develop a much more consistent approach to the decisions. Where we see a systemic lack of understanding about the way in which a particular decision should be applied in a particular circumstance, we will pull that out and then develop a training module. Our quality teams within each of the regions, which were not fully operational in July of last year, are now up and running and their job is to take those training modules and wash that over all of our staff.⁶¹

3.63 Agency officials also pointed out that it seeks to retain experience and knowledge in the sector, and has in place a 'first offer' recruitment arrangement for staff from state and territory disability systems.⁶² The NDIA reassured the committee that it has a sufficient number of planners, has filled all positions, and has been recruiting on time and ahead of schedule across all regions.⁶³

3.64 The Agency discussed the criticism of its planning questionnaire, explaining that the Agency is using the information to build a base to guide its typical packages going forward, as well as enable consistent measuring of outcomes for the Scheme

58 Mr Grant Tidswell, Chief Operating Officer, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 5.

59 Ms Stephanie Gunn, Acting Deputy Chief Executive Officer—Participants and Planning Group, National Disability Insurance Agency, *Proof Committee Hansard*, 28 July 2017, p. 6.

60 Ms Stephanie Gunn, Acting Deputy Chief Executive Officer—Participants and Planning Group, National Disability Insurance Agency, *Proof Committee Hansard*, 28 July 2017, p. 7.

61 Ms Stephanie Gunn, Acting Deputy Chief Executive Officer, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 6.

62 Ms Vicki Rundle, Acting Deputy Chief Executive Officer—Markets and Supports, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 7.

63 Ms Vicki Rundle, Acting Deputy Chief Executive Officer—Markets and Supports, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 7.

overall.⁶⁴ Ms Gunn advised that, as the Scheme evolves and engages with more people, the Agency would be able to refine the questionnaire for particular cohorts.⁶⁵ Mr Tidswell stressed that all material, such as guidelines and templates, are under active consideration.⁶⁶

Trial phase vs rollout planning process

3.65 Agency officials also addressed the alleged difference between quality of plans and service delivered pre 1 July 2016 and post national rollout of the Scheme. Ms Vicki Rundle, Acting Deputy Chief Executive Officer—Markets and Supports, explained that the Agency had introduced a new planning process from 1 July 2016 because the 'bottom-up' planning process used during trial phase would not have been feasible on a national scale.⁶⁷

3.66 The original bottom-up process provided plans with line-by-line supports and was criticised as 'a very prescriptive way for a person to have to use their funds—for example, they only got X number of hours for therapy or X volume of time for house assistance'.⁶⁸ As a result, the Agency changed typical support packages by dividing them into three types of supports—core supports, capacity building and capital—to enable more flexibility:

The core supports are all the daily living types of assistance a person might need, and you can track that quite closely to a person's disability type. The planner's responsibility is to adjust that for the person's circumstances. Within the core supports, you have complete flexibility in the way in which you apply that in the volume and how you use those funds.⁶⁹

3.67 Mr Tidswell argued that the updated process sets parameters to guide the planning conversation and ensures consistency across similar cases while still allowing plans to meet the needs of individuals.⁷⁰ The Agency noted that the support package framework would be adapted as evidence for the Scheme builds.⁷¹

64 Ms Stephanie Gunn, Acting Deputy Chief Executive Officer, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 11.

65 Ms Stephanie Gunn, Acting Deputy Chief Executive Officer, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 11.

66 Mr Grant Tidswell, Chief Operating Officer, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 11.

67 Ms Vicki Rundle, Acting Deputy Chief Executive Officer—Markets and Supports, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 8.

68 Ms Stephanie Gunn, Acting Deputy Chief Executive Officer, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 8.

69 Ms Stephanie Gunn, Acting Deputy Chief Executive Officer, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 8.

70 Mr Grant Tidswell, Chief Operating Officer, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 8.

71 Ms Stephanie Gunn, Acting Deputy Chief Executive Officer, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 8.

Inconsistency of decisions

3.68 In light of criticisms around inconsistent decision-making, the Agency sought to assure the committee that planners' decisions are carefully controlled. A customised ICT system supports the Agency's business assurance framework by regulating key decisions, such as those enabling access to the Scheme; approving plans; and granting provider registrations.⁷² Ms Rundle explained that these decisions are tested against a sample of others for consistency and that 100 per cent of less-experienced planners' decisions are assessed by senior planners' before approval.⁷³

Plan reviews

3.69 The Agency addressed concerns that participants had lost access to services due to plan reviews. It explained that a plan review is usually scheduled as the plan end date approaches and are usually held once every 12 months. Once a plan review is initiated, the next cycle of pre-planning and planning tasks is commenced to develop the participant's new plan. Individual assessments and therapy reports are reviewed for evidence of outcomes and may be requested to inform the review if not available. The Agency conceded that, for a small cohort, a plan may expire before a review can be completed, and has been predominantly due to participants being unable to be contacted or a delay in receiving requested information. It explained the options available in these circumstances:

In instances where the NDIA is unable to complete a scheduled plan review prior to the end date of the current plan, a three month plan extension can be provided to allow time for a planning meeting to occur...If a participant is waiting for a plan review and their plan has expired, the NDIA will cover that expense for the provision of supports that are in line with what a person was previously receiving in their plan. The NDIA can also extend the old plans to the day before the start of the next plan to enable providers to receive payment under the previous plan for services they may have provided during the gap period.⁷⁴

3.70 The Agency's plan review process is currently under consideration. Mr Tidswell advised that while the Agency wishes to provide participants the option to review plans and address any concerns, the process must be balanced against potentially constant changes and readjustments.⁷⁵ Ms Gunn reflected that the frequency of amendments to plans during the trial period had informed the Agency's updated approach:

72 Ms Vicki Rundle, Acting Deputy Chief Executive Officer—Markets and Supports, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 9.

