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Pricing and Payment Approaches in the NDIS Market

Submission to the NDIS Review

July 2023

SUBMISSION



AUSTRALIA

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Pricing and Payment Approaches in the NDIS Market

Associate Professor Des Graham

President

Rohan Greenland

Chief Executive Officer

MS Australia is Australia's national multiple sclerosis (MS) not-for-profit organisation that empowers researchers to identify ways to treat, prevent and cure MS, seeks sustained and systemic policy change via advocacy, and acts as the national champion for Australia's community of people affected by MS.

MS Australia represents and collaborates with its state and territory MS Member Organisations, people with MS, their carers, families and friends and various national and international bodies to:

- Fund, coordinate, educate and advocate for MS research as part of the worldwide effort to solve MS
- Provide the latest evidence-based information and resources
- Help meet the needs of people affected by MS

Multiple sclerosis (MS) is the most acquired neurological disease in younger adults around the world with over 2.8 million people affected. More than 33,300 Australians live with MS and over 7.6 million Australians know someone or have a loved one with this potentially debilitating disease.

Symptoms vary between people and can come and go; they can include severe pain, walking difficulties, debilitating fatigue, partial blindness and thinking and memory problems. For some, MS is characterised by periods of relapse and remission, while for others it has a progressive pattern of disability. MS robs people of quality of life, primarily driven by the impact of MS on pain, independent living, mental health and relationships.

Pricing & Payment Approaches in the NDIS Market

MS Australia welcomes the opportunity to make a submission to the National Disability Insurance Scheme (NDIS) Review on pricing and payment approaches in the NDIS market. Over the past seven years, MS Australia has actively advocated on behalf of people living with MS for improvements to the NDIS. We have written over 30 submissions relating to the NDIS, including submissions to the NDIS/NDIA, the Joint Standing Committee on the NDIS and the Productivity Commission. We have also provided two submissions to the NDIS Review:

- A [submission](#) in December 2022 that provided a broad overview of the issues facing people living with MS and recommended solutions for the NDIS Review Panel.
- A [submission](#) in May 2023 on the NDIS Quality and Safeguarding Framework

To support our NDIS advocacy, MS Australia has launched a campaign [A better NDIS for people living with MS](#) to highlight essential areas for reform in the NDIS.

MS Australia Recommendations

Improving NDIS pricing arrangements through:

- Greater transparency in NDIS pricing and better evidence based independent pricing based on data, research, feedback and lived experience
- Moving price setting arrangements to an independent authority such as the Independent Health and Aged Care Pricing Authority
- Implementing 'preferred provider' panel arrangements for certain NDIS supports
- Alternative approaches to the pricing and delivery of plan management and support coordination including increased pricing caps, block funding, increasing hours/access and the introduction of prices for advocacy supports
- Compulsory publishing of a price list for all NDIS providers, in line with the current aged care home care package pricing requirements
- The introduction of a star ratings systems in line with the current aged care star ratings system

Improving NDIS Pricing Arrangements

MS Australia's state and territory Member Organisations are registered NDIS providers and deliver a range of supports and services to people living with MS including support coordination, plan management, allied health, accommodation, respite, social support and in-home care. Some Member Organisations also support people living with other neurological conditions including stroke, Parkinson's disease, Huntington's disease, acquired brain injury and Motor neurone disease.

The experience of our Member Organisations is that the current NDIS pricing arrangements are not consistent, do not align with the true costs of delivering services, are not evidence-based and are not indexed annually. Many services are provided at a significant financial loss. The current pricing does not adequately cover:

- Staffing and associated overhead costs including recruiting and maintaining a highly skilled and experienced workforce, training and education and offering competitive wages

- Travel costs, especially for those in rural and remote locations and for higher paid workers such as allied health workers and nurses
- Staffing costs for after-hours care
- The administrative burden associated with meeting the NDIS administrative and quality requirements including maintaining registration as a provider
- The cost of delivering group supports.

MS Australia strongly supports improved NDIS pricing arrangements including greater transparency and better evidence based independent pricing. Pricing should take into consideration high quality data and research in addition to provider and participant feedback and lived experience. Improved pricing will ensure value for money, provider sustainability and a higher level of service delivered by high quality staff.

MS Australia believes that responsibility for price setting arrangements should be moved from the NDIA to an independent authority. We recommend the Independent Health and Aged Care Pricing Authority (IHACPA) as the appropriate authority as they have expertise in providing independent advice to government on pricing and this would ensure a coordinated approach to setting prices across the care and support sector.

