



NACCHO

National Aboriginal Community
Controlled Health Organisation
Aboriginal health in Aboriginal hands

www.naccho.org.au

NDIS Annual Price Review 2021-22

Submission

November 2021

About NACCHO

NACCHO is the national peak body representing 144 Aboriginal Community Controlled Health Organisations (ACCHOs) Australia wide on Aboriginal and Torres Strait Islander health and wellbeing issues. NACCHO's work is focussed on liaising with governments, its membership, and other organisations on health and wellbeing policy and planning issues and advocacy relating to health service delivery, health information, research, public health, health financing and health programs.

Our members provide about three million episodes of care per year for about 350,000 people across Australia, which includes about one million episodes of care in very remote regions.

Sector Support Organisations, also known as affiliates, are State based and also represent ACCHOs offering a wide range of support services and Aboriginal and Torres Strait Islander health programs to their members including advocacy, governance and the delivery of State, Territory and national primary health care policies.

ACCHOs range from large multi-functional services employing several medical practitioners and providing a wide range of services, to small services which rely on Aboriginal Health Workers/Practitioners and/or nurses to provide the bulk of primary care services, often with a preventive, health education focus. ACCHOs contribute to improving Aboriginal and Torres Strait Islander health and wellbeing through the provision of comprehensive holistic primary health care, and by integrating and coordinating care and services. Many provide home and site visits; provision of medical, public health and health promotion services; allied health; nursing services; assistance with making appointments and transport; help accessing childcare or dealing with the justice system; drug and alcohol services; and providing help with income support.

Collectively, we employ about 6,000 staff, 56 per cent whom are Indigenous, which makes us the single largest employer of Indigenous people in the country.

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Recommendations

NACCHO recommends to the National Disability Insurance Agency (NDIA) that they implement the following recommendations in line with the National Agreement on Closing the Gap and the four priority reforms:

1. The NDIA implement their proposal to simplify NDIS pricing arrangements by moving to a web-based system including:
 - Moving the current pricing arrangements to a more interactive and automated guide, including a search functionality and update alerts.
 - The interactive web-based system have two interfaces, one for participants and the other for providers similar to the current participant NDIS portal, myplace.
2. In the development and implementation of the web-based system, NDIA engage in a genuine co-design process to ensure any product is fit-for-purpose, accessible, and culturally safe for Aboriginal and Torres Strait Islander participants, their families, and communities.
3. NACCHO recommends that the NDIA undertake a full assessment of the real cost of delivering NDIS services to Aboriginal and Torres Strait Islander participants and the outcome of this assessment be reflected in future pricing arrangements. This includes costs for cultural activities and support coordination for all Aboriginal and Torres Strait Islander participants plans.
4. NACCHO recommends the NDIA include additional incentives similar to the Practice Incentives Program and Service Incentive Payments and the bulk billing incentives which are provided currently in Aboriginal and Torres Strait Islander Health.

Introduction

NACCHO welcomes the National Disability Insurance Agency's Annual Pricing Review 2021-22. NACCHO has developed this response to the consultation paper with valued input from the Aboriginal Health Council of Western Australia (AHCWA). This submission will respond to the following questions outlined in the consultation paper:

- Simplifying NDIS pricing arrangements.
- Price limits on supports.
- Regional, rural and remote pricing arrangements.

Before colonisation there was no word for disability, consequently many Aboriginal and Torres Strait Islander communities will abstain from using terminology like 'disability' or 'disabled'.

Despite this, Aboriginal and Torres Strait Islander peoples are over twice as likely to experience a disability than other Australians (9% with a severe condition compared to 4% for non - Indigenous¹). Currently 7% of NDIS participants are Aboriginal and Torres Strait Islander peoples (34,099 active participants as at 30 September 2021²) which is considerably less than the percentage believed to have a significant disability. This percentage of NDIS participants who are Aboriginal and Torres Strait Islander is a measurement of the number of Aboriginal and Torres Strait Islander peoples currently on a plan but this data alone fails to paint a complete picture. Plan utilisation data from the NDIA shows an underutilisation of plans by Aboriginal and Torres Strait Islander people nationally and is considerably less when compared to other Australians³. Furthermore, underutilisation of plans becomes more compounded in rural and remote settings where additional barriers such as thin, or in some cases, no markets exist.