73 Ms Vicki Rundle, Acting Deputy Chief Executive Officer—Markets and Supports, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, pp. 9–10.

74 National Disability Insurance Agency, answers to questions on notice, 1 August 2017 (received 4 August 2017).

75 Mr Grant Tidswell, Chief Operating Officer, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, pp. 10–11.

We ended up with individuals, within a year, having 12, 13 or 14 amendments to their plan just as they played with it and thought about it. That's why we went away from this line-by-line process and lumped the funding into core, capacity and capital. It's designed to give people a lot more flexibility in the way they use their funds. What we have discovered in the kind of volume of people that we've brought in is that people don't understand how they can use the funds in their plan. So being able to have that conversation—that one would be relatively easily fixed, to say: 'You actually can use your funds in these ways. Here are your other options.' But it would be making ourselves available for that person to ring up, find us easily and chew it over. Our LACs, local area coordinators, on the ground have to be a source of that guidance and information for a person.⁷⁶

3.71 Mr Tidswell advised that the Agency was having difficulty contacting people for reviews and speculated whether negative media stories about plan reviews had impacted participants' willingness to make contact.⁷⁷

Communication and transparency

3.72 The NDIA acknowledged that it needed to improve its communication and transparency during planning. Mr Tidswell informed the committee that the Agency is currently testing hypotheses for better approaches, and considering ways to simplify language and process:

We had a workshop last Friday in Penrith where we talked about this directly with participants. We are talking to our planners and staff as well to think through how we actually ensure that when that planning conversation is finished you are pretty clear about what is going to be available in your plan and why...That's the key thing that we're looking at—to improve the plain English, simplifying it, not having our jargon that we understand. Sometimes it's challenging, because it might be in the act, but we need to think through how we actually provide that...There was an expo a month or two ago in May in Ipswich, ahead of time just before we rolled Ipswich. It went really well because people knew what they had to do and the system worked much better. But we've got a lot of work to do there to demystify what is effectively a fairly complex Scheme.⁷⁸

76 Ms Stephanie Gunn, Acting Deputy Chief Executive Officer, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 11.

77 Mr Grant Tidswell, Chief Operating Officer, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 8.

78 Mr Grant Tidswell, Chief Operating Officer, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 15.

Communication issues

3.73 Poor communication and engagement with participants and providers was repeatedly raised by those involved in the Scheme. Several individuals described their experience of dealing with the Agency as a 'battle'.⁷⁹

3.74 According to witnesses, the Agency's quality of service has significantly deteriorated since the national rollout. Previously, people had been able to call local officers and had the direct phone lines of staff, but from 1 July 2016, all calls were routed through one central phone line. The Agency's central email system provided equally unsatisfying results as staff frequently did not respond to requests.⁸⁰ Issues raised focused on NDIA planners and call centre staff and included:

- being placed on hold for excessive wait times;
- not receiving responses to email or phone call requests;
- not being informed of changes to plans;
- not being able to speak with the same person each time or someone familiar with their case;
- not being able to speak to staff with disability knowledge; and
- instances of threatening or hostile planners.⁸¹

3.75 Contributors suggested that the Agency implement better call centre practices, such as calling people back when it is their place in the queue.⁸²

79 For example: Ms Emilia Della Torre, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 45; Mrs Trish Reeve, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 49; Ms Karna O'Dea, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 54; Mr Stephen Fox, ACT Manager, National Disability Services, *Proof Committee Hansard*, 12 May 2017, p. 60; Ms Roslyn Emerick, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 61.

80 For example: Ms Fiona Keary, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 44; Ms Burningham *Proof Committee Hansard*, 12 May 2017, pp. 60–61; Ms Roslyn Emerick, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 61. Ms Roslyn Emerick, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 61; Ms Jennifer Merriman, Executive Director, Technical Aid to the Disabled ACT Inc, *Proof Committee Hansard*, 12 May 2017, p. 63.

81 For example: Ms Fiona Keary, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 44; Ms Emilia Della Torre, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 45; Ms Cheryl Pollard, Chief Executive Officer, DUO Services Australia Ltd, *Proof Committee Hansard*, 12 May 2017, p. 58; Ms Jennifer Merriman, Executive Director, Technical Aid to the Disabled ACT Inc, *Proof Committee Hansard*, 12 May 2017, p. 63; Mrs Rachel Hodson, Treasurer, ACT Branch Australian Psychological Society, pp. 63–64; Ms Anne Kirwan, Chief Executive Officer, CatholicCare Canberra and Goulburn, *Proof Committee Hansard*, 12 May 2017, p. 64; Ms Ruth Callaghan, General Manager, Stakeholder Relations, Northcott, *Committee Hansard*, 17 May 2017, p. 28; Ms Caroline Cuddihy, Chief Executive Officer, Sunnyfield *Committee Hansard*, 17 May 2017, p. 31.

82 Mr Robert Altamore, Executive Officer, People with Disabilities ACT Inc, *Proof Committee Hansard*, 12 May 2017, p. 51.

Agency response to communication issues

3.76 The Agency acknowledged that the participant experience during transition 'has not resulted in a consistently high standard to which the NDIA aspires'.⁸³ It cited challenges with systems and processes; building consistency; detailed understanding of the Scheme; and processes in a rapidly growing workforce.⁸⁴

3.77 In relation to the centralised phone line, the NDIA reassured the committee that it has provided intensive training to its call centre operators to increase the rate of first contact resolution where possible, and reduced the wait time to less than 1 minute by July 2017. Furthermore, contact centre opening hours were extended to 8.00am to 11.00pm. The Agency continues to explore options to improve, including examination of the contact centre's staffing, processes, and technology.⁸⁵

Service provider issues

3.78 The period between the trial phase and the rollout has been tumultuous for service providers involved in the Scheme. Two important issues were consistently raised with the committee: that the NDIA has developed non-contextual pricing which has placed significant cost pressures on service providers; and that working within the NDIS is cumbersome. The committee heard that providers involved in the Scheme have been inadequately funded for services; unable to claim for services due to portal or planning issues; and forced to hire additional staff to deal with the issues and complexities of the Scheme.

