Australian Physiotherapy Association
Submission

Current Scheme Implementation and Forecasting for the National Disability Insurance Scheme (NDIS)

Joint Standing Committee on the National Disability Insurance Scheme (NDIS)

Submission by the

Australian Physiotherapy Association

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Authorised by:

Anja Nikolic
Chief Executive Officer
Australian Physiotherapy Association
Level 1, 1175 Toorak Rd
Camberwell VIC 3124
Phone: (03) 9092 0888
Fax: (03) 9092 0899
www.australian.physio

AUSTRALIAN PHYSIOTHERAPY ASSOCIATION

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Introduction

The Australian Physiotherapy Association (APA) thanks the Joint Standing Committee on the National Disability Insurance Scheme (NDIS) for providing an opportunity to provide feedback on the Current Scheme Implementation and Forecasting for the NDIS.

However, we express our deepest disappointment at the timing and timeframe of the inquiry. Indeed, the inquiry was launched:

- at the back of a mammoth consultation on the legislative draft changes to the NDIS Act and Rules (that closed on the day the Committee announced this inquiry);
- at the same time as the consultation on the NDIS pricing review; and
- with an initial window for feedback of 22 days (16 business days).

As a peak body, we consult our members to provide the most representative and informed feedback from our profession. Rushing through a consultation of critical importance like the current implementation and future of the scheme doesn't provide satisfactory conditions to provide the best feedback.

In this submission, and in response to the terms of reference, we have provided **an overview of the topics** that are of concern for the physiotherapy profession. Given the timeframe, this is only an overview and we will provide further evidence after the publication of the interim report.
We trust that the Committee will allow for ample time between the publication of the interim report and the deadline for submission, and that the Committee will take into consideration that during the Summer period opportunities for internal consultation can be limited.

Background: Physiotherapy and Disability

Physiotherapy is a highly trained, Ahpra regulated discipline with expert knowledge, skills and training in understanding how people move and learn to move, and the development of movement, specifically, as these relate to the health, well-being and quality of life of people of all ages. Physiotherapists are trained in the biomechanics of movement, combining knowledge of physics, physiology and anatomy to analyse movement and determine movement difficulties.

Physiotherapists are movement and participation experts in disability who provide expertise in improving function, participation and building capacity. Physiotherapists analyse an individual's quality of movement, identify motor impairment, and investigate the interrelationship between movement and other neurological and physiological factors such as sensory perception and pain.

Physiotherapists are committed to providing evidence-based, patient-centred, safe and high-quality care to people with disability and contributing to an effective and equitable disability sector.

Physiotherapists promote social inclusion through optimising a person's function and encouraging participation and inclusion in the economic and social life of the community.

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Response to the Terms of Reference

Preliminary comment:

What the APA and the physiotherapy profession want above anything else from the NDIS and for its participants is participation and inclusion for people living with disability.

a. The impact of boundaries of NDIS and non-NDIS service provision on the demand for NDIS funding, including:

i. the availability of support outside the NDIS for people with disability (e.g. community-based or 'Tier 2' supports), and
ii. the future of the Information, Linkages and Capacity Building grants program;

- Mainstream supports outside of the NDIS remain on the whole inaccessible to people living with a disability. Further engagement with community organisations and industry is required to open up general opportunities for people with disability rather than paid NDIS supports.
- Participants and their families are reluctant to give up NDIS funding as community supports are generally self-funded. Without NDIS funded supports many people with disability are unable to fund these community based activities. This is further accentuated by many families of people with disability living in low income households resulting in limited ability to fund community supports[1]. We call for funding and formal support for social prescribing of mainstream activities that can enhance people with disability's social participation.
- There needs to be support and funding to strengthen access to peer network services. Many of those networks rely on individuals' efforts and resources and need to be formally supported as part of the support a participant needs to reach their goal.
- There is an absence of consistent approach across the states in terms of linkages between health services, education services and social services.
- Strong inequities result from funding discrepancies between Aged Care packages and NDIS packages. We want to particularly highlight the inequity of access to capacity building, core supports, home modifications and assistive technology in the NDIS for someone with a newly acquired disability when compared to the same person acquiring the same level of disability after 65 years of age.
- Equally, we need a more consistent and long-term approach to the Information, Linkages and Capacity Building (ILC) Program. We need innovation in the sector

