

Queensland Advocacy Inc. response to “Inquiry into the Funding and Operation of the Commonwealth State/Territory Disability Agreement” Terms of Reference (d) an examination of alternative funding, jurisdiction and administrative arrangements, including relevant examples from overseas.

Introduction

Queensland Advocacy Inc (QAI) proposes a new way of thinking about the distribution of funds for support provision for people with disability. We would like to see sweeping changes to the current Commonwealth State/Territory Disability Agreement which provide financial support for people with disability to purchase their services, rather than the present system of financial support for service providers which often means that people with disability must wait in line for support that doesn't even match their needs appropriately.

It must be noted that this submission is a brief overview of our proposal for Direct Payments for people with disability. It does not comprehensively address the intricacies of implementation such as supporting legislative requirements and other departmental specifics for implementing a Direct Payment system.

This proposal discusses:

1. Current System in Queensland
2. Direct Payments for people with disability
3. Role of Commonwealth and State in the delivery of Direct Payments
4. International Experience of Direct Payments.
5. Potential for abuse.

1. Current System in Queensland

Queensland has the country's highest level of unmet and under-met need. Unmet need is where a person or a family living with disability are unable to get the services they need to conduct their lives as other members of the community. This includes people who get no support, and others that get some support but not enough to conduct their lives appropriately. On the other hand Disability Services Queensland uses approximately 50% of the budget for its own administration while 50% is distributed to service providers, who take a further amount for administration costs etc. The process is a top down funding arrangement where distribution of monies is funnelled through programs designed by the department eventually reaching people with disability. The result is a very limited amount of real support reaching people in a “closed” anti-competitive market environment.

Restraints are further placed on the funding by DSQ policy that places emphasis on specialist disability support services for tasks that can readily and more affordably be sourced from mainstream businesses eg. a support worker performing house cleaning duties where a local cleaner can be engaged at a greatly reduced cost. Importantly, this policy places a further social cost on the person with a disability by restricting opportunities to engage with their local community.

Currently if a person does not like the service provision they are getting, they cannot leave the service and go to another. Even if there was another service provider they could go to, in most cases, a simple transfer is not allowed and they would have to go back on the waiting list to do so. Due to the high level of unmet need, it could be years before they again receive support.

There are examples of organisations that operate without the benefit of government funding to provide people with disability support services. These organisations operate within a market driven ideology where user pays and customer service is important for repeat business and organisational longevity. It must be noted that these organisations provide support services at costs to the customer that are equivalent to the cost per hour of government funded service providers. Additionally, service provision is flexible and based on the customer's requirements providing customers with the necessary support to enable people to live their lives as they choose. This example suggests that the current system of delivering government funds through service providers is not, at the very least, providing the government or people with disability value for their money.

QAI believes this current funding system to be an inefficient and costly method for providing support for people with disability.

2. Direct Payments to People with Disability

Rationale

QAI proposes Direct Payments as a means of funding distribution for people with disability. Direct payments are paid to people with disability so that they can purchase their supports according to their needs and lifestyle requirements. This may mean personal support, domestic services and social services.

Direct payments will change the system to allow the influences of market forces on service provision. Whilst QAI is not advocating for a pure market driven theory of supply and demand, to keep disability services wholly within a welfare driven and government delivered service provision environment isolates an entire industry from the benefits derived from a market driven policy.

The benefits from opening up an otherwise closed market will produce a flow on effect not only for people with disability but for employment opportunities in the general community. Direct payments elevate a person with a disability from a welfare and service recipient to a potential employer and purchaser of community based services. This supplies the local community with an injection of funds and increases employment opportunities in the local area.

Benefits of Direct Payments to people with Disability

Direct payments are seen as a more equitable way of assisting people with disability to live independently in the community, delivering them meaningful control over their lives and allowing them to choose supports according to their needs. Having appropriate supports allows people to participate in the same activities as the general population. For example, having appropriate support is often the difference between a person with disability or a family member being able to continue meaningful employment.

Distribution of funding for services by direct payments will contribute to addressing many of the fundamental needs of people with disability such as:

1. Providing personal control. Direct payments will allow people to purchase personal support services and domestic services that are convenient for their own needs and support their personal goals and requirements.