MS Australia recommends improving NDIS pricing arrangements through:

- Greater transparency in NDIS pricing and better evidence based independent pricing based on data, research, feedback and lived experience
- Moving price setting arrangements to an independent authority such as the Independent Health and Aged Care Pricing Authority

Our Member Organisations report that there is considerable staffing time and resources dedicated to dealing with external suppliers, especially in relation to assistive technology. Additionally, many suppliers increase prices when they are offering NDIS supports. MS Australia supports the implementation of 'preferred provider' panel arrangements, especially for assistive technology to reduce the administrative burden, to leverage NDIS 'buying power' and to reduce costs and barriers for participants

MS Australia recommends implementing 'preferred provider' panel arrangements for certain NDIS supports.

Improve Support Coordination & Plan Management

Support coordination and plan management are important components of the NDIS and provide participants with crucial assistance in coordinating supports and services and managing their plan. For many people living with MS, brain fog, memory and fatigue issues make it difficult to manage their plan and coordinate services. Additionally, the complex nature of the NDIS system makes it difficult for people living with MS and their families to navigate services and providers. Access to ongoing support coordination and plan management ensures they can access the services and supports they need and manage interactions with providers. These services are especially important for people who have no carer or informal support network.

For many people living with disability, the best people to provide support in navigating the NDIS and helping them to make informed choices are disability/disease specific providers. MS Australia's state and territory Member Organisations provide support to people living with MS under the NDIS. Through support coordination and plan management services they can provide MS specific support and advocacy. However, feedback from MS Australia Member Organisations is that currently the delivery of both support coordination and plan management services takes

substantially more time than current NDIS pricing allows for and as a result involves many additional unfunded staffing hours. Additionally staffing hours are spent undertaking a range of support and advocacy including:

- Resolving issues with funding and invoices, supporting providers with manual claims and managing problems with uploading documentation
- Onboarding new clients including setting up service agreements and service bookings and completing compliance tasks such as discussions around emergency planning
- Advocacy and support for clients living with MS to navigate the planning and review processes, access increased funding for plans and ensure they are approved for the services they need
- Providing additional documentation to the NDIS and supporting clients through plan reviews and appeals

These additionally unfunded staffing hours cause significant financial impact to providers. An example of the increased costs of support coordination for one of our Member Organisations is below:

Example

MS Plus provides services to people living with MS in NSW, ACT, Victoria and Tasmania. The MS Plus Support Coordination service has never achieved a surplus or breakeven result.

In the financial year 2021-22 the MS Plus Support Coordination service returned a service deficit of **\$513,000** and for the current financial year 2022-23 the service is forecasted to return an estimated deficit of **\$800,000**.

The current financial state of the service continues to have significant impact on the overall operations of MS Plus, with the organisation relying on reserves to fund the program which it delivers on behalf of the government.

To better support people with disability, the NDIA must recognise the significance of plan management and support coordination services and fund appropriately. As the NDIS Review explores alternative payment approaches, this should include exploring alternative approaches to the pricing and delivery of plan management and support coordination. This may include, but is not limited to, increased pricing caps, block funding, increasing hours/access and the introduction of prices for advocacy supports.

MS Australia recommends alternative approaches to the pricing and delivery of plan management and support coordination including increased pricing caps, block funding, increasing hours/access and the introduction of prices for advocacy supports.

Improve transparency

MS Australia welcomes any changes to NDIS pricing that ensure participants are better informed and more empowered. Most people living with MS will receive a diagnosis in adulthood and may have no previous experience interacting with the disability system and limited understanding of the disability providers and services in their area. They are also likely to be overwhelmed by their diagnosis and unsure of what supports and services they need. This is further exacerbated by the difficulty in accessing publicly available and easy to read information on provider pricing and performance.

MS Australia supports requiring providers to publish a price list for their full set of prices. This will improve transparency in pricing, empower participants to make informed choices and ensure

more affordable supports. This also aligns with other pricing requirements in the health and aged care sectors, including the requirement for home care package providers to publish their price list on the [My Aged Care](#) website.

MS Australia recommends the compulsory publishing of a price list for all NDIS providers, in line with the current aged care home care package pricing requirements.

NDIS participants and their carers should be able to find accessible and publicly available information on the performance and quality of services provided by the NDIS providers in their region. They should be able to easily determine if there are any non-compliance, fraud or service issues with NDIS providers. Access to this type of information is already done in aged care with the aged care star ratings system that uses compliance and quality data and resident feedback to assign a rating to each aged care provider. The introduction of a star ratings system would also reduce fraud and corruption, dishonesty, misuse of funds and abuse of participants.

MS Australia recommends the introduction of a star ratings systems in line with the current aged care star ratings system.