Non-contextual pricing

3.79 Several providers⁸⁶ expressed their concern at the inadequacy and unsustainability of the Scheme's non-contextual pricing. It was argued that the level of

83 National Disability Insurance Agency, answers to questions on notice, 1 August 2017 (received 4 August 2017).

84 National Disability Insurance Agency, answers to questions on notice, 1 August 2017 (received 4 August 2017).

85 National Disability Insurance Agency, answers to questions on notice, 1 August 2017 (received 4 August 2017).

86 For example: Richmond Fellowship, *Submission 1*, p. 1; Riverlink Interchange Inc, *Submission 4*, pp. 1–2; Ms Cheryl Pollard, Chief Executive Officer, DUO Services Australia Ltd, *Proof Committee Hansard*, 12 May 2017, p. 58; Ms Jennifer Merriman, Executive Director, Technical Aid to the Disabled ACT Inc, *Proof Committee Hansard*, 12 May 2017, p. 62; Mrs Rachel Hodson, Treasurer, ACT Branch Australian Psychological Society, pp. 63–64; Ms Anne Kirwan, Chief Executive Officer, CatholicCare Canberra and Goulburn, *Proof Committee Hansard*, 12 May 2017, p. 64; Mr Craig Moore, Chief Executive Officer, Interaction Disability Services, *Committee Hansard*, 17 May 2017, p. 24; Mr Bart Cavalletto, Director, Services, Royal Institute for Deaf and Blind Children, *Committee Hansard*, 17 May 2017, p. 27; Ms Ruth Callaghan, General Manager, Stakeholder Relations, Northcott, *Committee Hansard*, 17 May 2017, p. 28; Ms Caroline Cuddihy, Chief Executive Officer, Sunnyfield, *Committee Hansard*, 17 May 2017, p. 31; Ms Narelle Dale, Executive Officer, EMPOWERability, *Committee Hansard*, 17 May 2017, p. 32; Ms Cathy Milne, Team Leader, Autism Behavioural Intervention NSW, Assessments and Behaviour Interventions, *Committee Hansard*, 17 May 2017, p. 39.

pricing set by the NDIA does not accurately reflect the cost of service delivery and overheads incurred by providers working within the disability market, and has resulted in organisations carrying considerable gaps in funding.

3.80 The committee is concerned about reports that providers are not receiving sufficient funds to cover the cost of providing critical support services, particularly in the cases of people with complex behaviours. The committee heard compelling evidence from Ms Cathy Milne, Team Leader, Autism Behavioural Intervention NSW, Assessments and Behaviour Interventions, during its hearing in Penrith regarding cases of people with complex behaviours placing those around them at potential risk of harm:

...I received a call from my senior consultant and another behaviour therapist, who were in the home. We cannot safely allow our team in that home without two staff. I got a call from my team at seven o'clock at night—the session was meant to finish at 5 pm—to say they were still there because the eight-year-old boy was trying to strangle his mother and they were trying to keep the three-year-old sister, who has a severe and degenerative vision problem, safe from the violent incident.

After that incident, when my staff left the house finally confident that the three-year-old was safe and that the seven-year-old brother, who was hiding in his room, was safe and that the mother was not going to be any further physically harmed and that the child had had his PRN medication, I then spent a further two hours with my staff calling DOCS, because this is a mandatory reporting issue. We are legally obliged to report risk of significant harm. So we did this. Even if we were not legally obliged to report risk of significant harm to children, my senior behaviour clinician is a registered psychologist and she has professional obligations.⁸⁷

3.81 In addition to unforeseen hours of support provision, Ms Milne described the related reporting and professional obligations required in such circumstances, arguing that providers' are accumulating hours of unfunded support:

My team does a huge number of hours of work for these families, and we cannot claim it under NDIS because NDIS does not recognise that behaviour support plans need formatting, that a child may not be able to buy a standard resource off the shelf but needs someone who has skills, expertise and knowledge of their situation to customise. I have speech pathologists that will spend hours researching just the right way to help that child communicate and then design a tailored resource. If I was to charge for that, that child would have no therapy budget left. If I was to charge my intensive family support families for the family support, case coordination and advocacy that we had been able to provide for them, their child would get no therapy, no respite, nothing.⁸⁸

87 Ms Cathy Milne, Team Leader, Autism Behavioural Intervention NSW, Assessments and Behaviour Interventions, *Committee Hansard*, 17 May 2017, p. 39.

88 Ms Cathy Milne, Team Leader, Autism Behavioural Intervention NSW, Assessments and Behaviour Interventions, *Committee Hansard*, 17 May 2017, p. 40.