[1] According to the ACOSS/UNSW report *Poverty in Australia*, 1 in 6 people with disability were living in poverty, compared with just over 1 in 10 Australians without disability. Source: Davidson, P., Saunders, P., Bradbury, B. and Wong, M. (2018), Poverty in Australia 2018. ACOSS/UNSW Poverty and Inequality Partnership Report No. 2, Sydney: ACOSS. Available at https://www.acoss.org.au/wp-content/uploads/2018/10/ACOSS_Poverty-in-Australia-Report_Web-Final.pdf

rather than segmented short-term funding opportunities. We call for a review of the ILC program, and recommend exploring innovative models instead of increasing funding to the current model which has limited impact.

b. The interfaces of NDIS service provision with other non-NDIS services provided by the States, Territories and the Commonwealth, particularly aged care, health, education and justice services;

- We note inconsistent application of COAG funding guidelines and unclear boundaries of support, for example, for a child funding for supports at home vs the support they receive at school.
- There is very limited public facing information which clarifies the rules and responsibilities across and between sectors. This results in neither sector having ownership of the result of the decisions that are being made as well as diluting responsibilities over outcomes or adverse events that might occur.

c. The reasons for variations in plan funding between NDIS participants with similar needs, including:

i. the drivers of inequity between NDIS participants living in different parts of Australia,
ii. whether inconsistent decision-making by the NDIA is leading to inequitable variations in plan funding, and
iii. measures that could address any inequitable variation in plan funding;

- We would like the Committee to clarify what they mean by 'participants with similar needs'-similar plans, similar goals, similar disability, similar co-morbidities, similar means, similar personal circumstances, similar personal support?
- Drivers of inequity between NDIS participants living in different parts of Australia include availability of providers in their areas (broader question of allied health workforce in rural and regional areas), availability of and funding for transport solutions-see physiotherapist's story below.
- Further drivers of inequity between NDIS participants include income level, lack of culturally relevant and accessible information and support, lack of internet access, level of digital literacy, lack of access to advocates, lack of access and funding to support coordination, lack of disability support system pre NDIS, lack of ability for various support systems to communicate and work together.
- Variations in plan funding between participants doesn't necessarily mean it is inequitable.
- It is our view that fairness is achieved through consistent decision making. This is critical to ensure that everything a participant needs to reach their goals is included in their plan and consistent with best-care practices.
- To ensure consistent decision making, we call for funding for the creation and trial of co-designed guidelines on certain topics for example, provision of wheelchair and the related required supports.

- Consistent decision making will also come from people involved in making decisions being properly skilled and trained. It is critical that the National Disability Insurance Agency (NDIA) workforce that is involved in the drafting, planning, coordination and implementation of participants' plans is properly trained and skilled to understand the value of physiotherapy for people living with disability, of how capacity building supports are provided by physiotherapists, the outcomes to be achieved by these supports, and the difference and complementarity of these supports with other supports available. Our vision for the NDIS is that participants' understanding and decision-making processes around how they can best achieve their goals with physiotherapy is supported by a skilled NDIA workforce.
- In relation to travel, the cost must be considered necessary in order to ensure maximal outcomes for people with disability. Support to travel can also be critical in metropolitan areas to ensure access to the most appropriate care and support services for participants.
- Importance of travel costs illustrated by a physiotherapist's story.

