

Briefing about the National Disability Insurance Scheme

Background

- The National Disability Insurance Scheme (NDIS) will reform the way people with disabilities are provided with support. It is targeted at people with a significant and permanent disability and their families and carers. The scheme focuses on early intervention, where getting early supports can reduce the impact of the person's disability.
- It will cover approximately 460,000 people.
- It has been supported by all political parties in Australia, despite the increased cost to taxpayers and will see responsibility for funding and administering supports consolidated to the federal government.
- The National Disability Insurance Agency (NDIA) is an independent statutory agency whose role is to implement the NDIS.
- The Scheme becomes a core centrepiece in the wider National Disability Strategy which identifies the ongoing role of all governments to enhance accessibility and opportunities for people with disabilities.

Key features

NDIS aims to:

- support people to live their life. This includes independence, involvement in the community, education, employment, and health and wellbeing.
- give people more choice and control over how, when and where support is provided.
- give certainty over the support somebody receives over their lifetime.

Assistance from the NDIS is not means tested and has no impact on income support, such as the disability support pension and carers allowance.

For people who need assistance

Anyone with or affected by a disability can ask for information and referrals, including families and carers of people with a disability. This can include better access to information about the most effective support options, links to local support groups, clubs and programmes, or referrals to relevant community services and supports.

For families and carers

NDIA work with families and carers to make sure the support they give can be sustained. The carer's role is considered when developing plans with participants including the support they provide, other responsibilities, and their own life plans. Some people with disabilities may want the support of family and carers to make informed decisions. Support is also available to assist the person with disabilities and their family to implement their plan where required – either through a Local Area Coordinator or where more complex, as a funded support in their plan.

Eligibility criteria

- an Australian citizen or a permanent resident
- aged under 65, including children
- have a condition that is likely to be permanent that stops them from doing everyday things unaided
- need some support now to reduce support needs in the future
- live in one of the trial areas until the scheme is rolled out, commencing nationwide in 2016

Costs

- The Scheme assumes that participants will self-manage their funds. Alternative arrangements are available if they are not confident to do this or where their circumstances may pose risks to their successful management of this.
- No matter how funds in a person's plan are managed the person remains in control of which providers they select and when and how the support is delivered.
- The estimated cost of the scheme is \$22 billion per year.
- The first state to fully commit to funding for the scheme was New South Wales on the 7 December 2012, with costs roughly divided between federal and state governments requiring re-direction of existing funding and some new funding.
- As part of the financing of the Scheme, the levy all Australians pay for their public health scheme (the Medicare levy) was increased by 0.5%. This levy commenced in 2014 and will not be accessed until later in the rollout to ensure that the fund contributes earnings to the Scheme.

Funding

NDIA staff will look at a participant's individual circumstances and determine reasonable and necessary funding to address the impact of their disability on the achievement of their goals for economic and social participation.

NDIA staff make decisions based on the *National Disability Insurance Scheme Act 2013* and the rules made under the NDIS Act. The operational guidelines also provide practical guidance for decision makers. It is likely that over time, further guidance will be added to some of the operational guidelines to:

- give participants, their families and carers access to information about what to expect from the NDIS
- explain what typical reasonable and necessary supports for a person with similar needs and circumstances are likely to be
- guide NDIA staff to make consistent decisions when identifying supports that are reasonable and necessary, and
- assist in ensuring the financial sustainability of the NDIS.

The NDIA is clear that the expected levels of some funded supports are not caps, but rather expected levels of funding that a participant might have in their plan.

In some circumstances, a participant's plan might need higher levels of supports, where they are in line with their goals and outcomes. The operational guidelines include information about what can be considered above the expected levels of funding in individual circumstances.

The Information, Linkages and Capacity Building (ILC) provides a policy framework guidance to the NDIA in developing a transition and implementation strategy for ILC. ILC is a key component of the NDIS insurance model and will contribute to the sustainability of the NDIS by building the capacity of the community, people with a disability, their families and carers, which in turn will reduce the need for funding of supports for people with a disability through Individual Funded Packages. ILC should minimise the need for escalation of support into an individually funded package through early intervention, prevention and capacity building.