3.82 Despite providers submitting that they had improved efficiencies and implemented internal reforms, they still considered pricing to be insufficient for surplus and reinvestment in service or innovation.⁸⁹ The sustainability of the sector was repeatedly questioned by providers.⁹⁰ Ms Kirwan, from CatholicCare Canberra and Goulburn, told the committee that the Agency had reported that '42 per cent of ACT providers reported a loss or broke even last year under the NDIS'.⁹¹ Providers argued that the NDIA has placed unreasonable limitations on the types of hours that can be claimed as part of services:

Interaction has a large team of psychologists. They provide assessment, behaviour intervention support plans, skills training and therapeutic support to people who experience challenging and/or other behaviours, their families and our staff...the pricing is confusing and mainly limited to face-to-face hours. This limitation means that essential and required tasks—such as report writing, service formatting of behaviour intervention support plans, individualised pre-reading and research, coaching of staff, coaching of families and so on—is not covered. Interaction's psychologists require 44 claimable hours per fortnight to support their role within the organisation. That 44 hours requires another hour or two besides that to actually do the task, which means they do not have enough time per fortnight to actually do the job that they are supposed to do.⁹²

3.83 One provider pointed out that the NDIS pricing structure excludes training costs in its design and should consider a long-term approach to investment in professional training to improve clinical practices and outcomes for people with disability.⁹³ Mr Craig Moore, from Interaction Disability Services, warned the committee that, 'the NDIS pricing structure reduces the ability of organisations to attract and induct the expected injection of new staff into the sector. In that regard, skills atrophy has been observed in overseas jurisdictions that have implemented initiatives similar to the NDIS'.⁹⁴

89 Ms Cheryl Pollard, Chief Executive Officer, DUO Services Australia Ltd, *Proof Committee Hansard*, 12 May 2017, pp. 57–58.

90 For example: Ms Cheryl Pollard, Chief Executive Officer, DUO Services Australia Ltd, *Proof Committee Hansard*, 12 May 2017, p. 58; Ms Jennifer Merriman, Executive Director, Technical Aid to the Disabled ACT Inc, *Proof Committee Hansard*, 12 May 2017, p. 62; Mrs Rachel Hodson, Treasurer, ACT Branch Australian Psychological Society, p. 64; and Ms Anne Kirwan, Chief Executive Officer, CatholicCare Canberra and Goulburn, *Proof Committee Hansard*, 12 May 2017, p. 64.

91 Ms Anne Kirwan, Chief Executive Officer, CatholicCare Canberra and Goulburn, *Proof Committee Hansard*, 12 May 2017, p. 64.

92 Mr Craig Moore, Chief Executive Officer, Interaction Disability Services, *Committee Hansard*, 17 May 2017, p. 24.

93 Mr Craig Moore, Chief Executive Officer, Interaction Disability Services, *Committee Hansard*, 17 May 2017, p. 25.

94 Mr Craig Moore, Chief Executive Officer, Interaction Disability Services, *Committee Hansard*, 17 May 2017, p. 25.

3.84 According to Mr Moore, 'this has happened because of what we believe is a failure to engage wholly with service providers on planning and pricing'.⁹⁵ Indeed, the NDIA only conducted its first provider feedback forum in April 2017.⁹⁶ Ms Kirwan raised an important point in relation to sustainability:

I was at a meeting with the ACT and Commonwealth ombudsmen. There were over 40 providers in the room. Every provider put their hand in the air to say they were owed money by the NDIA...one of the challenges for us as providers is: when the money is not being provided, do we continue to provide the level of care that is required and needed and expected by families, with the risk that, if the money is not provided, we are then out of pocket? We have been told by the NDIA that the risk sits with us as providers. They do not take responsibility.⁹⁷

3.85 Providers endorsed the recommendations in a paper prepared by the National Disability Service titled 'How to get the NDIS on track', which was released on 4 May 2017. The report makes 24 recommendations, including for disability service organisations to be involved in the planning process.⁹⁸

Portal and IT issues

3.86 Concerns were also raised with the MyPlace portal and NDIS IT systems. Participants reported difficulties operating the portal and drew attention to the website's lack of accessibility, while providers found that it does not meet all of their business needs.⁹⁹

3.87 The committee heard that the unnecessary complexities of working within the NDIS had increased administrative workloads.¹⁰⁰ Some providers hired additional staff to handle the administrative burden of the Scheme, while stress from the

95 Mr Craig Moore, Chief Executive Officer, Interaction Disability Services, *Committee Hansard*, 17 May 2017, p. 24.

96 Ms Caroline Cuddihy, Chief Executive Officer, Sunnyfield, *Committee Hansard*, 17 May 2017, p. 31.

97 Ms Anne Kirwan, Chief Executive Officer, CatholicCare Canberra and Goulburn, *Proof Committee Hansard*, 12 May 2017, p. 64.

98 National Disability Service, *How to get the NDIS on track*, May 2017, pp. 3–4.

99 For example: Ms Nerida Richters, Private capacity, *Proof Committee Hansard*, 12 May 2017, p. 48; Mr Robert Jeffrey Altamore, Executive Officer, People with Disabilities ACT Inc, *Proof Committee Hansard*, 12 May 2017, p. 51; Ms Cheryl Pollard, Chief Executive Officer, DUO Services Australia Ltd, *Proof Committee Hansard*, 12 May 2017, p. 58.

100 For example: Richmond Fellowship, *Submission 1*, p. 1; Ms Cheryl Pollard, Chief Executive Officer, DUO Services Australia Ltd, *Proof Committee Hansard*, 12 May 2017, p. 58; Ms Jennifer Merriman, Executive Director, Technical Aid to the Disabled ACT Inc, *Proof Committee Hansard*, 12 May 2017, p. 62; Mrs Rachel Hodson, Treasurer, ACT Branch Australian Psychological Society, p. 64; and Ms Anne Kirwan, Chief Executive Officer, CatholicCare Canberra and Goulburn, *Proof Committee Hansard*, 12 May 2017, p. 64; Ms Stephanie Cusack, Accountant, Autism Advisory and Support Service, *Committee Hansard*, 17 May 2017, p. 34.

arrangements had caused at least one to consider deregistering.¹⁰¹ Ms Pollard from DUO Services noted, 'it has cost us in the vicinity of another \$200-odd thousand for this current financial year, which is roughly equivalent to four additional staff to ensure that we can action the cleaning'.¹⁰² Ms Pollard explained how portal and IT inefficiencies could potentially threaten the viability of some organisations:

[The portal] prevents claims from being made until a new service agreement is in place with the participant and the subsequent service bookings aligning with the new plan have been implemented...we are continuing to provide services in good faith, and families are continuing to have services, only to find out that a new plan has been issued unbeknownst to any of us. We do not have a service agreement in place, so we cannot set up the service booking to make the claim. In fact, we cannot claim because the item numbers have changed—and so there is a loss of income. NDIA's messaging is very clear now that it is 'our business decision'. So I think there is a great deal of concern around that...¹⁰³

Unclear quote process

3.88 Submitters also expressed concerns regarding the Agency's lack of guidance on correct procedures for providers to follow. For example, according to providers, information on how to submit quotes was not available online or communicated by the Agency to providers at information sessions. Absence of clear information has caused delays to billing cycles, sometimes up to four weeks. Submitters suggested that the Agency agree on a single process, and ensure training and guidance on the process for quotes is made available on its website.¹⁰⁴

Agency response to service provider issues

3.89 In response to concerns regarding non-contextual pricing, the NDIA highlighted the difficulty of running a national Scheme, and variability across jurisdictions.¹⁰⁵ The Agency's price guide is currently an east and west price guide with loading for remote and very remote. Currently, the Agency sets prices only in areas where the market is not developed enough and participants could be at risk of being taken advantage of.¹⁰⁶ However, Agency officials expected that eventually,

101 For example: Ms Cheryl Pollard, Chief Executive Officer, DUO Services Australia Ltd, *Proof Committee Hansard*, 12 May 2017, p. 58; Ms Jennifer Merriman, Executive Director, Technical Aid to the Disabled ACT Inc, *Proof Committee Hansard*, 12 May 2017, p. 62.

102 Ms Cheryl Pollard, Chief Executive Officer, DUO Services Australia Ltd, *Proof Committee Hansard*, 12 May 2017, p. 58.

103 Ms Cheryl Pollard, Chief Executive Officer, DUO Services Australia Ltd, *Proof Committee Hansard*, 12 May 2017, p. 58.

104 For example: Richmond Fellowship, *Submission 1*, p. 4; Anowah Community Living Inc, *Submission 5*, p. 6.

105 Mr Grant Tidswell, Chief Operating Officer, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 16.

106 Ms Vicki Rundle, Acting Deputy Chief Executive Officer—Markets and Supports, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 16.

pricing would not have to be set at all because a competitive market would be in place. Mr Tidswell noted that the hourly rate is actually higher in some jurisdictions than it was previously, and that this is a tension point in creating a uniform and standard approach.¹⁰⁷ The Agency reassured the committee that it was aware of some issues with providers claiming against supports but usually resolved them.¹⁰⁸

3.90 With regards to portal and IT issues, the Agency conceded that there have been cases where providers have temporarily picked up the cost of services for participants. It provided three scenarios where this could occur and the options available to providers:

- (1) Where a plan expires without a new plan in place and providers have continued to provide services to participant in 'good faith', the NDIA has updated its business system to cover the period up to the beginning of a new plan.¹⁰⁹
- (2) Where there are delays in assessment and acceptance of quotes and providers have continued to provide daily services to participants in group homes, providers can claim through the plan after the quote is accepted. If a provider still has difficulty in claiming, one of the NDIA's regional finance teams can organise payment for services.¹¹⁰
- (3) When there is an omission or error in the participant's initial plan preventing the payment of a service, the participant's plan is reviewed and corrected, and the provider can then claim for services provided.¹¹¹

3.91 As previously discussed, the NDIA is currently conducting an internal review of its service provider pathways and investigating ways to improve, and has commissioned an Independent Pricing Review by McKinsey & Company to report by the end of 2017. According to the NDIA, the participant and provider pathway transformation plan will include specific projects to enhance functionality of the MyPlace portals and user experience. To date, the NDIA has implemented a number of initiatives to assist users to access and use the MyPlace Portal, including comprehensive user guides, FAQs, improved staff training, targeted communication and email, and 1800 contact centre support line channels.

107 Mr Grant Tidswell, Chief Operating Officer, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 16.

108 Ms Vicki Rundle, Acting Deputy Chief Executive Officer—Markets and Supports, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 17.

109 National Disability Insurance Agency, answers to questions on notice, 1 August 2017 (received 4 August 2017).

110 National Disability Insurance Agency, answers to questions on notice, 1 August 2017 (received 4 August 2017).

111 National Disability Insurance Agency, answers to questions on notice, 1 August 2017 (received 4 August 2017).

Transport market design

3.92 During its public hearing in Canberra on 12 May 2017, the committee heard concerns from representatives of the Australian bus industry in relation to a market-based trial for school transport options for disabled children. The trial is scheduled to be conducted by the Centre for Market Design (CMD) in 2017.¹¹²

3.93 According to Mr Peter Kavanagh, Government Relations Manager, Bus Association Victoria, the NDIA is seeking to introduce an online, real-time market place, where providers would list their transport services and NDIS participants would choose an option.¹¹³

3.94 Presently, State and Territory Governments negotiate with and enter into agreements with bus operators for services, based on the requirements and numbers of the children and the particular school. The arrangements have developed over a period of time and function well in Victoria and Tasmania according to the industry. Mr Kavanagh pointed out that the bus industry is required to fulfil strict accreditation requirements and demonstrate compliance to a range of regulatory, safety and quality standards.¹¹⁴

3.95 The committee heard concerns that if the NDIA opened up the market to other operators it could run the risk of putting mature players out of business and leave participants with a potentially less-regulated, less-equipped group of operators:

..if they start to perform these services without showing any particular skill or competence in the area then that obviously represents an unlevel playing field for other providers in the space. More importantly than that, it could lead to a race to the bottom, price-wise, in some geographical markets...And the quality of service and safety could be impacted, if...those providers did not have the necessary safety and quality of service assurances that bus services can provide and have provided for many decades.¹¹⁵

3.96 Mr Kavanagh explained that, as bus operators significantly invest in their operations and equipment in advance in order to meet contract demands, the sustainability of the sector may be at risk.¹¹⁶ The bus industry expressed concerns that there has been no communication from the NDIA on the transport market design trial, and there was anxiety as to how the trial would work, how the online platform would

112 Mr Peter Kavanagh, Government Relations Manager, Bus Association Victoria, *Proof Committee Hansard*, 12 May 2017, p. 37.

