



RESEARCH
ADVOCACY
CURE

AUSTRALIA

NDIS Annual Pricing Review 2022-23

*National Disability Insurance
Agency*

April 2023

SUBMISSION



**RESEARCH
ADVOCACY
CURE**

AUSTRALIA

NDIS Annual Pricing Review 2022-23

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.

Annual Pricing Review 2022-23

MS Australia welcomes the opportunity to make a submission to the NDIS Annual Pricing Review 2022-23 and ensure the NDIS appropriately meets the costs of delivering care and service to people living with disability, including those living with MS. 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 28 submissions relating to the NDIS, including submissions to the NDIS/NDIA, the Joint Standing Committee on the NDIS, the Productivity Commission and the NDIS Review. Additionally, on 18 July 2022, MS Australia launched a campaign [A better NDIS for people living with MS](#) to highlight essential areas for reform in the NDIS.

This submission draws on the experience and expertise of MS Australia's state and territory Member Organisations. These 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.

MS Australia and our Member Organisations want to ensure that we provide the highest level of service to people living with MS and to support them to live with dignity and respect. An effective and appropriate *NDIS Pricing Controls Framework* is an integral part of this work.

MS Australia makes the following recommendations:

MS Australia Recommendations

- The NDIS reviews the current pricing for therapy supports to:
 - ❖ Increase the price limits for all allied health services so that they are consistent and indexed annually
 - ❖ Incorporate after-hours staffing costs for allied health professionals
 - ❖ Ensure all pricing arrangements and price limits are GST exclusive for all therapy support providers
 - ❖ Introduce a separately funded category for allied health travel costs and provide participants with a therapy support travel budget
 - ❖ Remove travel caps for services provided in MMM4 & MMM5 regions and allow the actual cost of travel to be charged
 - ❖ Remove the current pricing cap on the provision of group supports, allowing these to be provided at a cost determined by the provider and enabling them to be financially viable.

- MS Australia recommends the NDIS reviews the current processes in relation to reporting and assessment for allied health including measures to:
 - ❖ Improve collaboration with allied health professionals to ensure that reports and assessments are accurately interpreted and request where clinically appropriate
 - ❖ Review reporting template, report feedback and recording mechanism
 - ❖ Develop appropriate implementation guidelines to inform planning and funding decisions.

- The NDIS reviews support coordination and plan management to ensure that:
 - ❖ NDIS plans include the appropriate number of support coordination and plan management hours to meet the participants needs and allow for associated administrative, problem solving and compliance work
 - ❖ Pricing takes into consideration the actual costs of hiring staff under the SCHADS Industry Award
 - ❖ Pricing is indexed annually and incorporates increases in the cost of living
 - ❖ Participants do not have a reduction in their support coordination hours in their plans unless requested by the participant.
 - ❖ NDIA planners adhere to professional advice relating to the level of support coordination required by participants
 - ❖ The administrative burden associated with support coordination and plan management is reduced
 - ❖ Planning, approval and review processes are improved to reduce the unpaid advocacy burden on providers.
- The NDIA review the NDIS registration process to:
 - ❖ Recognise the full costs and staffing hours associated with registering as a provider and maintaining the quality and safeguarding requirements
 - ❖ Reduce the complexity of the process and minimise administrative burden
 - ❖ Provide more comprehensive guidelines on changes to the NDIS Practice Standards and best practice examples.
- The NDIS pricing arrangements take into consideration the costs of recruiting and maintaining a well-skilled and experienced workforce and ensure providers can offer competitive wages.

Therapy Supports

For people living with MS, access to allied health and therapeutic services and supports are essential to maintaining health and wellbeing and slowing disability progression. This includes physiotherapy, occupational therapy, dietetics and exercise physiology to improve mobility, balance and strength; manage fatigue, maintain independence; improve nutrition, manage bladder and bowel issues and to prevent symptoms from worsening over time.

The current pricing for allied health services is not consistent, does not align with the true costs of hiring allied health professionals and is not indexed annually. Further, many NDIS participants may need access to allied health services outside of regular working hours, leading to increased after-hours staffing costs for providers. The pricing system should allow providers to claim for these costs.

Many allied health services funded under the NDIS are not GST exclusive and the costs must be covered by the therapy support provider. All allied health services should be GST exclusive in line with other NDIS services. Group supports are also limited by the pricing cap and this does not allow providers to claim for the full costs of these.

Since allied health supports are delivered face-to-face, travel costs take up a significant portion of the costs associated with delivering these supports. As a result, a large portion of the approved hours in a participant's plan may be used for travel costs instead of therapy supports. Introducing a separate category for allied health travel would enable allied health professionals to travel to participants without using therapy support funding. Participants would have a separate therapy budget allocation in their plan. Delivering therapy supports to clients in rural and remote locations attracts considerable travel costs that are not met by the current pricing. Given these increased and

unpredictable costs, the NDIS pricing should allow for providers to charge the actual cost of travel.

