The NDIS: Today and Tomorrow

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Agenda

• Introduction to the Scheme
• Key results and trends from trial
• Cost pressures and management responses
• Transition to full scheme
• Tools to support transition
The NDIS: A new way
• Supports tailored to individual needs
• Insurance approach for sustainable costs
• Choice and control is central
• Needs driven
• Delivered in local communities
• National coverage
The NDIS: A new way today
Trial (1 July 2013 to 30 June 2016)

1. Hunter area, New South Wales
2. Nepean Blue Mountains area, New South Wales (under 18 years of age)
3. Australian Capital Territory
4. Tasmania (age 15-24)
5. Barwon area, Victoria
6. South Australia (age 13 and under on 1 July 2014)
7. Perth Hills area, Western Australia
8. Barkly region, Northern Territory
9. Townsville and Charters Towers, Queensland (under 18 years of age)
10. Palm Island, Queensland
Key results

Participants

As at 30 June 2016:

• **35,695** participants were eligible for the scheme (98% of the bilateral target)
• **30,281** participants had an approved plan (83% of the bilateral target)
Age

- Age distribution in New South Wales (Hunter) trial site is in line with underlying assumptions in the actuarial model.
- There is a higher number of 0-14 year olds in the Victorian, Australian Capital Territory and Western Australian trial sites than expected.
- The Northern Territory trial site has an older population than expected.
Autism and related disorders and intellectual disability are the largest primary disability groups across all sites. Developmental delay and psychosocial disability are also large groups in New South Wales (Hunter) and Victoria.
• Developmental delay and global developmental delay are large primary disability groups in the South Australian trial site, reflecting age distribution of the site.
• Developmental delay is a large primary disability group in the Australian Capital Territory.
- Cerebral palsy is a large primary disability group in Tasmania, the Northern Territory, Western Australia, New South Wales (Nepean Blue Mountains) and Queensland.
Committed support

As at 30 June 2016,

• $2,404.3 million of support has been committed in total to the 30,281 participants with an approved plan.

• Committed supports are 95% of the funding envelope in 2013-14, 111% of the funding envelope in 2014-15 and 105% of the funding envelope in 2015-16.

• Although committed support exceeds the funding envelope in 2014-15 and 2015-16, not all committed support is being utilised.

• Due to the phasing of participants into the scheme during the trial period, comparing committed support with the bilateral agreement does not reflect full scheme costs.
Actual payments and utilisation of packages

As at 30 June 2016,

• Actual payments to service providers were $869.4 million.

• Actual payments as a proportion of committed supports are 65% for supports provided in 2013-14, 74% for supports provided in 2014-15 and 68% of supports provided in 2015-16.

• Actual payments to date represent 70% of all committed supports expected to have been provided between 1 July 2013 and 30 June 2016.
There were 2,217 registered providers as at 30 June 2016. Out of these, 2,134 operated in one State/Territory and 83 operated in multiple States/Territories.

Individual/sole traders are the most common provider type (36%), followed by private companies (27%).

The majority of registered providers are new to the NDIS (86%) – that is, they were not previously registered with DSS.
Plan management options

- The majority of plans are agency managed (58%)
- 7% of plans are solely self-managed and 35% of plans use a combination of agency management and self-management.
- Distribution of plan management options used by participants varies by site.
Cost Pressures

- Higher than expected numbers of children entering the scheme
- Increasing package costs over and above the impacts of inflation and ageing (“super-imposed” inflation)
- Potential participants continuing to approach the scheme
- Lower than expected participants exiting the scheme
- A mismatch between benchmark package costs and actual package costs.
Management responses

• The ECEI approach which provides a gateway to the NDIS for children 0-6 years
• The reference package and first plan process is a method for better aligning the level of function and need with support packages for participants when they first enter the scheme
• Analysis of reasonable and necessary costs across the lifespan with emphasis on levels of community participation and supports to live outside of the family home
• Development of guidelines on reasonable levels of family support across the lifespan
• Further work on psychosocial disability and people with chronic health conditions
• School Leaver Support Initiative
The NDIS: A new way...
Transition to full scheme

- 1 July 2016 marked the start of the transition to full scheme for the NDIS and the conclusion of the three year trial period.
- The NDIS is expected to grow to 460,000 participants by 30 June 2019.
Tools to support the transition

- Outcomes framework
- Reference packages
- First Plan process
Outcomes framework

Measuring outcomes

• The outcomes framework considers how outcomes can be measured at the scheme level, as well as the individual level, and will assist in understanding the benefits of the NDIS.
Outcomes framework

Baseline information

• For participants who received an approved plan in Quarter 1 of 2016-17
• These participants will not be reflective of all participants in the NDIS, due to the phasing schedule in the bilateral agreements
For 0-6 year old participants:
70% of children were able to make friends outside of the family, 62% participated in age-appropriate community, cultural or religious activities.

