

Inquiry into the provision of NDIS services for people with psychosocial disabilities

27 February 2017

Introduction

The Victorian Healthcare Association (VHA) welcomes the opportunity to contribute to the Joint Standing Committee on the National Disability Insurance Scheme's (NDIS) Inquiry into the provision of services under the NDIS for people with psychosocial disabilities related to a mental health condition. The VHA agrees to this submission being treated as a public document and being cited in any reports that may result from this consultation process.

The Victorian Healthcare Association is the not-for-profit peak body supporting Victoria's public health services to deliver quality care. Members of the VHA include Victorian public hospitals, and health services (including registered community health services) that deliver residential aged care, home care and disability services. By our estimates our members make up approximately 15 per cent of Victoria's registered disability services.

In Victoria, mental health services are delivered by a range of organisations in many settings, with funding and program design undertaken by the Commonwealth and Victorian governments, non-government organisations, charities and community groups. Public hospitals and community health services, which are represented by the VHA, constitute important components of the Victorian mental health system and deliver a broad range of mental health services across the care continuum.

Given the interests of our members, we have identified five key themes that are relevant to this consultation:

- Transition and funding of government funded services
- Pricing of supports under the NDIS
- Eligibility criteria for the NDIS
- NDIS and mainstream health interface
- NDIS and a holistic service approach

1. Transition and funding of government funded services

As part of the transition to the NDIS, Victoria has committed all of the funding previously used to deliver community based mental health services. Victoria is the only state that has done this, and it means that there will be a significant gap and risk for Victorians that require mental health services but who may not be eligible for the NDIS. It is currently estimated that as many as 10,000 Victorians living with mental illness will be unable to

access an appropriate service when the NDIS is fully implemented.¹ We are concerned that these Victorians - many of whom are currently receiving care through the mental health community support services program - will find themselves without access to an equivalent support. We elaborate on this further below, at section 3.

The transition of funding for a number of mental health programs from federal funding to the NDIS, such as Partners in Recovery, the Personal Helpers and Mentors Service, Support for Day to Day Living in the Community and Mental Health Respite Carer Support will also impact community-based mental health services.

It will be crucial to monitor funding for the scheme to ensure that service delivery for NDIS participants is what was always intended; that is - outcomes focused and responsive to individual goals, rather than a consequence of cost shifting between federal and state governments.

2. Pricing of supports under the NDIS

Funding for services as set out under the NDIS pricing framework must be adequate in order to drive improvements to the service system for people with a psychosocial disability.

The VHA is concerned that some key price caps for NDIS support services, set by the National Disability Insurance Agency (NDIA) to ensure the sustainability of the scheme whilst maintaining a reasonable price for supports, will fail to adequately cover the costs of providing quality supports, particularly rural and very remote areas and for people who need to travel long distances to access services

Further evidence is needed to inform the price caps set by the NDIA² and if the levels of these caps are not revisited there is a risk that the prices will lead to reduced availability, quality and diversity of supports available to people with disabilities. Long standing service providers will not be financially viable under the NDIS and may opt-out of service provision, leaving vulnerable clients stranded.

The NDIA acknowledges the variability of costs by applying increased price loadings for the delivery of supports to participants in remote and very remote parts of Australia.³ However, in many cases these loadings do not meet the costs of providing support, particularly to people with complex needs.⁴ Additionally, there are no allowances for areas of potentially thin markets in regional and metropolitan areas.

The VHA is concerned that in environments which are financially constrained, there will be a lack of incentives for providers to actively engage the most disadvantaged clients

¹ VICSERV 2016, *State Budget Submission 2017-18 Towards a Responsive Mental Health System in Victoria*, Psychiatric Disability Services of Victoria

² National Disability Services 2016, *Human Services: Identifying sectors for Reform Submission to the Productivity Commission*, NDS, http://www.pc.gov.au/data/assets/pdf_file/0013/205123/sub262-human-services-identifying-reform.pdf

³ National Disability Insurance Agency, 2016, *2016/17 Price Guide for NDIS Service Providers*, Pricing and payment website section, accessed 7 December 2016, <https://www.ndis.gov.au/providers/pricing-and-payment.html>

⁴ National Disability Services 2016

and they may instead look to manage clients who provide the lowest barriers to positive outcomes,⁵ leaving vulnerable people at risk.

To support providers to deliver quality services to all Australians that require them, the NDIS price guides must reflect the true costs of providing disability care across rural, remote and metropolitan areas. An analysis of these costs should be undertaken in order to update the NDIS price caps.

3. Eligibility criteria for the NDIS

Not everyone will be eligible for the NDIS. As the full rollout of the NDIS commences, the VHA is concerned that differences in eligibility between the NDIS and existing Victorian community mental health services may result in vulnerable Victorians falling through gaps.

Participants must meet certain age, residency and disability or early intervention access requirements to be deemed eligible for the NDIS and need to provide evidence of disability and undergo a functional assessment to determine whether these requirements are met. Of considerable concern for the VHA is the possibility that functional assessments fail to identify a psychosocial disability, particularly if staff lack the skills and knowledge needed to assess people with mental health conditions. Furthermore, current mental health assessments are not designed to identify disability support needs, thus creating a risk that clients currently receiving federally or state funded supports may not be deemed eligible to receive the same level of supports under the NDIS⁶.

