



Queensland Alliance for Mental Health

Annual Pricing Review 2021-22

Submission

28th November 2021

Who is QAMH?

Queensland Alliance for Mental Health (QAMH) is the peak body for the Community Mental Wellbeing Sector in Queensland. We represent more than 100 organisations and stakeholders involved in the delivery of Community Mental Wellbeing Services across the state.

Our role is to reform, promote and drive community mental wellbeing service delivery for all Queenslanders, through our influence and collaboration with our members and strategic partners.

At a federal level, we collaborate with Community Mental Health Australia. We work alongside our members to add value to the sector and act as a strong advocate on issues that impact their operations in Queensland communities.

QAMH contact details

433 Logan Road
Stones Corner QLD 4120

For any further information please contact:

Jennifer Black

Chief Executive Officer

Email: jblack@qamh.org.au

Tel: (07) 3394 8480

Background

QAMH welcomes the opportunity to provide a submission to the National Disability Insurance Agency (the Agency) on the Annual Pricing Review 2021-22 (the Review). We believe this Review is an important part of the NDIA's role as market steward and we are glad to have the opportunity to advocate for fairer pricing arrangements for providers of psychosocial disability services.

Since its rollout in 2016, the National Disability Insurance Scheme (NDIS) has provided a life changing opportunity for many Queenslanders living with psychosocial disability. In many instances, it has allowed them to access supports and services they require to exercise choice and control and effectively participate in society.

However, the NDIS has not been without problems. For providers of psychosocial disability services in particular, the intricacies of the pricing arrangements have led to confusion, bureaucracy and administrative complexity. The fee for service model with its flawed embedded assumptions has meant that providers of psychosocial disability services often fail to recuperate costs. In Queensland in particular, the thin markets in rural/remote regions, the lack of culturally appropriate services, and the vast distances needed to be traversed, mean the NDIS is failing to deliver choice and control to its participants.

Our response to this public consultation has been informed by our extensive knowledge of the Community Mental Wellbeing Sector in Queensland. QAMH has also established a special interest NDIS Advocacy Group focusing on concerns around the provision of psychosocial disability services, and we have consulted with this group in preparing this submission.

This submission will address the following areas:

- Complexity of the pricing arrangements
- Price arrangement and price limits for core supports
- Pricing arrangements for remote and very remote areas
- Recovery coaches

Complexity of the pricing arrangements

QAMH welcomes the Review's aim to simplify NDIS pricing arrangements, including the use of plain English and reduction of regulatory burden.

The NDIA states that one of its fundamental principles is to minimise complexity and bureaucracy for providers. However, feedback from NDIS service providers paints a picture of a Price Guide that is complex to the point of being indecipherable. Providers have difficulty understanding which line items are applicable to their situation and are particularly concerned there is no access to expert advice when clarification is needed. NDIS providers have expressed concerns about being audited and having to justify why certain line items were used, particularly when the consequences of misinterpreting the Price Guide are costly. "If you get it wrong, it's punitive" was the feedback from one provider, who admitted her organisation had to resort to using grant money to access expert advice on interpreting the Price Guide. QAMH would support the NDIA establishing a phone-based enquiry line which would provide clarification to providers who are trying to do the right thing and not claim irresponsibly. This could be based on the popular Medicare Provider Enquiry Line which provides advice to health practitioners on MBS item interpretation.

Transport line items are reported by QAMH's members to be particularly complex and the source of most confusion. The requirement to claim separately for the non-labour costs associated with travel adds an extra layer of administrative burden and needs to be reviewed. For the delivery of a single support, a provider may need to claim for four separate items: transport to and from the participant; provision of the support; and the non-labour costs associated with the travel. When administrative tasks like this are not billable but rather presumed to be embedded in the line item cost, it is understandable why our members remain frustrated with the burdensome system.

The regular Price Guide updates was another concern, as each update can incur costs related to required software adjustments. Providers would certainly support moving to a web-based interactive and automated guide, with search functionality and update alerts.

QAMH commends the Agency on its commitment to simplifying the pricing arrangements. We would encourage the Agency to consider the use of plain English, a web-based automated interactive price guide, a phone-based enquiry line for providers, and a review of the administratively-complex transport line items.

Pricing Arrangements and Price Limits for Core Supports

QAMH welcomes the Agency's review of price limits for core supports, especially the embedded assumptions that underpin the NDIS Cost Model for Disability Support Workers.

Providers report to us that they "don't often break even". The NDIS's fee for service model and pricing arrangements have significantly impacted service providers' ability to offer secure and satisfactorily remunerated employment, suitable working conditions and supervision. Another issue is the provision of staff training required to comply with standards and to provide quality supports to people accessing services. Staff recruited from the disability sector and those with generic disability qualifications (e.g., Certificate III Individual Support) require training to understand the very specific needs of people receiving psychosocial supports. It is also not uncommon to recruit staff to work in the NDIS with no formal qualifications, particularly in rural and remote regions where there is a lack of qualified applicants. The significant cost of this training is currently absorbed by service providers, but this is not a sustainable model going forward. QAMH strongly advocates for a review of the fee for service model, and hope the Agency takes these matters into consideration when reviewing the current pricing arrangements.

We were also pleased to see the Fair Work Commission's SCAHDS changes included in the Review's terms of reference. There is no doubt that minimum engagement for part time employees is going to significantly impact on providers of psychosocial disability services. Our members have already advised that it is too hard to employ part-time workers. The resulting casualisation of the NDIS workforce is largely due to the nature of psychosocial disability which is inherently different to physical disability. Those living with psychosocial disability often have fluctuations in their symptoms, and there is volatility in terms of changing participant needs. In order to provide choice and control, providers need to be responsive and adaptive to a participant's status, which naturally lends itself to a more casual workforce. That is, participants require flexibility in terms of service delivery (eg. the ability to change a core support to later in the day if there is acute deterioration, or cancel a support if everything is going well). However, this is only achievable if service providers have access to a workforce which is flexible. This proposed change from the Fair Work Commission will be a further barrier to the

employment of part-time workers as providers of psychosocial disability services just cannot be held to the rigid model which informs the dependency-based structure of physical disability.

