

29 May 2023

nib Thrive response to: Australian Government NDIS Review - NDIS Quality and Safeguarding Framework Issues Paper (2023)

About nib Thrive

nib Thrive is the National Disability Insurance Scheme (NDIS) business for the nib Group. nib Thrive has acquired four plan management businesses since November 2022: Maple Plan, Peak Plan Management, Connect Plan Management and All Disability Plan Management. Both Peak Plan and Maple Plan Management are ranked in the top ten plan managers in Australia.

nib Thrive currently supports over 25,000 NDIS participants and is on track to reach its goal of supporting at least 50,000 participants by FY25. Based on participant numbers, nib Thrive plan management businesses represent one of the top three plan managers in Australia.

nib's vision is better health and wellbeing for all Australians. We know there are few greater opportunities for us to have a meaningful social impact than in keeping people healthy, and now, in supporting people with disabilities. We plan to do this through innovative, human and digital solutions to make a difference to people who seek convenience, accessibility and inclusion.

Introduction

nib Thrive recognises the NDIS Quality and Safeguarding Framework (the Framework) has the potential to play a pivotal role: it will oversee the quality of services and safeguard participants nationwide. However, there are clear gaps in the current Framework that must be addressed. nib Thrive agrees with the key issues set out in the NDIS Quality and Safeguarding Framework issues paper (Issues Paper) summarised from stakeholder feedback. In particular, we agree that the Framework is outdated and has not kept pace with the growth of the NDIS since it was established 10 years ago. A reform of the Framework is required to ensure that it remains relevant and drives more effective quality and safeguarding arrangements for the almost 600,000 participants in the NDIS.

An alternative NDIS model

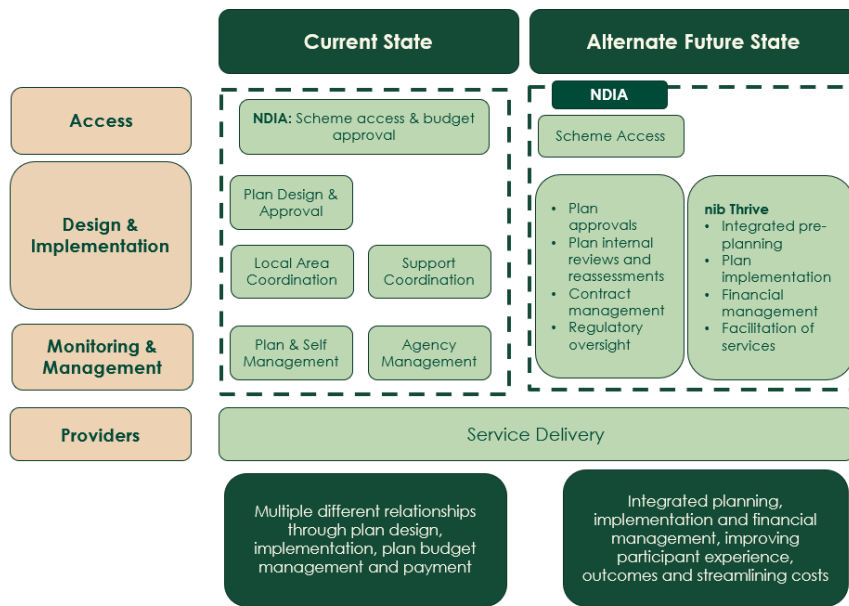
As a business with more than 70 years of experience in facilitating the provision of health services to Australians, we see the integration of disability, health and social factors as crucial to improving the quality of services provided to, and safety of, all people with disability. We envision ourselves playing a role in connecting people with a disability to a wide range of services, tools and technology that will support their better health, wellbeing and quality of life whether they are an NDIS participant or not.

