

10 August 2017

Committee Secretary  
Joint Standing Committee on the National Disability Insurance Scheme  
PO Box 6100  
Parliament House  
Canberra ACT 2600

Dear Sir/Madam,

Thank you for the opportunity to make a submission to the Inquiry into ***Transitional arrangements for the National Disability Insurance Scheme (NDIS)***.

Catholic Social Services Australia (CSSA) is the Catholic Church's peak national body for social services. Our interest in this Inquiry comes from our commitment to a fairer, more inclusive Australian society that reflects and supports the dignity, equality and participation of all people. Our 52 member agencies employ around 10,000 people, with 5,900 volunteers, directly assisting some 450,000 people across 650 sites nationally and are the frontline service providers caring for and assisting the vulnerable and disadvantaged in our society.

More than half of our members deliver services to people with a disability, and are committed to continue building the capacity of individuals with a disability, their families and communities under the NDIS. This submission draws on the experience of the CSSA NDIS Network Group consisting of 19 member agencies located across Australia, who offer a vast range of services and have experience both in trial sites as well as more recently transitioning to the NDIS.

CSSA and its members are strongly committed to the objectives of the NDIS, and have identified a number of issues which must be addressed to ensure the success of this reform. CSSA has raised many of these concerns, along with recommendations, in our previous submissions to the Productivity Commission inquiry into NDIS costs, as well as in appearance before the Joint Standing Committee ACT public hearing on 12th May 2017 in Parliament House, Canberra, represented by Anne Kirwan, CEO CatholicCare Canberra & Goulburn.

CSSA's response to the committee's terms of reference is outlined in more detail at Attachment A. In summary:

- Greater clarity is urgently needed regarding the interface between NDIS and mainstream services, particularly in the area of mental health.
- There is significant variability in the quality of participant plans depending on the expertise of the planner. The emphasis should be on the suitability of plans, shaped to individual needs and goals, rather than reduction of costs.
- The Information, Linkages and Capacity building (ILC) program is a fundamental component of the scheme, however there is inadequate funding for this program, particularly in the transitional years. Funding for ILC should be increased, recognising these services provide crucial support and connections especially for participants not eligible for NDIS individualised packages, and so promote the overall sustainability of the scheme.

- As raised previously by providers, the transitional pricing model set by the NDIA is inadequate and risks market failure for some services. The transitional maximum price caps must be reviewed to accurately account for award conditions and real cost of service delivery.

Please contact Liz de Chastel, Director of Social Policy on Telephone 02 6188 6943 or [liz.dechastel@cssa.org.au](mailto:liz.dechastel@cssa.org.au), should you wish to discuss further any issues raised in this submission.

Yours sincerely,



**Fr Frank Brennan sj AO**

Chief Executive Officer

## Attachment A

CSSA's response to the inquiry terms of reference is outlined below.

### A. Boundaries and interface of NDIS and other service provision

#### Intersection with mainstream services

An effective interface between the NDIS and other health and community services is critical. There is currently a significant lack of clarity as to what sits within and what sits outside the NDIS, risking service gaps and duplication. Clarity in the connection between the NDIS and other services is particularly lacking in the areas of health, mental health and the child protection system.

Clear communication and funding for service coordination are needed to ensure appropriate interface between the NDIS and mainstream services. The Information, Linkages and Capacity building (ILC) component of the NDIS is very important in ensuring appropriate boundaries and connections between the NDIS and mainstream services. However, this ILC component on its own is not enough and consideration also needs to be given to other strategies to improve the interface between the NDIS and mainstream services.

#### Mental Health

As the committee has heard previously, the boundaries between NDIS and non-NDIS services are particularly unclear in the area of psychosocial disability support. There is confusion about which services are included in the NDIS and how the mental health and disability sectors interface. Clarity is needed as soon as possible on how mental health services for people who are not eligible for the NDIS will continue to be funded. For example, CSSA members delivering the Personal Helpers and Mentors Program have transitioned eligible clients to the NDIS, but have received no substantive advice as to how these crucial services will continue to be supported for those not eligible for the NDIS.

