



PARLIAMENTARY JOINT STANDING COMMITTEE ON THE NATIONAL DISABILITY INSURANCE SCHEME
ANSWER TO QUESTION ON NOTICE

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Topic: Pricing

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Question

Senator GALLACHER: I know in South Australia there's a company that calls itself Ubercare which charges \$35 an hour for a two-hour minimum. Is that sort of stuff emerging across the sector?

Ms Rundle: Thirty-five dollars an hour for what?

Senator GALLACHER: Two hours minimum. You just ram up, and they come and give you personal care. It might not even be the disability sector; it might be just you need someone to come round and give you a hand.

Ms Rundle: I'll look at that. I can't comment on that specific one.

Senator GALLACHER: Well that's emerging as a result of, I presume, this sort of demand.

Ms Rundle: Possibly it is, but our price for attendant care is actually higher than that, as you would know. I think the second point that I was going to make is, firstly, we recognise the difficulty that providers are making. Having said that, some providers are doing reasonably well and some are doing quite well. So the experience across providers is variable, and we think that it's different for different reasons, which is why the pricing review that Mr Tidswell referred to is going to be really important. We want to really dig down and find out what the difference is between the different sorts of service provision, and so looking at services for complex participants and maybe other sorts like taking people into the community for community activities and looking across the whole range of those, looking at the geographical differences.

At the moment, our price guide is an east and west price guide, and we also have a loading for remote and very remote. What we know is that those geographical cuts at the moment probably aren't sensitive enough to cater for the other geographical differences, so we're looking at that. We're looking at emergency services, short-term care and crisis care, and there's a range of other things that the review will look at: the adequacy of pricing and provider sustainability. It'll also give us advice about the glide path to a deregulated point, which is a much later in the future for some things.

Answer:

The National Disability Insurance Scheme (NDIS) does have examples of competition emerging across the sector. Lower prices can be one feature of emerging competition, along with improvement in quality of service and new methods of service delivery.

The NDIS is designed to encourage and reward disability support providers that can deliver the most value for participants. Participants have a limited budget for disability supports, which gives them a clear incentive to find and choose the support providers that offer them the best combination of quality and price. Over time, the National Disability Insurance Agency expects to see competition in the delivery of supports in most markets, which should reduce the need for price regulation.

For example, some providers use interactive technology to connect with participants and to schedule supports. This can save costs for those participants that have access to the technology and the capacity to use it, but might not be a viable option for other participants.