Physiotherapist based in Burnie travelling to King Island [pre-COVID]:

The physiotherapist used to travel to King Island for fortnightly day trips to provide onsite physiotherapy services to a local business. The physiotherapist was contacted by a disability provider to ask him if he would be interested in delivering services to their clients based on King Island. The physiotherapist was interested however that would have meant incurring the cost of spending the night on the island (there were only two flights a day). The provider explained that he could only pay for the delivery of the physiotherapy services but not for the travel and accommodation costs. The physiotherapist and the provider couldn't reach an agreement.

d. How the NDIS is funded, including:

i. the current and future funding sources for the NDIS,
ii. the division of funding between the Commonwealth, States and Territories, and
iii. the need for a pool of reserve funding;

- The APA understands the impact of fiscal pressure and supports a responsible approach to the use of public funds and tax-payer money.
- We believe the focus on pricing and seeking to reduce pricing is a distraction and doesn't address the broader issue of the sustainability of the scheme as there is no link between pricing and plan sizes[2].
- The NDIS is designed to operate in a manner that ensures its financial stability. This places huge pressures as the NDIS, in theory, covers the entire population. As it is

[2] See for example: "Funds in existing participant plans will not be adjusted on 1 July for the changes in price limits. Our data shows most participants will be able to continue to purchase the supports they need from their existing plan funds and will not be impacted by changes to price limits." in https://www.ndis.gov.au/news/6585-2021-22-ndis-prices-now-live

an uncapped (demand-driven) Scheme, there is an incentive to invest in short-term measures to drive cost reduction.

- Although the basis for the NDIS is that the supports participants receive are commensurate with their needs, this emphasis on reducing long-term costs can lead to measures which reduce health treatments and interventions perceived as too expensive, or more expensive when compared (on paper) to other treatments.
- If cost savings and expenditure reduction are allowed to dominate NDIS policy, then the continued role of expert physiotherapists in delivering high-value care may be jeopardised. This could leave people with disability without the care they need.
- As a unique insurance scheme, the NDIS must be properly funded and supported to meet the needs and goals of all eligible participants, and to ensure they have access to the expert health care they require to enjoy a better life.
- For us, a sustainable scheme is a scheme that provides value-based services and that delivers on the goals of participants while remunerating service providers fairly with price models that reflect true costs of providing care—not necessarily a scheme that costs less, and certainly not a scheme that seeks to reduce the number of participants or the size of plans as a way of finding 'savings'.

e. Financial and actuarial modelling and forecasting of the scheme, including:

i. the role of insurance-based principles in scheme modelling, and
ii. assumptions, measures, and methodologies used to forecast and make projections about the scheme, participants, and long-term financial modelling;

- We will provide comment on the role of insurance-based principles in our submission to the final report.
- We are concerned that the financial and actuarial modelling are based on market assumptions that don't take into consideration participants, their needs, and the specificities around delivering care services. A market of provision of care services and supports to people living with disability cannot be approached in the same way as a market of *any* good or services.
- In what we see and understand of the modelling, we note an obvious lack of understanding of cost of quality care, of taking into consideration the specific cost and admin (more cost or opportunity cost) burden absolutely specific to the NDIS (see below paragraphs on accreditation and registration).
- To be able to further comment on modelling and forecasting, we call for transparency and visibility of the modelling around hourly rate for capacity building services.
- In terms of long-term financial modelling, we believe that the differences between NDIS and Aged Care packages will ultimately lead to NDIS participants staying in the scheme for longer than the modelling assumed, thus having a larger number of participants and a higher financial cost in the longer term.

f. The measures intended to ensure the financial sustainability of the NDIS (e.g. governance, oversight and administrative measures), including:

i. the role of state and territory governments, and the Disability Reform Ministers Meetings,
ii. the arrangements for providing actuarial and prudential advice about the scheme, and
iii. the way data, modelling, and forecasting is presented in public documents about the NDIS, (e.g. NDIS Quarterly Reports and Reports by the Scheme Actuary), and

- A topic has recently emerged in the debate around the sustainability of the scheme around utilisation of their plans by participants, more specifically, the fact that in their second year in the scheme, participants tend to utilise more of their plan. This is currently presented as an issue, however, it seems logical–and expected- that participants get more proficient at managing their plans. We see there the sign of a functional scheme, not an abnormality that needs to be fixed. The fact that this is sometimes presented as an issue is concerning and raises questions about the rationale behind modelling and forecasting.

