

## **Opening Remarks to Joint Standing Committee Hearing on Transition to NDIS**

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21<sup>st</sup> September 2017**

Thank you for the opportunity to meet with the Committee today.

Today, I'll talk through some key points of our submissions, and I'll also provide some practical examples as evidence of our experience to date with the transition to NDIS.

The MJDF is strongly committed to supporting the implementation of the NDIS in ways that maximize the benefits for our clients.

We are also committed to continuing to play a practical and constructive role in providing informed advice to governments and the NDIA on ways the design implementation of the NDIS can be continuously improved.

In this context I also draw the Committee members' attention to our detailed submission to the Productivity Commission Inquiry into NDIS costing, and our own Unit Costing study, which was independently assessed by Deloitte Access Economics.

We believe these are timely and considered contributions aimed at both improving the understanding of the realities out on the ground in remote and very remote Australia, whilst also identifying measures that will ultimately improve outcomes for those individuals and families whom the NDIS is aimed to benefit.

The issues raised in our submission regarding the transition to NDIS in remote and very remote Aboriginal communities in the NT highlight the significant challenges involved in implementing a market based model in areas where in most cases, remote markets are at best thin, or generally non-existent.

Given the necessary and substantial investment required under the NDIS, MJDF understands that it is critical that the scheme provides value for money if it is to continue to enjoy support from people living with a disability and Australian taxpayers alike.

Governments and the NDIA therefore need to appreciate the significant potential opportunity costs that will occur if the policy and program settings fail to get it right and lack the flexibility (i.e. one size fits all) to respond to the varied circumstances and realities in remote Australia.

Some of the key points raised in our submission include:

- NDIS support item prices across the board (ie both urban and remote) are significantly less than the costs of providing these supports.
- Whilst a 25% increase is applied to support items for very remote communities, this is a simplistic model and fails to understand what it takes to deliver supports in very remote communities and the extensive barriers that exist.
- In a remote community, it is not possible to structure an optimum workforce with skills that match the NDIS supports that participants requires. For example, for a Physiotherapist on staff. They would have the capacity to deliver (let's say) 8 physio sessions per day attracting an NDIS price modeled to reflect the skills needed, however in the very remote community where they work, there is the need for 4 physio sessions. But, we are paying this highly skilled person a high salary, so we must utilise the other 4 hours of the day. So they support participants to access their community by going shopping, attending a funeral, going to an NT Housing meeting, attracting a much lower NDIS price. The mix of NDIS supports delivered will never cover the cost of that highly skilled person.
- And even if there was the capacity to fully utilise the Physiotherapist to conduct the higher priced items, the NDIS pricing model when applied to very remote communities also fails to take into account the significant barriers that exist around staff accommodation. The MJDF has struggled for 10 years to secure staff accommodation in the communities we work in. *We FIFO (for ex) from Croote to Ngirku*
- The quality of the current planning process is inconsistent across the various locations and reflected in the significant discrepancies occurring between individual plans. I will provide a comparison of two plans to you today.

MJDF has worked hard to build good relationships with the NDIA on the ground –it is important to state that our criticisms are not directed to individual staff. In fact we find that many staff are just as frustrated

as we are in having to cope with the inflexibility of the NDIS as it is currently designed in effectively responding to the realities of delivering support in remote communities and dealing with unreasonable and unrealistic deadlines being imposed in order to rollout by ambitious and unrealistic due dates.

I draw the attention of the Committee to two very practical examples that provide evidence to support my points.

Firstly I would like to compare two NDIS plans.

Plan 1 is for a lady from Elcho Island with moderate to severe MJD. Plan 2 is for a lady from Groote Eylandt with moderate to severe MJD. Both ladies are at fairly similar stages of MJD and similar ages. The Elcho lady's support needs slightly higher due to co-morbidities, social/emotional issues and less available family support. As part of the transition to NDIS, on Elcho Island, planners met with participants without the MJDF present and without MJDF having the opportunity to first provide our NDIS education to the lady; the NTG OoD provides the current levels of support being received by their clients as a guideline. This did not take into account: that this lady had been referred to NTG Office of Disability in August 2016 and re-referred in November 2016 as an intake assessment had not occurred. In January 2017, the OoD key contact said they could not follow up on the assessment because the Arnhem NDIS rollout had commenced. So this lady was receiving no government funded supports when her planning was done. It also did not take into account the significant gaps in supports that were being provided by the MJDF – not only as part of our FiFo visits, but significant amounts of time coordinating her supports from other locations.

On Groote Eylandt, (after advocating strongly to the NDIA) about the planning process on Elcho, MJDF received notification of NDIA's visits, had time to do pre-planning sessions with our clients, and participated in the planning session. *The NDIA planner was an Aboriginal woman.*

The Elcho plan is \$79k. The Groote plan is \$186k. ie. the Elcho plan is 42% of the Groote plan for a person with similar needs.

Despite an agreement from the NDIA to ensure we work closely together on planning for the rest of the rollout for people living with MJD, and despite us providing our calendars to NDIA months in advance, we continue (as late as yesterday) to receive pressure from

NDIA to conduct planning without our presence (or for us to phone in). In the case of Ngukurr (as part of Darwin remote transition), MJDF was initially informed the planning was to be done from July to December 2017. This was very recently changed to a September deadline by NDIA head office, with NDIA NT staff on the ground acknowledging significant pressure to get plans approved sooner than they had anticipated. An NDIA NT Director noted to me yesterday, we've already been to Ngukurr 3 times for only 12 participants, so we cannot go again when the MJDF is next there in October.

In summary, the NDIA, Commonwealth and State/Territory governments should recognise the full implications arising from existing endemic market failure in remote and very remote communities and develop specifically targeted long term initiatives aimed at addressing current shortfalls in areas such as infrastructure, transport, staff accommodation; and work in partnership with locally based organisations to fund and implement these.

It is critical that the NDIA works with those organisations that have established relationships, knowledge of and trust of participants and their families – this can only mean demonstrable better outcomes for clients and for the NDIA itself.