68% of which 68% felt welcomed.

For 7-14 year old participants:
49% say their child is becoming more independent, 61% are attending school in a mainstream class.

69% and 69% can make friends outside of the family.
15-24

- 64% would like more choice and control over their life.
- 42% choose what they do each day.
- 31% have no friends other than family or paid staff; 84% are happy with their home.
- 70% rates their health as either good, very good, or excellent; 30% currently attend or previously attended school in a mainstream class.
- 12% had a paid job, and 30% have been actively involved in a community, cultural or religious group in the last 12 months.

25+

- 52% would like more choice and control over their life.
- 49% choose what they do each day.
- 61% have no friends other than family or paid staff; 84% are happy with their home.
- 55% rates their health as either good, very good, or excellent; 39% participated in mainstream education and training.
- 23% had a paid job, and 37% have been actively involved in a community, cultural or religious group in the last 12 months.
Outcomes framework

Outcomes for families/carers

• Baseline information for families/carers of participants who received an approved plan in Quarter 1 of 2016-17
For families/carers of 0-14 year olds: 21% receive the carer payment and 42% receive the carer allowance.

43% are working in a paid job and 47% say they (and their partner) are able to work as much as they want.

51% see friends and family as much as they would like; and 77% rate their health as either good, very good, or excellent.

For families/carers of 15-24 year olds: 30% receive the carer payment and 46% receive the carer allowance.

46% are working in a paid job and 51% say they are able to work as much as they want.

54% see friends and family as much as they would like; and 66% rate their health as either good, very good, or excellent.
For families/carers of 25+ year olds (noting only a small number completed this survey):
16% receive the carer payment and 16% receive the carer allowance.

18% are working in a paid job and 79% say they are able to work as much as they want.

40% see friends and family as much as they would like; and 67% rate their health as either good, very good, or excellent.
Reference groups

Reference groups are groups of participants with similar characteristics, like age, disability type and level of function.
Measuring level of function

We measure level of function using a range of widely accepted and validated tools.

The tools were selected based on expert advice from professionals with specialist disability knowledge.

Tools are evaluated periodically to ensure a process of continuous improvement.
Measuring level of function

The assessment tool outputs can be mapped to a normalised scale of from 1 to 15 across all disability types, where 1 is the highest level of function that requires the least amount of funded supports, and 15 is the lowest level of function that requires the most amount of funded supports.
• Most participants aged 0-14 years in function levels 4 to 7.
• Participants aged 15 and over are more evenly spread across all levels of function compared to those aged 0-14 years.
Reference packages

- Reference packages were developed for each reference group.
- They were constructed by looking at individual supports that a particular person would normally need.
- These plans were then discussed with the expert groups and amendments made accordingly.

Reference packages are the expected annual amount of funding for people with similar support needs and characteristics.
The First Plan process

- A participant is first allocated a reference package based on their reference group (disability type, age and level of function).
- The package includes funding across eight domains.
The First Plan process

• Participants are then asked a series of **guided questions** to capture essential information for the development of the First Plan.

• Information gathered about the participant’s **individual circumstances**, how they currently manage everyday activities and existing levels of support is used to shape the support package to take into account individual circumstances and goals.

• Where **sustainable informal, community or mainstream supports** are able to continue to assist the participant, funding for this is adjusted in the First Plan.
The role of First Plans

• First plans will provide an efficient approach to planning.
• The approach will provide a clear link between level of function and support required.
• Reference groups, reference packages and First Plans will assist in detailed monitoring of scheme performance and identification of cost drivers, by comparing actual experience with expected experience.
• They will also assist the actuarial team in estimating full scheme costs.
Questions?

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