iv. measures to ensure transparency of data and information about the NDIS;

- We need the NDIA to be much more responsive to tailored data requests. To inform our policy and advocacy work, the APA has submitted a request for tailored data aiming at understanding spending across the four physiotherapy specific NDIS pricing items. Here is a timeline of our request:

  - 17 June 2021: first email submitting a tailored data request using the form available on the NDIA website
  - 21 June: we are advised that our request has been received but was submitted with an obsolete form and that we need to make a new request
  - 10 August: we submit our request again using the new form-a much more complex form as it is designed for research requests
  - 8 September: our request is being acknowledged and we are informed it will be assessed at the next Research and Evaluation Data Management Committee meeting to be held on 1 October
  - 12 October: after follow-up from our part, we are told that our request has been reviewed but a decision is still pending. The email indicates 'The general estimated timeframe for reaching a decision is 6-8 weeks (from the date the request is received).'

At the time of writing this submission, we are still waiting.

g. The ongoing measures to reform the scheme including:

i. the new early childhood approach, including whether or how early intervention and other supports intended to improve a participant's functional capacity could reduce their need for NDIS funding, and
ii. planning policy for personalised budgets and plan flexibility; and

- In terms early childhood intervention, it is critical to take a long-term approach. Supports throughout childhood will lead to employment and more independent living for many participants, which can reduce supports in the long term for the NDIS. Indeed, having people with disability being employed and living as adults outside of supported independent living (SIL) arrangements will generate savings for the NDIS. In order to achieve best outcomes for future adults, it is critical to maintain children's funding. It is also important to understand that some participants will require substantial support throughout their lives because their disabilities mean they will always require support.

h. Any other related matters.

- In relation the current implementation of the NDIS, complexities arise between national policies vs their local/state implementation. At best, it leads to confusion and lack of consistency across the territory. It can also lead to absence of accountability, and discrepancies of treatment across states and territories. For example, members report inconsistencies in relation to the role and responsibilities of support coordinators and Local Area Coordination (LAC services). Other recent examples include COVID vaccination for participants, PPE guidelines, and workers screening checks.
- Discrepancies between accreditation and regulation across care sectors is an issue for our members who provide services in a variety of settings and across many state and federal funded schemes. We are looking forward to contributing to the consultation on Aligning regulation across the care and support sectors to support working towards a unified accreditation and registration system (see below preliminary comments on Accreditation and Regulation).
- The APA is very concerned about the reputational damage to physiotherapists and allied health professionals in general regarding the conversation on 'empathy bias'. We see a worrying trend in the debate that emerged around NDIS Independent Assessments that health professionals are somehow biased and cannot be trusted to make assessments. There is no such thing as an empathy bias. Physiotherapists are trusted health professionals that act in the best health interest of their patients. Implying that their trusted relationship with their patients would lead them to inflate or modify their assessments for their patients to get more money is outrageous.

Accreditation:

Accreditation processes are a burden on Allied Health Professionals (AHP) and their employers, because of their cost and the amount of work they require.

Members feedback shows that long processing time for NDIS Workers Screening Checks significantly delay the ability of physiotherapists to deliver services to people in need, jobs are also put at risk if a worker fails to obtain a check in a timely manner.

Further work is required to map out the different checks and accreditations that physiotherapists are required to obtain to work with people with disability in different settings, across different schemes, and across different states. There is a need for national consistency and alignment across all schemes and settings particularly within the NDIS, DVA, and in aged care. This is particularly important for the Ahpra registered health professions to help streamline processes.

Physiotherapists are Ahpra registered health professionals, we want that any additional accreditation to work with people with disability to be recognised nationally and across all schemes and settings (NDIS, DVA, public, aged care, etc.).

Registration costs:

In the disability sector, there is anecdotal evidence that high registration fees in the NDIS (up to $15,000 according to the NDIS National Workforce Plan 2021-2025) and associated costs are a deterrent for physiotherapists to become NDIS registered providers. For example, some members have cited the amount of additional administrative time and follow up work (and expense) for equipment, care plans, missed appointments due to sickness and illness, and even the number of times a client is not picked up and transported for appointments as disincentives to continue as providers.

