



7 August 2023

Dear NDIS Review team,

Inclusion Australia is the national Disability Representative Organisation representing the rights and interests of Australians with an intellectual disability and their families. Founded in 1954, our mission is to work to make sure people with an intellectual disability have the same opportunities as people without disability. Inclusion Australia's strength comes from our state members who use their combined experience and expertise to promote the inclusion of people with intellectual disability.

Our state members are:

- Council for Intellectual Disability (CID) – New South Wales
- Victorian Advocacy League for Individuals with Disability (VALID) – Victoria
- Parent to Parent (P2P) – Queensland
- Speak Out – Tasmania
- South Australian Council on Intellectual Disability (SACID) – South Australia
- Developmental Disability Western Australia (DDWA) – Western Australia.

Since 2021, we have also had a local presence in the Northern Territory. Together we form a network that is connected to people with an intellectual disability and families and committed to the shared vision of inclusion in all aspects of Australian life.

We thank the NDIS review team for the opportunity to provide feedback on your findings on the role of pricing and payment approaches. We hope our response is valuable and supports the NDIS Review to deliver government recommendations that will enable the NDIS to reach its potential.

Inclusion Australia acknowledges the complexity of pricing and payment structures within the NDIS highlighted in the paper and the Review team's consideration of how these structures can impact people with complex needs differently. We agree with the Review team that while there is scope to improve how services are priced, there needs to be more thorough investigation into the price differences in supporting participants with complex needs, and as such, a differentiation in price caps to ensure this group is not disadvantaged.

We further agree with the paper's findings that there needs to be greater investment in supporting participants to increase their individual capacity in navigating the market, and scope to improve how payments are structured. Below we have detailed further

considerations how potential suggested reforms could impact the intellectual disability community.

Complexities of measuring outcomes

We agree with the paper's findings that the way in which the current fee-for-service model can disincentivise service providers can impact provider behaviour, and in turn, the outcomes for people with disability. However, we also caution against the over-simplification of individual outcomes in any reform to a) not lose the personalised approach of the NDIS and b) not further marginalise people who may require more support to achieve outcomes.

In developing this submission, we internally surveyed staff who are NDIS participants on what 'good outcomes' look like to them. It was clear that it is a complex and personal answer. While achieving outcomes in line with their goals was important (e.g., paid employment, independence and living in own home), the approach of service providers was equally valued. Other important attributes of service providers raised were:

- Having flexible cancellation policies.
- Being transparent about their existing caseload so participants can determine if they have the capacity to provide timely support when the participant needs.
- Being respectful of participant's decisions while they're building their plan and choosing the services they want.
- Trying to understand each individual participant's plan and goals.

While Inclusion Australia wishes to see a greater consideration of outcomes to support the quality of services, we are also wary that an over-emphasise on rigidly measured outcomes will not capture everything that participants value in service provision.

"It's equally important to me that the service provider actually wants me to achieve my goals, as it is that I achieve the goal itself."

The paper suggests outcome payments can be effective when they are well designed and uses the Disability Employment Services (DES) model and its Star Rating system as an example. However, by its own evaluation¹ the DES outcome-based payment system is riddled with unintended consequences on provider behaviour and jobseeker outcomes and the system is currently under review for major reform. Inclusion Australia is concerned that the replication of DES and other outcome-based social service models (such as jobactive/Workforce Australia) will see participants with more complex needs cherry-picked

¹ Boston Consulting Group. (2020). *Mid-term Review of the Disability Employment Services (DES) Program*. Available at <https://www.dss.gov.au/disability-and-carers-programs-services-disability-employment-services/mid-term-review-of-the-disability-employment-services-des-program>

out or ‘parked’², whereby service providers are less incentivised in a marketised system to support those who require more resources to achieve outcomes or are less likely to achieve prescribed outcomes.

We also question the application of the DES star rating system referenced in the paper as an example of information provision that could drive benefits for participants. The DES mid-term evaluation³ found the several pain points of the ‘highly complex’ system, including that participants and providers were not well informed about how to interpret and use star ratings. In isolation and without proper investment in capacity building of individuals, a ranking system does not provide a sufficient guarantee that participant’s rights will be met, nor does not sufficiently reflect cognitive diversity and differences in capacity.

Relying on participant’s expectations to drive the quality of services risks unduly places the onus of quality service provision on participants themselves. By this logic, low quality services are also driven by participant’s expectations. That is not fair. Participants deserve an independent, evidence-based model to assure the quality and continued improvement of service provision.