The additional changes to the SCHADS Award such as a limit on the number of broken shifts in a day and the allowance for travel time between participants will add further costs to providers who are already finding it difficult to recover expenses. We urge the Agency to increase the hourly rate to reflect the additional costs to providers with these proposed Fair Work changes, without unfairly penalising participants.

The Temporary Transformation Payments and new arrangements for Group Supports are both considered administratively burdensome. One member stated that “no one understands it, it’s too confusing, and it would take too much administrative time to untangle when we’re struggling as it is”. Like so much of the pricing arrangements, there needs to be a simplification of these processes so service providers are not labouring under unnecessary administrative complexities.

Finally, the Review’s focus on core supports rather than capacity building is further reflection of the Agency’s failure to understand a recovery-oriented approach to practice. QAMH members have reported that they must use core funding to provide psychosocial support under flexible line items “because funding is rarely allocated in capacity building due to the mindset of dependency over independence.” Line items such as Innovative Community Participation (09_008_0116_6_3) and Life Transition Planning Including Mentoring, Peer-Support and Individual Skill Development (09_006_0106_6_3) are rarely funded. Additionally, other capacity building activities such as Assistance with Decision Making, Daily Planning and Budgeting (15_035_0106_1_3) and Individual Skill Development and Training (09_009_0117_6_3) are under-valued at the lowest rate and typically have insignificant budgets. As one member stated, “too much funding is allocated to Core and we end up with participants being allocated cleaners, cooking, craft groups and fishing trips by support coordinators with good intent but no insight into recovery practice”. QAMH strongly advocates for the Agency to consider reviewing capacity building line items such as those listed above and renumeraling them at a rate which reflects the value they provide to those living with psychosocial disability.

Pricing arrangements for remote and very remote areas

QAMH welcomes the Agency's aim to review the pricing arrangements in remote and very remote areas. While we welcome the price limits being 40% higher in remote areas and 50% higher in very remote areas, these current pricing arrangements are insufficient to entice providers into these areas. As one member who provides services in remote areas stated, "There are all these support coordinators coordinating all these wonderful plans but there is no organic, local service delivery that is culturally appropriate for the client's needs." Providers operating in remote and very remote areas of Queensland face such financial disadvantage that there is no incentive to provide services there. Thin markets have developed because the pricing arrangements do not reflect real world operating costs of delivering services in remote and very remote areas, including things such as travel, training, and other incentives required to attract appropriately trained staff. This limited workforce means that people with psychosocial disability living in these areas miss out entirely on critical supports and a lack of choice and control, a fundamental principle of the NDIS. Consideration should be given to setting price limits which accurately reflect the challenges associated with delivering services in rural and remote areas.

Recovery Coaches

QAMH strongly advocates for the Review to consider the value of line items for Recovery Coaches. While the consultation paper specified support coordination as an area for review, it was disappointing to see that the pricing arrangements for Recovery Coaches were overlooked. According to one provider, "psychosocial disability is completely devalued through the entire Pricing Guide but nowhere more than in the payment of Recovery Coaches."

QAMH welcomed the addition of Recovery Coaches into the psychosocial disability landscape in July 2020, consistent with our belief in recovery-oriented care. Through their expertise in coaching people with severe complex mental health issues, Recovery Coaches assist people to build on their strengths and increase their capacity to live a full and meaningful life. The inclusion of this important service was an acknowledgement that people with psychosocial disability have different needs to those with physical disability.

However, since then, QAMH has become concerned that rather than being a useful addition to the suite of services offered to people with psychosocial disability, Recovery Coaches have been treated as a cost saving measure. The standard rate for recovery coaching per hour is \$85.62, compared to \$100.14 for support coordination. Service providers have reported that participants are having Recovery Coaches approved at the expense of, rather than in addition to, support coordinators. The remuneration for Recovery Coaches compared with support coordination, and a reduction in support coordination hours where both roles are needed, suggests that the NDIA does not fully appreciate the role of Recovery Coaches. The two roles provide distinctly different types of skills and knowledge and therefore one should not be funded to the detriment of the other.

QAMH is also concerned that the hourly rate of \$85.62 does not take into consideration the training and supervision required. The Agency states “Recovery Coaches must have tertiary qualifications in peer work or mental health (minimum of Certificate IV in Mental Health Peer Work or Certificate IV in Mental Health) or equivalent training; and/or a minimum two years of experience in mental health-related work.” The same standards are not applied to a support coordinator, suggesting the Agency wants to pay less for a service that has more responsibility and requires more skills than a support coordinator.

Recovery Coaches are highly skilled in the field of coaching people with severe, complex mental health needs. They have a deep understanding of psychosocial recovery (either lived or learnt), as well as technical expertise to assist people to manage their illness and navigate the complexities of the mental health system. As one member explained, “We come in to clean up the mess.....when there’s no budget left they call us for basically pro bono work.....One client lost \$100,000 in a year to craft groups before we stepped in to provide recovery-oriented care.”

We strongly advocate for a review of the Price Guide in regard to the Recovery Coach line item and consideration given to renumeration at a similar rate to support coordination.

Thank you for the opportunity to contribute to this important Review. We look forward to reading the recommendations of the Review in March 2022. Please do not hesitate to contact QAMH should you require any further information.