These factors represent revenue lost that physiotherapists cannot be recompensed for, representing significant loss of income for the practitioner and business. The high registration fees come in addition to specific investments that physiotherapists make to be able to provide services to people with disability. Indeed, extra equipment and safety requirements are often needed, such as hoists, slings, specific gym equipment, and, at times, additional staff to provide ‘an extra set of hands’ to treat this cohort. The consequence is often higher delivery costs for NDIS services.

Many NDIS services require more specialised training, different working space, more intense and longer sessions, and better and more expensive equipment. Some equipment (for example hoists, slings, movable mirrors, belts, larger plinths, parallel bars, wheelchairs, slide boards, kids play equipment, mats for falls risk, support staff, larger rooms, quiet spaces, and different gym equipment) is not used by physiotherapists for other patients.

When providers decide to not register as an NDIS provider, it means that they can’t provide services to NDIS participants which plans are managed by the agency (NDIA). For those participants, it removes choice of providers available to them. We acknowledge that the NDIS registration indicates to participants that the providers have to follow requirements that have to do with safety, quality and compliance, which are set by the NDIS Quality and Safeguards Commission. However, physiotherapists being Ahpra registered and regulated already work in a highly regulated environment that guarantees safety and quality.

We want registrations fees to be scrapped because they act as a deterrent for physiotherapists to register as providers in the scheme (this is also described in the NDIS National Workforce Plan 2021-2025 p18).

NDIS pricing – comparison with other schedules and private practice:

There is inconsistency in fee structures across the different insurance and compensable schemes (including NDIS, DVA, aged care, work compensation schemes, etc.). The schemes use different items and different descriptors, and there are variations in inclusions within items. For example, some items cover administration tasks, transport, are prescriptive in terms of time, are based on hourly rate vs blanket fee, etc. These inconsistencies create an administrative burden and an overcomplicated pricing environment for participants and providers to operate in. Additionally, the inadequacy of some fees can act as a deterrent for providers to accept patients covered by the schemes.

Extract from an online article on NDIS 'marked-up' prices:

> "Some service providers charge the maximum NDIS stipulated price for a variety of reasons. One of the reasons is that they are at a higher risk of non-payment under the NDIS," says Dr Kylie Morgan, senior consultant with Disability Services Consulting. "For example, under Medicare, the provider is assured to receive the Medicare rebate for their service even if someone's credit card defaults on the gap payment. Under the NDIS, a participant doesn't have to show their plan to a service provider and there is a risk of the entire amount being unpaid. It could be because the participant didn't realise that they don't have funding for a certain service or the funds for that service had been exhausted. When a provider submits the invoice to be paid, it gets rejected. As a business, there's very little that they can do to get paid."
>
> "Other reasons include the costs associated with regular audits, service agreements, quality and risk control, and extra workers' checks to abide by the NDIS code of conduct. Some of these things businesses don't need for Medicare or Work Cover. Besides, there are extra mandatory reporting requirements. For example, if someone gets COVID-19, NDIS registered providers have to report both to Department of Health and NDIA. There is double reporting, which is frustrating because the information is not being shared between government departments," Morgan adds.

Source: https://hireup.com.au/news/overcharging-ndis-partcipants/

The APA will provide a submission to the NDIS Pricing Review that is currently open for consultation. In our submission, we will explain the admin and cost burden specific to the NDIS, how pricing can't be compared across schemes. The APA stands for high-value care and believes in competing on excellence.

AUSTRALIAN PHYSIOTHERAPY ASSOCIATION

About the Australian Physiotherapy Association

The APA is the peak body representing the interests of Australian physiotherapists and their patients. It is a national organisation with state and territory branches and specialty subgroups representing more than 30,000 physiotherapists who conduct more than 23 million consultations each year.

The APA's vision is that all Australians will have access to quality physiotherapy, when and where required, to optimise health and wellbeing.