2. Purchasing power. Direct payments give people the power to decide whether or not a service provider supports them and their needs appropriately.
3. Self determination and empowerment.
4. Portability of funding. Restrictive State and regional based funding makes it impossible for people to move from region to region or interstate.
5. Fundamental Human rights are often overlooked for people with disability, direct payments will maintain progress towards people being able to more fully realise their rights.

3. Role of Commonwealth and State in the delivery of Direct Payments

Commonwealth Government Role in Direct Payments

The mechanisms already exist within the current government structure to deliver direct payments for people with disability. Some suggestions for distribution:

- Part of the direct payment made via cash through Centrelink. Many people with disability and their families are currently in the Centrelink system either through Disability Support Pension, Carer's Payment or Carer's Allowance and can be easily added if they are not.
- Payment of service provision through Medicare. Some service provision can be allocated a Medicare Benefit number that allows people to purchase support services through the Medicare system.
- Identification and assessment of support needs. Currently any person with a disability cannot access support services without a formal diagnosis from an appropriate medical specialist. Medical specialists could also assess the levels of support needed in the process of diagnosis which in turn indicates level of funding for a person's need. A central national data base that recorded this information would provide ease of coordination, as well as providing a more accurate picture of disability nationally for current and future needs.

State Government Role in Direct Payments

The role of the State Government would be similar to its current role; that is to administer service provision under the Disability Services Act (2006). Whilst DSQ would not be the predominant funding body, its role would be to oversee Quality Assurance for service providers and Criminal Offence Screening processes for worker as well as some small amount of direct service provision as a service provider of last resort.

A new role for the State would be research and development to provide best practise standards for service providers.

4. International Experience of Direct Payments

Canada and the United Kingdom are two examples of countries which have adopted Direct Payment funding arrangements.

The introduction of Direct Payments has been successful in the United Kingdom. Direct Payments were promoted by the Independent Living Movement which saw the introduction of Direct Payments to people with disability through the Direct Payments Act 1996. Statistical data gathered since that time has provided evidence of the benefits for people with disability, the economic flow on to community and the relative ease by which government can redistribute funding. The success of Direct Payments in the UK has given QAI a blue print for conducting a similar campaign to meet Australian needs.

5. Potential for Abuse

Accountability may be put forward as an argument against this type of funding arrangement. Often the scenario is painted that “people will just go down the pub and spend their money”. For a very small minority this may be so in the initial period. In general however, people and families who live with disability want ordinary lives, they want to work and be involved in the community, they want to be valuable and valued citizens and given the support to do so would not risk it all on short-term indulgence. As stated above this submission is an overview of a proposal for Direct Payments and accountability mechanisms and support for those to administer their funds will clearly need to be introduced. The presumption that people will abuse such a system is misplaced and paternalistic and certainly should not deter in any way from consideration of such a system on its merits.

It must be also noted that Guardianship and Administrative jurisdictions in all states addresses potential problems for people with intellectual disability in the administration of Direct Payments.

Conclusion

Direct payments will increase efficiency in funding distribution by firstly cutting the layers of bureaucracy and opening up the current anticompetitive systems to market forces of supply and demand. International examples and resulting research show the overall success of this form of funding distribution in benefiting not only people with disability but also the greater community.

Direct Payments will allow people with disability the freedom to live independently in the community in the region of their choice. It will also elevate the social position of a person with disability from a welfare recipient to an employer and contributor to the local community.

Direct Payments can help meet Human Rights requirements for people with disability.

The flow on effect from minimising the cost of distributing funding should in turn reduce the level of unmet and under-met need people and families living with disability face in Queensland.

Who we are

Queensland Advocacy Incorporated (QAI) was established in 1987, and is an independent community based systems advocacy organisation for people with disability in Queensland.

QAI advocates for the fundamental needs, rights and lives and protection of the most vulnerable people with disability in Queensland. QAI does this by engaging in systems advocacy work - through campaigns directed to attitudinal, law and policy change, and by supporting the development of a range of advocacy initiatives in this State.

QAI is funded by the Department of Family & Community Services under the Commonwealth Disability Services Act and is run by a Management Committee, the majority of whom are people with disability