113 Mr Peter Kavanagh, Government Relations Manager, Bus Association Victoria, *Proof Committee Hansard*, 12 May 2017, p. 37.

114 Mr Peter Kavanagh, Government Relations Manager, Bus Association Victoria, *Proof Committee Hansard*, 12 May 2017, pp. 37–38.

115 Mr Peter Kavanagh, Government Relations Manager, Bus Association Victoria, *Proof Committee Hansard*, 12 May 2017, p. 37.

116 Mr Peter Kavanagh, Government Relations Manager, Bus Association Victoria, *Proof Committee Hansard*, 12 May 2017, p. 37.

operate, how it would be regulated, and when the trial would occur. Despite requests for information from industry, the Agency had not provided any response.

Agency response to transport market design trial

3.97 The Agency acknowledged the complexity of issues around broader transport market design and the risk of potentially undermining the market, but reassured the committee that a working group of the Disability Reform Council was considering the situation.¹¹⁷

3.98 The NDIA explained that the CMD was commissioned to design a pilot concept that would allow eligible participants and their parents to find appropriate transport to school through the use of emerging online market matching technology. It emphasised that the pilot may or may not provide a practicable basis for a NDIS approach.¹¹⁸ The market matching mechanism was scheduled for pilot during term two of the Victorian school year in 2017, however the project has been placed on hold while the Victorian Department of Education and Training explores how quality and safeguards will be managed. The online platform would be monitored by a Project Steering Committee, including representatives from the Victorian Department of Education and Training, Commonwealth Treasury, CMD and the NDIA.¹¹⁹

3.99 In terms of regulation, the NDIA advised that the Project Steering Committee—subject to the key issue of the pilot's quality and safeguard provisions being clarified—will endorse the pilot to proceed. The Victorian Department of Education and Training is required to provide assurance of the provision of suitable quality and safeguards during the pilot in accordance with the agreed roles and responsibilities of states and territories to continue this function during transition.¹²⁰ The Agency highlighted that the Quality and Safeguards Commission would be available from July 2018 for both NSW and South Australia, with other jurisdictions to transition in the following year.¹²¹

3.100 In parallel with this pilot, the NDIA is working with states and territories to plan for the transition of specialist school transport to the NDIS by the end of the transition period. This work is occurring through the Transport Working Group, a sub-group of the Senior Officials Working Group of the Council of Australian

117 Ms Vicki Rundle, Acting Deputy Chief Executive Officer—Markets and Supports, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 18.

118 National Disability Insurance Agency, answers to questions on notice, 1 August 2017 (received 4 August 2017).

119 National Disability Insurance Agency, answers to questions on notice, 1 August 2017 (received 4 August 2017).

120 National Disability Insurance Agency, answers to questions on notice, 1 August 2017 (received 4 August 2017).

121 Ms Vicki Rundle, Acting Deputy Chief Executive Officer—Markets and Supports, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 19.

Governments.¹²² NDIA officials noted that the aim for the wider transport market picture would be to maintain arrangements and access for people, but were unable to provide the bus industry any comfort:

At the moment, as you know, states and territories provide all of these services, and many of them are through bus contracts—we have bus fleets. These are big endeavours and they are often linked to state government transport systems, as well as education systems and so on. When you think about converting that, as you've rightly pointed out, into an individual package, it's very tricky, because a provider has to have some guarantee of economy of scale to be able to make a future investment in a fleet. Yet there is no way any real guarantee can be given, because they have to know that they're going to get that volume... We're trying to work through this, but the aim, though, is that all states and territories and us are trying to get to a point where people get the support they need and they get it when they need it—kids can get to school appropriately, in a safe way, and we do that in the most affordable, efficient and effective way. How that plays out at the end of the day, we don't know.¹²³

Committee view

3.101 The NDIA is under considerable pressure to meet bilateral estimates and ensure the Scheme remains within budget. Nevertheless, the fact that it is still running almost 20 per cent behind estimates for participants is deeply concerning, particularly in the Early Childhood Early Intervention cohort.

3.102 As the Scheme ramps up and substantially increases in complexity and size, the committee is concerned that quality and individualisation of plans may be compromised. In conjunction with a reduction in satisfaction ratings, the litany of issues raised by participants, providers, families, and carers with respect to how the planning process is being experienced by those the Scheme is supposed to help, is evidence of a downwards trend. The committee accepts that some of these are process and administration issues which will be worked through and remedied in time. However, evidence received during the committee's recent public hearings seems to be indicative of a culture developing in the NDIA that is not placing the participant, and those who support them, at the centre of the Scheme.

3.103 People with disability should not be facing delays in accessing services under the NDIS, yet the time taken between when an Access Request is granted and a planning meeting is scheduled can be several months long. The committee finds this unacceptable and considers that the delays in access to services are attributed to early issues faced by the NDIA at commencement of the rollout which affected the Agency's ability to meet its bilateral estimates.

