

# Individualised Funding

## The Power of One

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# A Good Definition.....

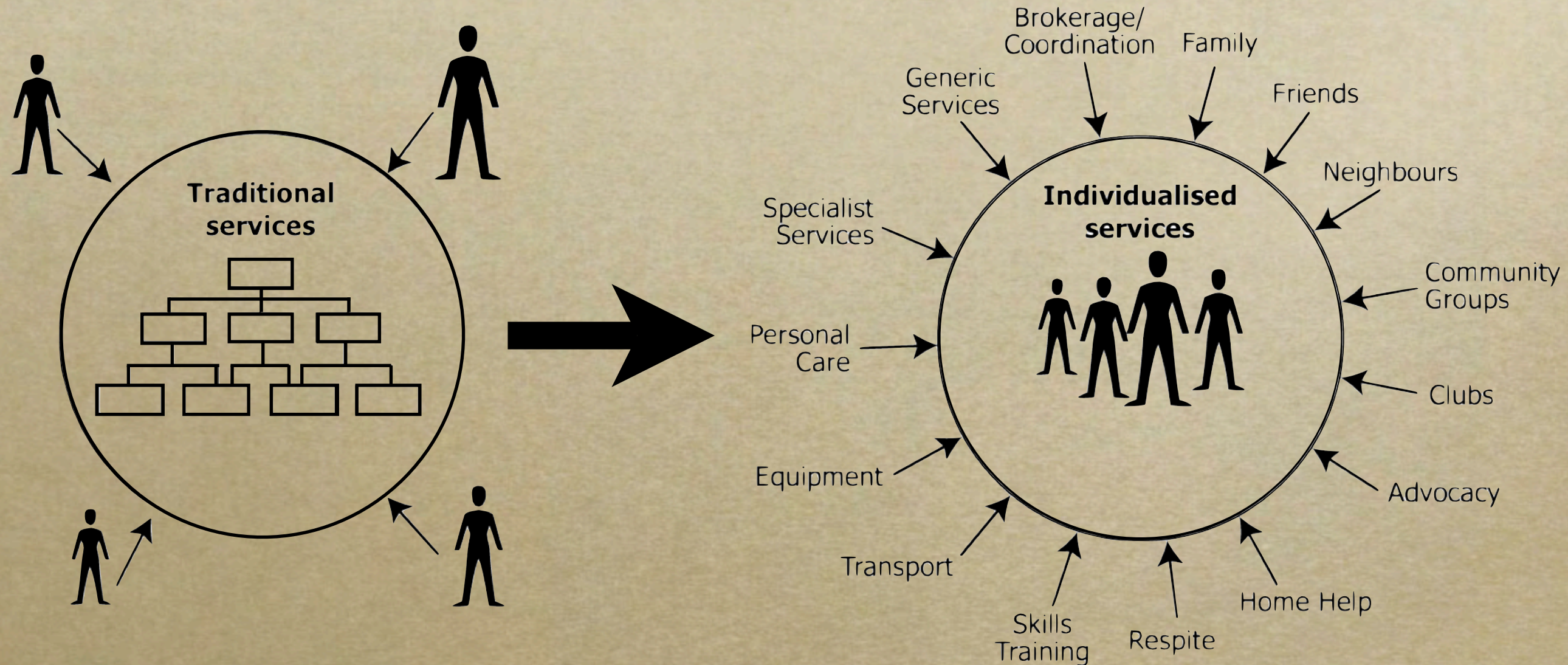
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*“Public funding that is allocated to the individual, based on his/her unique strengths and needs, and placed under the control of the individual to enable them to live in the community as a full citizen.”*

*(Dowson & Salisbury, 1999)*



# Shifting the Balance of Power



**Supply driven:**  
**Person has to fit the service**

**Demand driven:**  
**Service has to fit the person**



# History of Individualised Funding in WA

1988	<i>Local Area Co-ordination and Individualised Funding established</i>
1993	<i>Individualised Funding expanded beyond LAC to service providers</i>
1997	<i>ERSSI and Business Rules implemented</i>
1998	<i>Group funding (block grant) applications no longer accepted</i>
2005	<i>Disaggregation of group arrangements completed</i>
2007	<i>43% of all CSTDA funding is 'individualised'</i>