In comparing ‘apples for apples’, a more interesting employment outcomes-based model for the review’s team consideration is the Department of Employment and Workplace Relation’s Transition to Work pre-employment support program which young people at risk of long-term unemployment, and its final evaluation report⁴. The model includes a combination of up-front payment to support work-readiness activity, coupled with payments for employment and education outcomes. The evaluation includes elements of employment facilitators, such as human capital development, which can be offer a more nuanced understanding of ‘outcomes’ for disadvantaged jobseekers, such as people with disability.

No ‘one size fits all’ approach to NDIS payments will be effective

While the above section compares different types of outcomes-based models and ‘apples for apples’, there is an underlying problem in trying to design an overall payment approach. The breadth of types of supports offered under the NDIS means that it is difficult to establish a best-practice approach – even a blended approach – because no single approach will be able to cover all service types effectively. As Professor Helen Dickinson explains in her 2023 paper *Blended Payments: Lessons for the National Disability Insurance Scheme*⁵, we agree there are

² The Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability. (2021). *Overview of responses to the Employment Issues paper*. Available at <https://disability.royalcommission.gov.au/system/files/2022-03/Overview%20of%20responses%20to%20the%20Employment%20Issues%20paper.pdf>

³ Boston Consulting Group. (2020). *Mid-term Review of the Disability Employment Services (DES) Program*.

⁴ Department of Education, Skills and Employment. (2021). *Transition to Work: Final Evaluation Report*. Available at <https://www.dewr.gov.au/employment-services-evaluations/resources/transition-work-final-evaluation-report>

⁵ Dickinson, H. (2023). Trial in smaller programmes with defined services and invest in evaluating these. *Blended Payments: Lessons for the National Disability Insurance Scheme*. Available at https://www.unsw.adfa.edu.au/sites/default/files/documents/1125099877%20-%20School%20of%20Business%20Blended%20Report_V2.pdf

still many unknowns about the unintended consequences of blended payments in different service settings. An appropriate next step for government would be trial new approaches in smaller programs with defined services and invest in evaluating these, as appears to be planned with SLES and younger people living in aged care settings.⁶ Taking a co-design approach where people with a disability who have used, or currently use, these types of services will be an important part of this process.

Genuine investment in capacity building, underpinned by service design

Inclusion Australia agrees strongly with the Review paper's finding that there needs to be more investment in supporting participants to compare providers or negotiate prices. There is much to learn here from other sectors with large consumer-driven markets, where there are stronger consumer education and protection measures in place. We are part of a group of advocacy organisations working on this issue more broadly with respect to the NDIS and will be part of a joint submission on this topic in August.

When Inclusion Australia staff were asked what would support them to compare service providers and spend their money, they suggested:

- Having all information in Easy Read, not using any jargon words
- Making sure there is enough time to make decisions and think about the decision with supporters before making the decision
- Being provided with more information on where the money is going, and having proof that the money is being spent in the way the person wants it to be spent
- Being provided with transparent information about prices and about service agreements including cancellation policies and flexibility of service delivery
- Introducing stronger accountability and consequences for providers if they don't do what they say they are going to do—and that this shouldn't just rely on the participant making a complaint.

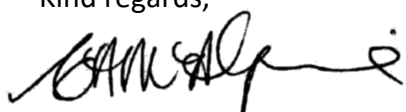
While more accessible information and resources are needed, to ensure the Scheme genuinely supports equal market navigation and consumer education, the government must invest in support making at the core of NDIS and NDIA practice. Earlier this year the NDIA released its inaugural Supported Decision Making Policy and accompanying high-level Implementation Plan – a welcomed and positive introduction. However, since then there has been little information and no real clarity on how this work is being resourced and implemented in practice, and how it could support participants to exercise genuine choice and control through their plans.

⁶ <https://engage.dss.gov.au/blended-payment-model-trials/>

Until there is genuine commitment to supporting the decisions and choices of people with an intellectual disability and creating a market environment with sufficient protections – beyond developing ad hoc resources – there will continue to be participants who are disadvantaged and who do not see the vision and benefits of the Scheme realised.

Thank you again for the opportunity to contribute our thoughts on this important topic. Please do not hesitate to contact ceo@inclusionaustralia.org.au if you wish to discuss this topic further.

Kind regards,

A handwritten signature in black ink, appearing to read 'Catherine McAlpine', with a stylized flourish at the end.

Catherine McAlpine
Chief Executive Officer

Inclusion Australia