### B. Consistency of NDIS plans and service delivery

CSSA members have witnessed significant variance in the suitability of participants' plans depending on the expertise of the planner. As raised in the Productivity Commission's review of NDIS costs<sup>1</sup>, it is imperative that the NDIA ensure all planners have a suitable understanding of different types of disability, so that there is a consistent level of quality to all the plans provided. CSSA strongly recommends that appropriate time be taken in the planning stage to engage with providers and understand what supports each participant currently accesses, so that key supports are not left out of their NDIS package.

In the ACT trial site, members found that specialist planning teams produced much better outcomes for participants with a psychosocial disability or other complex needs. Despite their success, these specialised planning teams were disbanded for unclear reasons. It is recommended that specialised planning services be reinstated to ensure suitable plans for participants with a psychosocial disability or other complex needs.

An apparent push for greater "consistency" in funding levels of plans has negatively impacted the quality of plans and suitability to individual needs. There has been a shift towards cost-reduction where package benchmarks now seem to be treated as a funding cap rather than a guideline.

<sup>1</sup> Productivity Commission, *National Disability Insurance Scheme Costs*, Position paper, June 2017, Draft Recommendation 4.2

CSSA members report many participants having their plans reviewed and returned with reduced funding (sometimes without the participant and providers being notified). This places a significant administrative burden on providers who must re-submit supporting documentation, professional referrals and quotes for previously approved supports. The consistent quality of participant plans must be the priority, rather than cost-cutting.

The delivery and accessibility of services for people with a disability can also vary significantly depending on their location, the complexity of participant needs and the type of services required. Providers in regional and remote areas face significantly greater challenges in ensuring accessibility to services, including difficulty recruiting an appropriate workforce and covering extremely high travel costs. CSSA also has significant concerns about the availability and consistency of services where insufficient price caps could lead to market failure for particular services or for participants with complex needs.

### C. Rollout of the Information, Linkages and Capacity Building Program

Appropriate funding for the Information, Linkages and Capacity Building (ILC) program is extremely important in ensuring availability and continuity of relied-upon support and capacity building services for individuals and families, particularly for people who do not qualify for an individual package under the NDIS. The ILC component is also crucial to the transition and overall sustainability of the scheme as it facilitates community and volunteer supports, promotes connection to other services and reduces reliance on individually funded supports.

For example, MacKillop Family Services' Family Options Program identifies and supports foster carers to care for children with a disability in a family home. In the ACT, Marymead's Kids' Companions Program provides mentoring and support groups for children and their families impacted by disability. These kinds of programs will require appropriate ILC funding to continue. They are relied upon by current participants, and through mobilising volunteers and providing support, education and early intervention services, reduce possible future costs of NDIS individualised packages.

However, as identified by the Productivity Commission, there is a significant risk of service gaps and shortfall of funding for services in this community inclusion area, particularly where states and territories can withdraw funding for services not yet covered by the ILC program. The amount allocated for ILC is very small compared to what has previously been funded, for example, in the first ILC jurisdictional grants round providers in the ACT competed for only \$3 million. Communities cannot afford to lose these programs which provide invaluable support for families impacted by disability, and assist in preventing crisis or inappropriate admission into tertiary health services. The Productivity Commission has found that "it is a false economy to have too few resources for ILC activities, particularly during the transition period and will recommend that the NDIA increase the funding level for ILC in each year of the transition to the amount scheduled for full scheme rollout (\$131million per year). CSSA strongly supports this recommendation.

### D. Other related matters

The transitional pricing model set by the NDIA is fundamental in shaping the market while the sector transitions to the NDIS. However, many of the price caps set by the NDIA are inadequate and do not account for the real cost of service delivery and award conditions. For example, current maximum price rates for short-term accommodation do not account for weekend or public holiday penalty rates, and are based on lower staff to client ratios than is required for clients with complex needs (who for some of CSSA's members make up the majority of clients accessing their short-term accommodation services).

The inadequacy of this transitional pricing methodology has been consistently raised by the sector - it is threatening the viability of providers and safety of participants, and risking market failure for particular service types. It is hoped that the current Independent Price Review commissioned by the NDIA will resolve some of these issues. CSSA strongly supports the Productivity Commission's call for the establishment of an independent price monitor to conduct an immediate review of the maximum prices set by the NDIA, transitioning to an independent price regulator<sup>2</sup>. The inadequacy of current maximum price caps must be addressed to ensure a sustainable transition to the NDIS.

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<sup>2</sup> Ibid., Draft recommendation 6.1