Evidence supports the notion that Aboriginal and Torres Strait Islander peoples will only access those services where they feel culturally safe and prefer to use Aboriginal Community Controlled Organisations (ACCO) when available. Community control has its roots in Aboriginal and Torres Strait Islander peoples' right to self-determination. An ACCO has ongoing community input and ownership that is initiated by the community and is governed by an Aboriginal and Torres Strait Islander body which is elected by the community and delivers holistic and culturally appropriate services to the Aboriginal and Torres Strait Islander community. Culturally appropriate and holistic primary healthcare is provided by Aboriginal Community Controlled Health Organisations (ACCHOs) who provide about three million episodes of care each year for about 350,000 people⁴. Other research has shown ACCHOs are best placed to overcome the social and cultural determinants of health which can hinder Aboriginal and Torres Strait Islander peoples accessing the health care they need⁵.

Despite the clear need and challenges facing Aboriginal and Torres Strait Islander peoples in Australia, and the undisputed potential for the ACCHO sector to redress these inequities, it is notable that the NDIS Annual Price Review 2020-21 consultation paper does not once mention or acknowledge Aboriginal or Torres Strait Islander peoples, nor the ACCHO sector.

Simplifying NDIS pricing arrangements

The current NDIS pricing arrangements are administratively burdensome, and the documentation is complex. This imposes extra costs on providers who must dedicate significant human resources to perform this administration. This resourcing includes investing in training and upskilling staff to understand and administer NDIS pricing arrangements. This not only relates to back-of-office staff but also to those staff delivering disability services. This can become increasingly complex and burdensome depending on the number of clients and the variety of services offered by a service provider.

¹ AIHW and NIAA (2020a). Aboriginal and Torres Strait Islander Health Performance Framework 2020 report, section 1.14 Disability.

² NDIA. (2021). NDIS Quarterly Report to disability ministers, 30 September 2021.

³ AIHW and NIAA (2020a). *ibid*.

⁴ AIHW (2018). Australia's health 2018. Australia's health series no. 16. AUS 221. Canberra: AIHW.

⁵ Davy, C. et al., (2016). Access to primary health care services for Indigenous people: A framework synthesis. *International Journal for Equity in Health*,15:163.

NACCHO welcomes the NDIA's proposal to simplify NDIS pricing arrangements by moving to a web-based system. NACCHO recommends moving the current pricing arrangements to a more interactive and automated guide, including search functionality and update alerts. This will make pricing easier for providers and help reduce administration costs faced by ACCHOs. A well-designed web-based system will also make it easier for NDIS participants to understand pricing arrangement and enable them to more efficiently utilize their allocated funding and choose appropriate service providers, in a true demonstration of choice and control.

NACCHO proposes the interactive web-based system have two interfaces, one for participants and the other for providers similar to the NDIS myplace portal interfaces. The participant interface/portal should have a participant's plan allocations for the year, in a way that allows them to calculate the averages costs for the services they receive and support them to budget their plan allocations over the course of the year. For example, if a participant chose a community access item that is delivered to them weekly, the interface should have the functionality to calculate this cost over the year, showing any over or underspend from this item (and other items). This will allow greater choice and control for participants over how they manage their individual plan budgets and services. There are systems currently available on the market offered by plan management services at a cost to participants. The NDIA could adapt these and offer at no cost to participants. This would increase the uptake and utilisation of plans nationally.

Any web-based system would need to be designed to meet the varied needs of NDIS participants. Participants have differing levels of literacy, numeracy, and digital literacy and may prefer accessing information in different formats. NACCHO invites the NDIA engage in a genuine co-design process for any web-based system to ensure it is fit-for-purpose, accessible, and culturally safe for Aboriginal and Torres Strait Islander participants.

Price limits on supports

There is significant unmet need for services for Aboriginal and Torres Strait Islander participants. According to NDIS demand data provided to NACCHO, there was over \$250 million in unmet need for Core Daily Activities alone for Aboriginal and Torres Strait Islander participants in the 2020-21 financial year. This, for a cohort which is 7% of all NDIS participants, shows significant underutilization of essential disability supports for an already marginalized group of Australians.