At the NDIS level, the current review of the Scheme provides an opportunity to enable greater participant safety and quality of services. Fragmentation is a significant contributing factor to the current challenges experienced in participant safeguards and service quality within the Scheme. Plan design, plan implementation, and plan financial management functions are at the centre of the challenges. The integration of these Scheme functions could support an improved participant and provider experience while retaining the key decision-making roles of the NDIA. This alternative view is set out in our proposed 'NDIS Future State' model below.

nib Thrive 'NDIS Future State' model

A new, integrated model would support:

- Improved participant experience by integrating the plan implementation process with the plan design process;
- Quicker initial access to services, improving plan activation rates;
- Reduction of unscheduled plan reviews, AAT and other review body cases, and adverse participant outcomes through building better knowledge of NDIS participants and their needs;
- Improved integration with mainstream services provided by State governments;
- Clearer and simpler responsibility for participant safeguarding;
- Increased choice and control for participants as to who assists with plan design, procurement, and administration; and
- Better value for money.



Source: nib Thrive 'NDIS Future State' model

Response and recommendations

nib Thrive acknowledges that our 'NDIS Future State Model' will require considerable consultation and policy change. In the near-term, nib Thrive recommends the Australian Government consider the below recommendations as a matter of priority when redesigning the Framework.

Issues and Crisis Management

Historic underfunding of the NDIS Quality and Safeguards Commission (the Commission) has created an inefficient and under-resourced avenue of support for both participants and providers within the NDIS.

In nib Thrive's experience, when a participant is experiencing difficulty within the NDIS or in their lives, intermediaries are often either the first or last resort for participants. It is not uncommon for an nib Thrive plan manager to receive a phone call from a participant disclosing a personal matter, a crisis, or a complaint regarding a provider.

In circumstances where a participant has disclosed a serious matter relating to their welfare and nib Thrive has attempted to report this to the Commission, the phone has often rung out. Receiving a timely response to a participant matter has also been slow or non-existent. In a recent employee survey¹ conducted by nib Thrive, of the 50% of employees surveyed who said they had tried to report an incident to the Commission, half of those found the process 'somewhat difficult' to 'extremely difficult'.

The absence of crisis management support services in the NDIS is also a significant risk to participant safety and welfare. nib Thrive acknowledges that the National Disability Insurance Agency (NDIA) is not designed to function as a crisis response service. Yet, there is an expectation among some participants that their Support Coordinator or Plan Manager will be available outside business hours to answer all calls. Intermediaries are not equipped to deal with emergencies. Too often, providers are then left to pick up the work without appropriate remuneration from the Scheme. The Commission and emergency services currently do not have the capacity to manage participants' crises.

For example, participants have reported experiences of homelessness to nib Thrive. It is the responsibility of State and Territory Governments to provide social and community housing, as well as

¹ Number of survey respondents = 20. Employee survey conducted by nib Thrive in May 2023.

homelessness and emergency accommodation services. NDIS Scheme funding cannot be used in situations of homelessness, however the States sometimes rely on the NDIS to provide support in these circumstances. The Royal Disability Commission Inquiry (2022)² highlighted the shortfalls of the current system, and the need for greater investment in social housing and emergency services at an intergovernmental level for people with disabilities.

The resourcing constraints experienced by the Commission has become a deterrent for both intermediaries and participants on reporting matters. It's currently not an effective avenue for support for the reporting of issues among participants, and does little to address the gap that exists for crisis response services within the NDIS.

Resourcing and funding constraints experienced by the Commission mean it has also been unable to focus efforts on improving the quality and performance of services provided by providers and workers within the NDIS. Further opportunities for reform are outlined in this submission.

Recommendation

Further investment in resourcing and capability of the Commission is required to ensure quicker and more efficient avenues of reporting for participants. nib Thrive also welcomes the additional investment of \$142 million in the Commission as part of the Federal Government's 2023-24 Budget.

nib Thrive recommends the NDIA, with joint support from Commonwealth, and State and Territory governments, commission an external dedicated crisis support provider or referral service, that participants, providers and intermediaries can contact in cases of emergencies.

In addition, new regulations that mandate monthly welfare check-ins by support coordinators and, if appropriate, plan managers, would ensure intermediaries could play a proactive role in supporting participant welfare and help avoid reaching crisis point.

Further investment in public housing and short-stay accommodation by States and Territories should also be prioritised.

Regulation of intermediary services

The current Framework does not consider the prevalence of unregistered intermediaries in the NDIS. This creates a significant barrier for the NDIA and Commission to proactively identify quality and safety issues for participants.