# Individualised Funding Avenues

	<i>STANDARDISED</i>	<i>INDIVIDUALISED</i>
<i>DIRECT</i> (cash/voucher)	<i>Carer Allowance</i> <i>Mobility Allowance</i> <i>Carer Payment</i> <i>DSP</i>	<i>LAC</i> (in advance or arrears)
<i>INDIRECT</i> (\$ held by another)	<i>Equipment Grants</i> <i>Set-up Grants</i>	<i>LAC (as broker)</i>  <i>My Place</i> (as financial intermediary)
<i>THIRD PARTY</i> (\$ paid to provider)	<i>Block Grants</i> <i>EACH Payments</i>	<i>My Place</i> (as service provider)



# Individualised Funding through LAC

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- *880 individuals/families*
- *5,087 discrete payments over 12 months*
- *\$1,839,139 (up to \$40,000 per person)*
- *47% from LACs to providers (brokerage)*
- *31% cash reimbursements to individuals/families*
- *22% as cash advances to individuals/families*



# Purchases by People with Disability

<i>Co-resident Support</i>	<i>25%</i>	<i>Domestic Help</i>	<i>2%</i>
<i>Community Living Support</i>	<i>18%</i>	<i>In-home Respite</i>	<i>2%</i>
<i>Leisure Support</i>	<i>12%</i>	<i>Holiday Assistance</i>	<i>1%</i>
<i>Vocational Development</i>	<i>11%</i>	<i>Transport Assistance</i>	<i>1%</i>
<i>Out-of-home Respite</i>	<i>7%</i>	<i>Advocacy Support</i>	<i>1%</i>
<i>Personal Care</i>	<i>6%</i>	<i>Personal Development</i>	<i>1%</i>
<i>Independent Living Training</i>	<i>4%</i>	<i>Leisure Fees</i>	<i>1%</i>
<i>Home Establishment Costs</i>	<i>4%</i>	<i>Psychology Services</i>	<i>1%</i>
<i>Assistive Equipment</i>	<i>3%</i>	<i>Domestic Appliances</i>	<i>1%</i>



# Purchases by Families

<i>Out-of-home Respite</i>	<i>26%</i>	<i>Advocacy Support</i>	<i>1%</i>
<i>In-home Respite</i>	<i>15%</i>	<i>Independent Living Training</i>	<i>1%</i>
<i>Leisure Support</i>	<i>10%</i>	<i>Community Living Support</i>	<i>1%</i>
<i>Assistive Equipment</i>	<i>10%</i>	<i>Co-resident Support</i>	<i>1%</i>
<i>Personal Care</i>	<i>5%</i>	<i>Home Establishment Costs</i>	<i>1%</i>
<i>Transport Assistance</i>	<i>5%</i>	<i>Tutoring</i>	<i>1%</i>
<i>Psychology Services</i>	<i>4%</i>	<i>Child Care Support</i>	<i>1%</i>
<i>Domestic Help</i>	<i>3%</i>	<i>Physiotherapy Services</i>	<i>1%</i>
<i>Domestic Help</i>	<i>2%</i>	<i>Occupational Therapy Services</i>	<i>1%</i>
<i>Personal Development</i>	<i>2</i>	<i>Speech Therapy Services</i>	<i>1%</i>
<i>Home Modifications</i>	<i>2%</i>	<i>Caregiver Training</i>	<i>1%</i>
<i>Domestic Appliances</i>	<i>1%</i>	<i>Job Support</i>	<i>1%</i>
<i>Holiday Assistance</i>	<i>1%</i>	<i>Vocational Development</i>	<i>1%</i>



# Impact of Individualised Funding

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- *reduced financial burden*
- *more time with other family members*
- *improved family/carer well-being*
- *increased skills of person with disability*
- *more time for self (carer)*
- *increased skills of family*
- *added emotional support*
- *decreased family stress*
- *expanded friendship networks for person*
- *more parent-to-parent support*
- *more positive about future*
- *able to return to local community*