In addition, NDIS legislation dictates that the disability must be permanent, or likely to be permanent⁷, which conflicts with the rehabilitative focus of community-based mental health services. The reliance of the eligibility criteria on permanency, as well as the definition of mental illness as a formal disability, does not reflect a recovery-based approach to mental health services and may serve to stigmatise those experiencing a mental illness, potentially impeding their access to assistance and support.

With the transition of federally and state funded programs into the scheme, and the committal of Victorian state funds to the NDIS, people living with a mental illness who are not eligible for the NDIS and whose needs are not being met by the state will experience reduced choice and availability of services.

The Productivity Commission estimates that only 60,000 of the 489,000 people living with serious mental illness in Australia would be eligible for support through the NDIS⁸. Victorians who are ineligible for the NDIS would no longer be able to access community mental health care unless they can continue to access state funded mental health

⁵ Queensland Council of Social Services, 2016, *Competition in the Human Services, Safeguarding Access for the Most Vulnerable Clients, A QCOSSE Discussion Paper*, September 0215, <https://www.qcoss.org.au/what-are-your-thoughts-about-competition-human-services>

⁶ National Mental Health Consumer & Carer Forum, Position Statement: Unravelling Psychosocial Disability, accessed 20 February 2017

⁷ Australian Government 2017, National Disability Insurance Scheme Act 2013, accessed 20 February 2017.

⁸ Source: <http://www.pc.gov.au/inquiries/completed/disability-support/report/37-disability-support-appendixm.pdf>

services. This underlines the importance of continuing state funded mental health services.

People that are found to be eligible for the NDIS will experience a service delivery model that is considerably different to what they presently access. For example, the Evaluation of the NDIS Intermediate Report by The National Institute of Labour Studies identified that a number of issues of concern are already emerging for NDIS participants who have a psychosocial disability⁹. When compared with participants with other disabilities, people with mental health and psychosocial disability were more likely to report less choice and control over their supports since becoming NDIS participants¹⁰, held concerns that their level of social participation had not increased under the NDIS, reported a lower measure of wellbeing when compared with participants with other disabilities¹¹ and experienced higher than average dissatisfaction levels about what type of supports they obtained¹².

The VHA believes the eligibility criteria for the scheme should not create a barrier for individuals to access supports, and should be flexible to respond to episodic functional impairments due to a mental health issue or psychosocial disability.

The VHA also recommends that funding be continued for federal programs such as the Personal Helpers and Mentors Programme and family mental health services to ensure continuity of service for people currently in receipt of services that will not be eligible for the NDIS.

Adequate funding should be provided for Victorian state funded community-based mental health support services to ensure critical services are retained for those not eligible for the NDIS.

4. NDIS and mainstream health interface

Many NDIS participants will continue to require clinical treatment and rehabilitation from the health sector while at the same time receiving a range of non-health services via the NDIS. Coordination between the two sectors is a key issue for the scheme.

Many mental health courses of care are episodic and may encompass a mixture of interventions ranging from community-based supports to hospital admissions. Psychosocial disability can exacerbate mental health conditions and increase the need for crisis intervention and health care supports that could be reduced if the appropriate support services were provided earlier on.

The VHA is concerned that if people with mental health needs are not able to access the supports they need under the NDIS, they may then end up utilising more acute focused health services, such as emergency hospital care or inpatient mental health. This would lead to poorer outcomes for Victorians as well as a much higher financial impact to the

⁹ The National Institute of Labour Studies 2016, Evaluation of the NDIS Intermediate Report September 2016

¹⁰ Ibid p.p 13

¹¹ Ibid p.p 15

¹² Ibid pp.57

health system. This is a significant risk to both clients and health services and must be addressed as a matter of priority.

There is also significant risk that those who do not qualify for NDIS packages will seek support through the existing community health counselling services or through Victorian Area Mental Health Services. Should this occur, already strained resources will be stretched and access to care further diminished.

This could have a number of consequences for the NDIS such as the potential for people to enter the scheme with higher levels of disability over time, and the risk of increasing costs.

5. NDIS and a holistic service approach

Members of the VHA have reported concerns with the planning process for the NDIS and the ability of planners to identify people with a psychosocial disability and support their entry into the scheme.

Members are also concerned about the complexity added by the current reforms to the broader health and mental health sectors as well as the transferring of responsibilities for many Commonwealth funded mental health programs to Primary Health Networks.

The NDIS will need to ensure that the planning process is holistic and promotes successful collaboration across different community-based service providers to provide effective support for people with a psychosocial disability.

However, the scope and role of Primary Health Networks, and activities funded under the Information, Linkages and Capacity Building component of the scheme are yet to be clarified.

The VHA recommends that any decisions made in relation to the funding for supports under the NDIS, also be made with consideration of the broader policy reforms occurring in this sector.

6. Conclusion

The VHA acknowledges that the NDIS will have considerable impact on service providers and also recognizes that, if service and funding gaps are not met, there will be a considerable impact on people living with a mental illness.

The VHA continues to endorse the principles of the NDIS, as agreed by the federal government and all states and territories to ensure that the transition to the NDIS does not lead to any reduction in supports and is outcomes focused.

In doing so, the VHA recommends that:

- The NDIA works to minimize barriers to access that may be caused by the scheme's eligibility criteria.

- Funding be continued for federal programs such as the Personal Helpers and Mentors Programme and family mental health services to ensure continuity of service for people currently in receipt of services that will not be eligible for the NDIS.
- Dedicated funding for Victorian community-based mental health support services be continued to ensure system structure is retained for those not eligible for the NDIS.
- The NDIS price guide be reviewed to ensure it reflects the true cost of providing disability care.

Further information

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