Our Member Organisations are reporting an increased administrative workload in relation to therapy support including increasing quality requirements including training documentation and clinical reviews, more requests for reports and assessments including unnecessary and inappropriate requests, a requirement for more detail in reports including quotes upfront and time spent ensuring the NDIA accurately interprets reports. Providers dealing with assistive technology also report increased administration from engaging with suppliers and external providers to ensure that equipment is ordered and delivered appropriately.

Cost Drivers

For our Member Organisations the main cost drivers for the delivery of therapy supports are:

- An increase in staffing and associated overhead costs
- Travel costs for clients, especially those in rural and remote locations
- Costs of meeting the increased NDIS administrative and quality requirements and dealing with external suppliers

MS Australia recommends the NDIS reviews the current pricing for therapy supports to:

- Increase the price limits for all allied health services so that they are consistent and indexed annually
- Incorporate after-hours staffing costs for allied health professionals
- Ensure all pricing arrangements and price limits are GST exclusive for all therapy support providers
- Introduce a separately funded category for allied health travel costs and provide participants with a therapy support travel budget
- Remove travel caps for services provided in MMM4 & MMM5 regions and allow the actual cost of travel to be charged
- Remove the current pricing cap on the provision of group supports, allowing these to be provided at a cost determined by the provider and enabling them to be financially viable.

MS Australia recommends the NDIS reviews the current processes in relation to reporting and assessment for allied health to:

- Improve collaboration with allied health professionals to ensure that reports and assessments are accurately interpreted and request where clinically appropriate
- Review reporting template, report feedback and recording mechanism
- Develop appropriate implementation guidelines to inform planning and funding decisions.

Support Coordination & Plan Management

Support coordination and plan management are important components of the NDIS and provide participants with crucial support 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.

Feedback from MS Australia Member Organisations is that the delivery of both support coordination and plan management services involves many additional unfunded staffing hours. The coordination of services and management of plans take substantially more time than current NDIS pricing allows for.

Plan Managers often spend hours trying to resolve issues with funding and invoices, supporting providers with manual claims and managing problems with uploads. The recent cancellation of the Plan Managers' set-up fee for extended plans has particularly impacted providers since the amount of work for both initial and extended plans remain the same. Onboarding new clients also involves additional unfunded hours including setting up service agreements and service bookings and completing compliance tasks such as discussions around emergency planning.

As outlined in our submission to the *NDIS Review*, the limited understanding by NDIA staff of neurological conditions leads to ineffective planning sessions, inconsistent plans that do not address their needs and unnecessary reassessments or plan changes. There is also a lack of understanding about the importance of access to coordination of supports for people living with MS. As a result, our Member Organisations spend considerable unpaid staffing hours providing increased advocacy and support for clients living with MS. This includes supporting clients to navigate the planning and review process, increased funding for plans and ensuring clients are approved for the services they need, providing additional documentation to the NDIS and supporting clients through appeals. Member Organisations have also reported frequent requests from the NDIA Compliance Team for claim reviews with no offer of additional remuneration or support.

Additionally, our Member Organisations have observed that over the last 12 months, support coordination hours are frequently reduced in participants' plans, contrary to professional and end-of-plan report recommendations. This reduction not only adversely affects the quality of the funded service provided but also increases unfunded support requirements, which results in a negative financial impact to the provider.

Member Organisations that provide services to non-NDIS participants report that costs incurred by NDIS participants are higher than for non-NDIS participants. The price difference is due to the higher documentation, compliance and audit costs associated with NDIS participants.

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.

Cost Drivers

Salaries in the care and support sector increased by approximately 4.7% in 2022 in line with the *Social, Community, Home Care and Disability Services (SCHADS) Industry Award* increases delivered via the Fair Work Ombudsman.

The hourly rate for support coordination has remained the same for some time and has not been indexed since 2019. The monthly fee price limit and set-up fee have also not been indexed since 2019. The living expense increase and lack of indexation are significant cost drivers in NDIS plan management delivery.

The main cost drivers for the delivery of support coordination and plan management are:

- The SCHADS wage rise
- The lack of indexation for support coordination, plan management and other associated costs
- Increase in cost of living across Australia
- Increased need for advocacy and support for clients living with MS
- Increased complexity of administration, registration and quality and safeguarding processes over the past 12 months.

MS Australia recommends the NDIS review support coordination and plan management to ensure that:

- NDIS plans include the appropriate number of support coordination and plan management hours to meet the participants needs and allow for associated administrative, problem solving and compliance work
- Pricing takes into consideration the actual costs of hiring staff under the SCHADS Industry Award
- Pricing is indexed annually and incorporates increases in the cost of living
- Participants do not have a reduction in their support coordination hours in their plans unless requested by the participant.
- NDIA planners adhere to professional advice relating to the level of support coordination required by participants
- The administrative burden associated with support coordination and plan management is reduced
- Planning, approval and review processes are improved to reduce the unpaid advocacy burden on providers.