Copies of current thinking on the ILC framework are attached.

Timescales

- The scheme is being phased in over a three year period from 2016 to 2019. It is hoped by the end of 2015 that 20,000 disabled people will be assisted, ultimately rising to 460,000 people when the scheme is fully implemented.
- For the first three years, it was introduced as trial sites at selected locations to enable the NDIA to build processes, test interfaces with mainstream systems, and educate and work with the sector about the changes.

- Bilateral agreements currently finalising details the approach to rolling out the scheme from June 2016.
 - As an example, 100,000 people in New South Wales (NSW) alone will be transitioned to the Scheme in two years.
- By 2019 all block funded and centrally purchased supports for people with a disability will be individualised.
 - This means that a person will be have complete choice in the providers of their supports.

Safeguards

A nationally consistent quality and safeguards framework is being developed to ensure that people interacting with NDIS can expect consistent standards and safeguards wherever they live in Australia. NDIS participants should have choice and control over their lives while helping to ensure they are not at risk of harm, abuse, neglect or exploitation. The NDIS aims to provide an appropriate balance of regulation to ensure adequate protection for consumers while supporting choice and control, and a person's capacity to assess the level of risk.

Progress to date

In the first year of the launch, key achievements included:

- about 3,000 people initially drawn from the NSW local government area of Newcastle
- about 1,500 children with a disability in South Australia from birth to 5 years of age
- about 800 eligible young people aged 15 to 24 in Tasmania
- about 4,000 people in the Barwon area of Victoria including the local government areas of the City of Greater Geelong, the Colac-Otway Shire, the Borough of Queenscliffe and the Surf Coast Shire
- to date 20,322 people have been found eligible for support by the NDIS, of these 17,991 have had plans approved.

Quarterly reports are made available on the website at www.ndia.gov.au

The NDIS is monitored by the Australian Parliament through the Joint Standing Committee (JSC). The committee has published two reports – the most recent being on 12th November 2015 - both of which have highlighted how the Scheme has changed lives and how those who interact with the participants in day to day circumstances have witnessed the positive effects of the Scheme.

Three main challenges identified by the JSC

- Transition arrangements - The finalisation of the bilateral agreements for transition, particularly for mental health where funding and policy development is contingent on bilateral negotiations with the states and territories and is yet to be fully established. How does the Scheme transform from nationally funded and state delivered services into more personalised approaches?
- Advocacy - The need for people with a disability to have access to support and assistance to empower them in their journey in the NDIS.
- Workforce - an adequate supply of skilled workers and the capacity of the disability sector workforce to support the pace of Scheme rollout.

Other challenges

- the development and readiness of the service providers to support the pace of Scheme rollout
- the interface of the NDIS with mainstream services
- the definition, development and funding of services
- resolving transport issues for both participants and service providers
- supporting people with a disability to achieve greater economic and social participation through developing community supports
- supporting NDIS participants to find suitable accommodation

Information exchange: UK/ NDIS

What we might learn from NDIS:

- How the public and politicians were engaged and persuaded to agree to this particularly the process of communication whereby there was realisation that any one of us could become disabled.
- Building in actuarial assessment in relation to individual budgets which requires a focus on short term investment for longer term gain
 - This is not a claim management system but rather, one focused on strategies and funding to allow for actuarial release.
- Building in prevention and community support
- Funding is therefore typically categorised as:
 - Core – for areas such as personal support
 - Capital – for equipment
 - Capacity building – investment made in for example, therapy, behaviour management, employment readiness, independence building,

How we might help NDIS:

- History of personalisation, personal budgets, direct payments and developments in personal health budgets.
- Making Safeguarding Personal and the Mental Capacity Act and Deprivation of Liberty Safeguards

Conclusion

To date, the NDIS has helped transform 20,000 disabled people's lives by making their care more personalised and dignified, and providing choice, control and independence. However, there is still a lot of work and challenges ahead, particularly regarding the phased transition, to make sure that the Scheme is fully rolled out by 2016.