122 National Disability Insurance Agency, answers to questions on notice, 1 August 2017 (received 4 August 2017).

123 Ms Vicki Rundle, Acting Deputy Chief Executive Officer—Markets and Supports, National Disability Insurance Agency, *Committee Hansard*, 28 July 2017, p. 18.

3.104 The overall communication ethos underpinning the planning process appears to exclude participants and those who support them at crucial stages. The option for a participant to view, and comment on their plan before it is finalised is, in the committee's view, a procedure that could alleviate concerns and stress. It could also serve to avoid potentially resource intensive reviews for relatively minor adjustments, allowing the NDIA to focus their efforts elsewhere.

Recommendation 1

3.105 The committee recommends that the National Disability Insurance Agency provide an opportunity for participants, and those who support them, to view, comment, and rectify any errors in their plan in advance of it being finalised and implemented.

3.106 The committee acknowledges that the Agency is currently investigating the ways in which it can improve its participant and provider experience. In light of communication issues raised and the Agency's pledge to improve its performance, the committee expects that the pathways review currently being undertaken will be published and made accessible to all those involved in the Scheme. Areas identified as requiring improvement should be incorporated into the Agency's Quarterly Reports and progress against targets tracked over time.

Recommendation 2

3.107 The committee recommends that the National Disability Insurance Agency publish the results of its participants and providers pathways review, specifically the areas identified for improvement, and the strategies in place to achieve improved outcomes.

Recommendation 3

3.108 The committee recommends that the National Disability Insurance Agency include progress on issues identified in the participant and provider pathways review in future Quarterly Reports.

3.109 With regard to the issue of transport, particularly in relation to the provision of transport to and from school, the committee suggests that the NDIA strongly engage with transport providers, participants, parents and the disability sector on transport market issues to prevent the potential danger that participants of the Scheme will be left with reduced transport options.

3.110 As discussed in previous committee progress reports, it is very difficult for the committee, and any other stakeholders, to properly assess the effectiveness and progress of the Scheme if the same measures of performance are not carried through each Quarterly and Annual report.

3.111 Furthermore, the committee is concerned that changes in terminology cover substantial policy shifts such as the apparent decision not to continue with the 'First Plan' approach. There has been no official announcement that the NDIA have changed their policy, and the change is only evidenced by the change in terminology in the most recent Quarterly Report from 'First Plan' to 'Initial Plan'. If this is indicative of a

policy change, all stakeholders deserve to be made aware of it, rather than a simple change of wording from one Quarterly Report to the next.

3.112 A further example of terminology being altered, thereby increasing confusion in the sector, is the introduction of the term 'ordinary life' alongside the criteria of 'reasonable and necessary' to assess the provision of supports. While the committee acknowledges that there is documentation available to stakeholders that explains the term, it does not have the same legislative basis as the term 'reasonable and necessary'. The committee is therefore frustrated that the use of the term 'ordinary life' in decision-making has introduced unnecessary confusion for stakeholders.

Recommendation 4

3.113 The committee recommends that the National Disability Insurance Agency review its quarterly reporting terminology and metrics to ensure consistency, and apply this to all future reports.

Recommendation 5

3.114 The committee recommends that the NDIA ensure that only criteria underpinned by terminology set out in the NDIS Act and associated Rules is used in the assessment of appropriate supports.

3.115 The committee withholds further detailed recommendations in relation to planning until the results of the pathways review are available.

Hon Kevin Andrews MP
Chair

Senator Alex Gallacher
Deputy Chair

Appendix 1

Submissions and additional information

Submissions

- 1 Richmond Fellowship ACT Inc.
- 2 ACT Disability Aged Carer and Advocacy Service
- 3 CatholicCare Canberra and Goulburn
- 4 Riverlink Interchange Inc.
- 5 Anowah Community Living Inc.
- 6 Ms Cheryl Crilly
- 7 Mr Jose Robertson
- 8 Momentum Sports & Rehabilitation Services
- 9 Ms Catherine Naylor
- 10 Ms Fiona Raines
- 11 Mr Bob Buckley
- 12 Therapy 4 Kids Clinic and Mobile Service
- 13 Name Withheld
- 14 Multiple Sclerosis Limited
- 15 Siblings Australia
- 16 Ms Anna Adams
- 17 Disability Services Australia
- 18 Confidential
- 19 Name Withheld
- 20 Name Withheld
- 21 Name Withheld
- 22 Name Withheld
- 23 MS Kathryn Gilbert
- 24 Name Withheld
- 25 Dr Vanessa Fanning
- 26 South Australian Government

Additional information

- 1 ParaQuad NSW and BrightSky Australia, additional information arising from the public hearing 17 May 2017 (Received 24 May 2017)
- 2 Bus Association Victoria, Submission to the Productivity Commission inquiry into NDIS costs (Received 5 May 2017)
- 3 Bus Association Victoria, NDIS Student Transport Paper (Received 5 May 2017)

Tabled documents

- 1 Northcott, tabled at the public hearing in Penrith on 17 May 2017

Answers to questions on notice

- 1 NSW Department of Family and Community Services, answer to question on notice relating to NSW Mental Health Program outlines, arising from the public hearing on 17 May 2017 (Received 3 July 2017)
- 2 Attachment 1 to the response relating to NSW Mental Health program outlines (Received 3 July 2017)
- 3 Attachment 2 to the response relating to NSW Mental Health program outlines (Received 3 July 2017)
- 4 The Shepherd Centre, answer to question on notice arising from the public hearing on 17 May 2017 (Received 26 May 2017)
- 5 National Disability Insurance Agency, answer to question on notice SQ17-000166, arising from the public hearing in Melbourne on 28 July 2017 (received 4 August 2017)
- 6 National Disability Insurance Agency, answer to question on notice SQ17-000168, arising from the public hearing in Melbourne on 28 July 2017 (received 4 August 2017)
- 7 National Disability Insurance Agency, answer to question on notice SQ17-000169, arising from the public hearing in Melbourne on 28 July 2017 (received 4 August 2017)
- 8 National Disability Insurance Agency, answer to question on notice SQ17-000170, arising from the public hearing in Melbourne on 28 July 2017 (received 4 August 2017)
- 9 National Disability Insurance Agency, answer to question on notice SQ17-000171, arising from the public hearing in Melbourne on 28 July 2017 (received 4 August 2017)