# My Place

- *established 1996 by former LACs*
- *primary focus on people with high support needs (24/7)*
- *receives funding from DSC set by the ERSSI*
- *supports 150 people in own homes*
- *supports 50 people in community activities*
- *50 people employ own personal assistants and self manage*
- *30 people employ own personal assistants and have My Place co-ordinate*
- *15 service co-ordinators employed by My Place (each supporting 11 options)*
- *150 personal assistants employed by My Place (AWA, now ECA)*
- *150 personal assistants employed by consumers (P&D)*
- *25 people, mainly younger, live with host families (reimbursement)*





# Good for People with Disability

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- *viewed as individual and planning starts from that perspective*
- *clearer message about who is in control*
- *decision making in hands of individual*
- *greater bargaining power*
- *more buying power*
- *greater and real choice*
- *greater flexibility*
- *can reconfigure supports if needs/wishes change*
- *can select/deselect support people*
- *more innovative service responses*
- *greater range of lifestyle options*
- *greater transparency in spending*
- *can take funding elsewhere*
- *single person solutions in remote areas*
- *IF recipients can become future leaders*



# Not so Good for People with Disability

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- *IF doesn't automatically translate to individualised solutions*
- *focus of funding is narrow (can't fund community-level infrastructure)*
- *vulnerability to being exited from a service*
- *cost of accommodation support package can be higher*
- *people with high support needs can have restricted choices*
- *people can become commoditised into 'units of funding'*
- *informal and natural supports may not be tapped*
- *not a practical reality for some people*
- *doesn't guarantee best-fit arrangements (if group accommodation)*
- *funding can become formulaic and less individualised*
- *IF is only one form of delivery*



# Good for Service Providers

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- *greater flexibility*
- *more service innovation*
- *services more appealing to more prospective consumers*
- *market forces drive contemporary service models*
- *most new growth to IF oriented NGOs*
- *clear allocation for management/administration*
- *IF more accurate than block grant in estimating support costs*
- *greater transparency and accountability*
- *attitudinal change when consumer becomes 'paymaster'*
- *disability specific providers no longer have to meet all demand*
- *less waste/misuse when it is seen as the consumer's money*
- *staff attracted to more home-like and personalised workplace*
- *stimulates providers to build relationships with other providers*
- *separates landlord and service provider roles*



# Not so Good for Providers

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- *set-up costs can be high*
- *economies of scale are important*
- *service reporting can be burdensome*
- *can be administratively cumbersome*
- *need to carefully manage 'unders and overs'*
- *can financially threaten smaller providers*
- *can end up being poured into one bucket anyway*
- *can stifle ability to forward plan*
- *person's desire to move can reduce to a dollar argument*
- *if running group homes, can be left with unfilled beds*
- *many NGOs historically responsible to members for resource allocation*
- *now only have to serve those who are funded and make others wait*
- *where exact funding allocation known, some people resist giving it away*



# Good for Funders

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- *IF is compatible with DSC's values and strategic direction*
- *government is seen to be promoting choice and flexibility*
- *funding goes to known individuals rather than unknown groups*
- *can better ration resources*
- *can better direct resources to people with the greatest needs*
- *know exactly who is funded how much at any time*
- *maintains people in their families longer via staged funding*
- *controls management/administration expenditure*
- *greater transparency and accountability between DSC and NGOs*
- *greater transparency and accountability between DSC and government*
- *Government/NGO dialogue is conducted at the individual level*
- *person remains funded if they leave a provider*
- *needed supports are easier and quicker to identify, cost and resource*
- *better value for money*



# Not so Good for Funders

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- *costs more to manage and administer*
- *harder for DSC to link funding to actual hours of support*
- *issues of ongoing service viability amongst small providers*
- *transfers pressure to respond to changing individual needs to DSC*



# Improvements to Individualised Funding

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- *needs to minimise limits on what IF can be spent on*
- *allow other funding mechanisms (e.g. block grants) to co-exist*
- *allow unused funds to be retained to meet changing needs*
- *de-link management/administration fee from direct care fee*
- *more accurate assessment of need and subsequent funding*
- *support models need to become more individualised*
- *individual advocacy support needs to be strengthened*
- *administrative systems need to improve in line with growth*
- *needs to be better linked with formal supports*
- *need to move from output to outcome reporting*