Part of the reason for the reason for this unmet need is poor access to culturally appropriate NDIS services for Aboriginal and Torres Strait Islander participants. The way to address this is to support the capacity building of ACCHOs to increase the number and capacity of ACCHOs delivering NDIS services to their communities, consistent with Priority Reform Two of the National Agreement on Closing the Gap.

NACCHO has been funded to by the Department of Social Services to deliver the NDIS Ready project, which aims to increase the number of ACCHOs delivering NDIS services and, therefore, improve access to NDIS supports for Aboriginal and Torres Strait Islander participants. While NDIS Ready has made significant inroads into increasing the number of ACCHOs delivering NDIS services, many of our members are still reluctant to engage with the NDIS.

ACCHOs have flagged with NACCHO that part of this reluctance is due to the financial risk of delivering NDIS services, as well as and reputational risk with the broader community. This is not an unfounded concern, particularly when considering low-margin and, therefore, riskier services such as Core Daily Activities.

ACCHOs deliver holistic and wrap around services to their communities. This means frequently stretching budgets to deliver services over and beyond what ACCHOs are funded to do. Current NDIS pricing arrangements do not account for all the additional disability work ACCHOs inevitably end up doing to support their community members, including pre-access and access work, case management, and advocacy. This additional work ensures Aboriginal and Torres Strait Islander participants are appropriately supported, both clinically and culturally, throughout their NDIS journey.

Further, the complexity of delivering services to Aboriginal and Torres Strait Islander people is compounded by factors such as higher rates of chronic illness⁶ and higher rates of poverty as compared to other Australians⁷. Due to this, while the assumptions underpinning various NDIS pricing line items might be appropriate for mainstream service providers, it should not be taken for granted that these assumptions are appropriate for ACCHOs or any other services delivering supports to Aboriginal and Torres Strait Islander people.

Additionally, the current Aboriginal and Torres Strait Islander disability workforce is inadequate and there is need to significantly grow this workforce. The growth needs for the entire care workforce is estimated to be in the order of 14.2% to 2025, a requirement for an additional 249,500 workers⁸. For Aboriginal and Torres Strait Islander workers to make up a modest proportionate component (say 3.3%) of the forecast increase, an additional 8,233 Aboriginal and Torres Strait Islander workers are required by 2025. But we know that Aboriginal and Torres Strait Islander people make up a far greater proportion of the people who need care, so this number is an underestimate. Our established network of 143 ACCHOs with their 550 clinics are a well-established national resource. But our existing services are already experiencing severe workforce shortages.

Expansion of the Aboriginal and Torres Strait Islander workforce ensures the care sector can address the needs of Aboriginal and Torres Strait Islander NDIS participants. Aboriginal and Torres Strait Islander workers can align their unique sociocultural skills and cultural knowledge to improve patient care, improve access to services, and support the provision of culturally appropriate care and service provision⁹.

Supporting the Aboriginal and Torres Strait Islander care workforce to grow will have long-term benefits for Aboriginal and Torres Strait Islander NDIS participants. A study by Gilroy and colleagues (2017) found the importance of Aboriginal and Torres Strait Islander workers to support people with a disability,

⁶ AIHW. (2016) Australian Burden of Disease Study: impact and causes of illness and death in Aboriginal and Torres Strait Islander people 2011.

⁷ ACOSS and UNSW. (2018). Poverty in Australia 2018.

⁸ National Skills Commission. (2020). Industry Employment Outlook, Employment Projections. <https://lmip.gov.au/default.aspx?LMIP/GainInsights/EmploymentProjections>

⁹ Gilroy.J., et al. (2017). Need for an Australian Indigenous disability workforce strategy: review of the literature. *Disability and Rehabilitation* 39:1664-7.

especially in rural and remote areas and proposed ways to support this important workforce, specifically:

- strategies to attract, develop and retain Aboriginal and Torres Strait Islander workers for the NDIS workforce;
- the importance of culturally safe NDIS services and community-centered principles;
- identification of strategies such as cultural training for workforce development¹⁰

To support the Aboriginal and Torres Strait Islander workforce, NDIS pricing arrangements need to adequately account for the costs of training new workforce and upskilling existing workforce to meet current and future workforce demand.