- 10 National Disability Insurance Agency, answer to question on notice SQ17-000172, arising from the public hearing in Melbourne on 28 July 2017 (received 4 August 2017)

Appendix 2

Public hearings and witnesses

Friday 12 May 2017—Canberra

Mr Robert Jeffrey Altamore, Executive Officer, People with Disabilities ACT Inc

Mr Bob Buckley, Private capacity

Ms Giselle Burningham, Private capacity

Ms Emilia Della Torre, Private capacity

Mr Peter Robert Dwyer, Board Member, MHCC, ACTCOSS, Advocacy for Inclusion

Ms Roslyn Emerick, Private capacity

Mr Stephen Fox, Australian Capital Territory Manager, National Disability Services

Mr Richard Goward, Director, Orthotist and Prosthetist, Momentum Sports and Rehabilitation Services

Ms Cassandra Hanbridge, Partner and Social Worker, Making Connections Together

Miss Michel Hansen, Partner and Social Worker, Making Connections Together

Mrs Rachel Hodson, Treasurer, Australian Capital Territory Branch, Australian Psychological Society

Dr Jim Hungerford, Chief Executive Officer, The Shepherd Centre

Ms Leonie Jackson, Chief Executive Officer, The Deaf Society

Ms Fiona Keary, Private capacity

Ms Lisa Kelly, Chief Executive Officer, Carers ACT

Ms Anne Kirwan, Chief Executive Officer, CatholicCare Canberra and Goulburn

Ms Donna-Maree Law, National Disability Insurance Scheme Specialist, Disability, Ageing and Community Care Service

Mr Sean Richard Sidney McCandless, Private capacity

Ms Jennifer Merriman, Executive Director, Technical Aid to the Disabled ACT Inc

Ms Karna O'Dea, Private capacity

Ms Tamara Orman, Private capacity

Mrs Georgina Emma Ovin, Private capacity

Ms Cheryl Pollard, Chief Executive Officer, DUO Services Australia Ltd

Mr Wilfred James Rath, Chief Executive Officer, Richmond Fellowship ACT Inc

Mrs Trish Reeve, Private capacity

Ms Nerida Richters, Private capacity

Mrs Clare Steve, Private capacity

Ms Giang Tan, Private capacity

Wednesday 17 May 2017—Sydney

Mr George Ayoub, Partner, Lifestyle Directions Pty Ltd; and Private capacity

Ms Sharon Baldacchino, Director, Listening and Spoken Language Services, The Shepherd Centre

Ms Ruth Callaghan, General Manager, Stakeholder Relations, Northcott

Ms Aleta Carpenter, Business Development Project Officer, Northcott

Mr Bart Cavalletto, Director, Services, Royal Institute for Deaf and Blind Children

Ms Caroline, Cuddihy Chief Executive Officer, Sunnyfield

Ms Stephanie Cusack, Accountant, Autism Advisory and Support Service

Ms Narelle Dale, Executive Officer, EMPOWERability

Ms Grace Fava, Founder and Chief Executive Officer, Autism Advisory and Support Service

Ms Casey Hailes, Executive Manager – Client Services, Afford

Mr David Harper, Strategic Business Analyst, Stakeholder Relations, Northcott

Ms Denise Heath, Chief Executive Officer, Nepean Area Disabilities Organisation

Dr Jim Hungerford, Chief Executive Officer, The Shepherd Centre

Ms Andrea Ingram, Private capacity

Ms Berinda Karp, Founder, Autism STEP Australia

Ms Sharon Lown, Government Partnerships and NDIS Manager, Royal Institute of Deaf and Blind Children

Ms Cathy Milne, Team Leader, Autism Behavioural Intervention NSW, Assessments and Behaviour Interventions

Mr Craig Moore, Chief Executive Officer, Interaction Disability Services

Ms Cathy Naing, Private capacity

Ms Jessica Noppert, Private capacity

Dr Damian Palmer, Private capacity

Mr Ray Palmer, Executive Officer, Riverlink Interchange Inc

Ms Prithi Pather, Private capacity

Mr Kevin Rangi, Director, Therapies for Kids

Mr Don Robertson, Private capacity

Mrs Lesley Robertson, Private capacity

Ms Susan Tame, Senior Manager, MS Care, MS Australia

Ms Leanne Varga, Systemic Advocate and Leadership Facilitator, Family Advocacy

Mr Mat Vine, Chief Executive Officer, Plan Management Partners

Ms Melissa Way, General Manager, Community Connections Australia

Ms Sue Werner, Networks Manager, Community Connections Australia

Ms Kylie Wicks, General Manager, ParaQuad New South Wales, ParaQuad Northern Territory, BrightSky Australia

Ms Ruby Wright, Early Childhood Intervention Manager, Connect Child and Family Services Inc

Friday 28 July 2017—Melbourne

Office of the Public Advocate

Ms Colleen Pearce, Victorian Public Advocate, Victoria

National Disability Insurance Agency

Mr Grant Tidswell, Chief Operating Officer

Ms Stephanie Gunn, Acting Deputy Chief Executive Officer, Participants and Planning Group

Ms Vicki Rundle, Acting Deputy Chief Executive Officer, Markets and Supports