Registration requirements for support coordinators and plan managers are not conducive to supporting appropriate standards of safety and welfare for participants. For example, it is not a requirement for support coordinators to be registered with the NDIS Quality and Safeguards Commission. Basic registration requirements for plan managers, such as paper-based policy statements and basic corporate guidelines, has encouraged the establishment of more than 1,500 plan management businesses to date. Plan managers are responsible for billions of dollars of public funds and should be subject to more stringent financial audit requirements and trust account obligations.

Quality services and the protection of participant safety requires investment in people, processes, and technology. Smaller plan managers, like those with fewer than 100 participants, who make up the majority of Australia's 1,500 plan managers, do not have the capacity to provide these supports. Support coordinators would also struggle to make investments in safety and quality services while receiving an inconsistent hourly pay rate as their income is reliant on demand. This is compared to a consistent monthly service fee structure received by plan managers.

Current regulations also fail to appropriately support the management of conflicts of interest, which remains a significant issue within the NDIS. This is particularly the case where a provider takes on support coordination, plan management and other direct support service delivery. This creates a risk of complete participant "capture" with potential quality, safety and fraud challenges.

² Royal Commission into Violence, Abuse, Neglect, and Exploitation of People with Disability, 'Public hearing 26: Homelessness, including experience in boarding houses, hostels and other arrangements', August – September 2022, <<https://disability.royalcommission.gov.au/rounds/public-hearing-26-homelessness-including-experience-boarding-houses-hostels-and-other-arrangements>>

A review of registration, fee structures, accreditation practices and conflict of interest arrangements is required to ensure participants receive the support they need, when they need it. It will also enable support coordinators to play a greater role in both identifying and managing risk.

Recommendation

Much like there is a national Clinical Governance Framework for the delivery of health services, there is a need for a standardised organisational framework that supports the safe delivery of high quality services by intermediaries and providers. The National Model Clinical Governance Framework³ may provide a reasonable guide for the development of a new Quality and Safeguarding Framework.

A review of regulations for plan management and support coordination registration requirements should also be prioritised. One possible solution could be incorporating plan management services into the existing Australian Financial Services Licencing regime as part of registration.

Introducing regulations that mandate the registration of support coordinators, and introducing employment background checks for all support coordination employees would also help to alleviate risk of participant safety, and ensure intermediaries are held to a higher standard for the quality of services provided.

nib Thrive also recommends the introduction of regulation that more clearly outlines the separation of roles and responsibilities between intermediaries and providers. This should prevent providers from also taking on the role of intermediaries for the participant and avoid potential conflicts of interest. This is consistent with nib Thrive's 'Future State' model **[See: An alternative NDIS model]**.

Integration of services across Government

A clear challenge with the current Framework is the coordination and availability of services across Governments. nib Thrive acknowledges recent comments by the Minister for the NDIS, Bill Shorten, that greater integration of the NDIS with mainstream services (including health, housing, education and disability services) is necessary to ensure sustainability of the NDIS.

The most vulnerable people within the NDIS system are those who do not have natural safeguards, such as family support, and rely on their safety under guardianship arrangements with each State.

Recommendation

The interaction of the State and Territory guardianship systems and the NDIS be improved.

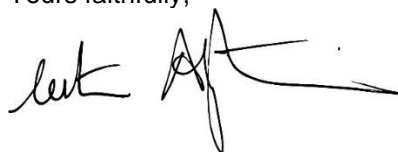
Participant safeguards, particularly in crisis situations **[See: Issues and Crisis Management section]** require larger investment and better coordination across both Commonwealth and State governments through a renewed Framework.

Conclusion

A national Framework that provides a consistent approach to achieving effective safeguards and high quality supports in the NDIS is crucial for protecting participant safety and choice, and the sustainability of the scheme itself. It also ensures providers of the NDIS are held to a high standard for the services and supports they provide.

The Framework and its review is important as there are fundamental concerns around the current operations of the Framework that must be addressed. nib Thrive welcomes further consultation on the recommendations provided above.

Yours faithfully,



Martin Adlington
Chief Executive Officer – nib Thrive

³ National Model Clinical Governance Framework, <<https://www.safetyandquality.gov.au/sites/default/files/migrated/National-Model-Clinical-Governance-Framework.pdf>>.