This is just one example of where the current NDIS policy does not align and is incongruent with the way ACCHOs deliver care for their communities. Therefore, NACCHO recommends that the NDIA undertake a full assessment of the real cost of delivering NDIS services to Aboriginal and Torres Strait Islander participants and the outcome of the assessment be reflected in the pricing arrangements.

Regional, Remote, and Very Remote

The costs of delivering services to Aboriginal and Torres Strait Islander communities in rural, regional, remote, and very remote can be enormous when compared with urban locations. This can be for a number of reasons including long distances between communities and urban hubs, limited resources within communities and workforce shortages that are constantly experienced by ACCHOs across Australia.

Due to these issues, and the resulting high cost of service delivery, many Aboriginal and Torres Strait Islander peoples will have limited access to the NDIS. The current prices set by the NDIA are too low for providers operating in these thin markets, so this review must consider the significant additional costs incurred by service providers delivering NDIS services in rural, regional, remote and very remote Australia. Without appropriate increases in funding, Aboriginal and Torres Strait Islander peoples with disabilities will be unable to receive the services they require, and to which they have a right.

Key barriers for participants living outside of urban centres include remoteness, isolation and the mobile and transient nature of people which makes it difficult to track possible participants. Costs increase in regional and remote areas due to numbers of participants, transport and complex needs (including comorbidity) of participants. The real costs of delivering services to Aboriginal and Torres Strait Islander peoples in regional and remote areas need to be assessed. Due to the additional resources required to engage with Aboriginal and Torres Strait Islander peoples in a culturally competent way, NACCHO believes that ACCHOs (and indeed mainstream providers) should receive a loading for the provision of NDIS services to Aboriginal and Torres Strait Islander peoples. This is a feature of other funding models for Aboriginal and Torres Strait Islander service provision in Australia. This weighting should be further increased to account for the costs of service provision in regional and remote Australia. Changes to the funding model to include consideration of the specific needs of Aboriginal and Torres Strait Islander

¹⁰ Gilroy, J., et al. (2017) *ibid*.

people with a disability would enable a more realistic service delivery business model for those areas currently experiencing thin markets.

For ACCHOs to employ health professionals for delivery of disability supports, there would need to be enough NDIS participants paying fees to support these roles. Consequently, there is a reliance on fly-in fly-out (FIFO) and drive-in drive out (DIDO) arrangements to provide services in these communities. This is very expensive, represents little value for money, and may also not be the best for the participants. Research into the short- and long-term economic effects of FIFO and DIDO practices is limited but what has been conducted shows that there is a poor understanding of the impact of these practices on the liveability of regional communities ¹¹.

Remote loadings do not cover all elements of service provision such as excessive travel time, limited facilities for specific therapies, capital costs for equipment and the cost of developing and supporting a workforce while the NDIS participant base is expanding.

Appropriate loading needs to include sufficient funding allocation for travel and subsistence funding (e.g. Medical Outreach Indigenous Chronic Disease Program (MOICDP) type funding). There are a lot of lessons that can be learnt from the health sector on the provision of specialist and allied health services to remote communities that are directly transferable to NDIS.

In 2019, the COAG Disability Reform Council agreed to use a more flexible approach to address market challenges in the NDIS and recognised a 'one size fits all' approach to deliver NDIS is not suitable to address market gaps faced by geographic location, particular cohorts, and certain disability types. This has set a precedent to change the way the NDIS is delivered to Aboriginal and Torres Strait Islander people.

NACCHO recommends the NDIA include additional incentives similar to the Practice Incentives Program and Service Incentive Payments and the bulk billing incentives which are provided in Aboriginal and Torres Strait Islander Health. Unless a significant investment is allocated to the ACCHO sector, we will not see an increase of Aboriginal and Torres Strait Islander disability services in regional, remote Australia. A long-term stable funding agreement (with the Commonwealth and State governments) should be in place to ensure that our sector can transform itself to be able to thrive in this market.

¹¹ Weeramanthri, T. & Jancey, J (2013). Fly-in, fly-out (FIFO) work in Australia: the need for research and a health promotion framework. *Health Promotion Journal of Australia*.