Registration Costs

MS Australia understands the need to have a registration system for NDIS providers to ensure that those delivering service have the appropriate skills, expertise and financial and business structures to deliver services and manage government funds ethically and appropriately. MS Australia Member Organisations have seen a range of benefits in being registered providers including:

- connecting and delivering supports to a wide range of participants, including those with NDIA-managed funding
- marketing the organisations services as being a registered provider
- extending the organisations online presence through the *NDIS Provider Finder* tool
- Assurance the organisation is providing compliant services to clients and having a

standard to which policies and procedures are developed and maintained.

The major barriers to registration for our Member Organisations are the cost and time associated with the registration, the costs of adhering to compliance regulations and the lack of information regarding *NDIS Practice Standards* changes. There is a high administrative burden in ensuring registered providers meet all the quality and safeguarding requirements, including regularly updating documentation.

The time spent on administrative/registration tasks has increased in the past year due to changes in the *NDIS Practice Standards* such as inclusion of emergency planning. There were several new Practice Standard Indicators introduced, however, there was no guidance from the NDIA on how to achieve the indicator. Member Organisation teams spent a significant amount of time trying to decipher the new indicators, developing an action plan and undertaking work to meet the outcomes. This was all unfunded staffing hours.

MS Plus recently completed a full-term (triannual) NDIS accreditation to continue to be a registered provider. MS Plus estimate it took approximately **834 staffing hours** to complete this process. This includes staff involved in support coordination, plan management and allied health. A full breakdown of these hours is below at *Table A*. Please note this estimate does not include any time spent by the Quality Team to maintain ongoing accreditation.

MS Australia recommends the NDIA review the NDIS registration process to:

- Recognise the full costs and staffing hours associated with registering as a provider and maintaining the quality and safeguarding requirements
- Reduce the complexity of the process to minimise the administrative burden
- Provide more comprehensive guidelines on changes to the NDIS Practice Standards and best practice examples.

Table A: MS Plus staffing hours for full-term NDIS accreditation

Staff	Hours	Tasks
Frontline staff	3-4 hours per client Team of 60 staff = 240 hours	<ul style="list-style-type: none"> • Contacting clients to discuss emergency planning • Contacting clients to complete risk assessments • Ensuring Service Agreements and Consent Forms are updated
Frontline staff – accreditation briefing groups	4 hours = 3 x 1-hour sessions & 1 hour reviewing documents Team of 12 staff = 40 hours	<ul style="list-style-type: none"> • Preparing staff for interviews
Leadership Team	4 hours per month Team of 9 staff = 36 hours	<ul style="list-style-type: none"> • Completing desktop audits • Following-up with staff • Running and reviewing reports
Leadership Team – sample list follow-up	6 hours fortnight prior to audit Team of 5 staff = 30 hours	
Quality	3 days per week for 5 weeks 114 hours	<ul style="list-style-type: none"> • SPP Quality Portal • Self-Assessment • Creation of action plans and follow up
Quality	1 day per week for 8 weeks 60 hours	<ul style="list-style-type: none"> • Collate information and evidence required against each quality indicator
Internal Audit	5 days = 38 hours	<ul style="list-style-type: none"> • Review of evidence and report written
Leadership Team	Two hours per week for 6 weeks Team of 3 staff = 36 hours	<ul style="list-style-type: none"> • Discerning and following up on changes and amendments to compliance requirements (example Emergency and Disaster Management, Risk Assessments)
Quality team and executive	Three hours per week Team of 8 staff = 24 hours	<ul style="list-style-type: none"> • Completing renewal application
Quality Team	100 hours	<ul style="list-style-type: none"> • Engaging quality assessor • Completing service description • Reviewing schedule • Notifying clients of assessment • Providing assessor with deidentified client list
Quality Team	1 hour per month (14 meetings) Team of 7 staff = 98 hours	<ul style="list-style-type: none"> • Reporting • Progress report on accreditation preparation to executive team
Quality Team	30 hours	<ul style="list-style-type: none"> • Staff mentoring • Prepare information sheets • Provide advice to staff and communicate information • Schedule meetings • Conduct meetings and debrief
Total (approximate)	834 hours	

Labour Market

MS Australia's Member Organisations have been heavily impacted by staff turnover, retention, and recruitment challenges. For example, MS WA has experienced a 50% turnover in staff over the last 18 months and approximately two resignations per month.

Staff turnover is primarily driven by staff moving to higher paid positions. The NDIS pricing arrangements for support coordination limit the margins for providers and as a result they cannot provide competitive rates. To offer competitive wages would result in a significant financial loss. Pricing limits need to allow providers to offer competitive wages. As outlined above, reducing the administrative burden associated with these roles would also make them more appealing.

Staff turnover results in increased recruitment and training costs, while a lack of trained and skilled staff can also negatively impact service delivery.

MS Australia recommends that NDIS pricing arrangements take into consideration the costs of recruiting and maintaining a well-skilled and experienced workforce and ensure providers can offer competitive wage.

MS Australia supports the ongoing work of the NDIA to continuously improve the *NDIS Price Control Framework* to ensure that pricing meets the true costs of service delivery. We look forward to engaging further with the NDIA as they continue to review and update the NDIS to better meet the needs of people living with disability.

