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Re: NSW Community Sector Experience of the National Disability Insurance Scheme (NDIS)

To the Shadow Mental Health Minister,

Thank you for inviting the Mental Health Coordinating Council (MHCC) to attend a meeting on June 1st that you are convening to discuss mental health sector NDIS experiences. While MHCC is unable to attend we are using this reply to share aspects of the NSW experience with you.

MHCC is the peak body representing community sector organisations in NSW that provide services to people affected by mental health conditions. Since June 2013 we have worked with the Mental Health Commission of NSW to undertake a NDIS and Mental Health Analysis Partnership Project. This has involved an MHCC Senior Policy Advisor working PT in the Hunter trial site to better understand and influence NDIS experience as this relates to people affected by mental health conditions and those that provide services and support to them.

A major achievement of this work has been the establishment of a Hunter NDIS and Mental Health Community of Practice Forum with 60-80 people attending these quarterly events to reflect on NDIS opportunities and challenges. The last of these forums will be held on 21 June.

While the NDIS trial has made available considerable new opportunities it has also revealed considerable challenges. The three main challenges that we wish to convey to you relate to access, pricing and readiness.

Access

At the end of March 2016 there were 586 people with a primary psychosocial disability accessing an NDIS individually funded package in NSW (MHCC's estimate for optimal access is 1,300 by the end of the trial). The main access barriers relate to: 1) poor processes for engaging with people with cognitive-behavioural impairment; and, 2) lack of sufficient evidence of impairment. The numbers of people with mental health (MH) conditions approaching the National Disability Insurance Agency (NDIA) but being told that they are ineligible or 'choosing' to withdraw their application is believed to be large but is not publically reported. The NSW Bilateral Agreement provides opportunities for 31,217 new people to access the NDIS from 1 July 2016 to 30 June 2018 and rising to 57,621 by 30 June 2019. This includes Commonwealth funded mental health program clients whose numbers are unknown other than for a NSW Partners in Recovery (PIR) capacity of around 7,000. NDIA (NSW) state that there will be little room for new mental health clients over the next two years other than for people with 'urgent and exceptional needs' and this has not been defined. Also, 'initial plans' for Commonwealth mental health clients will be maintained at their current low levels. The NSW NDIS priority for transition of current Ageing, Disability and Homecare (ADHC) clients means that MH consumers are being discriminated against in NDIS implementation. MHCC's concerns about the NDIA (NSW) position have most recently been discussed with the NSW MH Minister (11/5), the NSW MH Commission (17/5) and NDIA (national; 20/5). We are now scaling up our advocacy in regard to these matters. More recent access issues have emerged related to tensions in response to the separation of new 'coordination of supports' items from disability/recovery support service provision for individual clients.

Pricing

In 2015, Community Mental Health Australia were funded by the Commonwealth Department of Social Services (DSS; Mental Health Australia NDIS Capacity Building Project) to explore the national NDIS workforce readiness of the community managed mental health sector.[1] A key tension arising related to the financial viability of the pricing of services and supports under the NDIS. Although NDIS pricing does not officially set mental health sector workers' wages; NDIS pricing does have an extremely significant influence over wages that mental health organisations are able to pay their employees. Some stakeholders argued that the pricing is not sufficient to purchase a suitably skilled workforce that engages in complex 'cognitive behavioural interventions' as well as direct personal care. It was further argued that the NDIS is not a true market in that prices are artificially fixed and at low rates. The ten recommendations of this report are contextualised to progress the learning that is arising from the NDIS trial sites. However, the report currently sits with the Disability Minister and has not been made public.

Furthermore, NDIS bilateral agreement/s references Commonwealth Department of Health programs (ie, PIR & Day to Day Living) as being 'cashed out' and Commonwealth DSS programs (ie, PHaMS, Family and Carer Support Services & Mental Health Carer Respite) as being 'in-kind'. What these terms mean in the context of organisational financial management/governance of these programs being wound down is not yet fully understood as a result of the trial and clear transition decisions need to be made about the future of these programs; including for the continuing care of current clients that are not NDIS eligible of which there appear to be many (again, no publically reported data) and the workers that provide services to them and their families. We note that while state funded mental health programs are not being shifted to the NDIS for NSW that these will not be a sufficient safety net for people not accessing the NDIS.

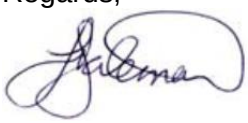
Readiness

The trial site experience has revealed that organisations are struggling with their NDIS readiness; not just in regard to workforce but across a much wider range of operational and governance roles and functions. While medium-to-large organisations with cash surpluses are learning from the possibilities of NDIS implementation this is not true for many small-to-medium organisations. Many organisations are becoming increasingly vocal about the challenges, if not impossibilities, of financial and/or quality impacts of the NDIS and other proposed forthcoming mental health reforms though the new Primary Health Networks.

While an implementation emphasis on individual NDIS participant's 'choice and control' has been welcomed (ie, the supply side of the 'market') this has been at the expense of mental health sector readiness (ie, the demand side). Considerable government investments have been made to ensure reform readiness for the traditional disabilities sector, but this has not been the case for mental health. The non-government mental health sector is a 'thin market' that requires readiness investment including a clear reform transition plan.

The NDIS trial in NSW has demonstrated a much welcomed opportunity, but also a high impact, on the mental health sector and the people that it provides services and supports to. This is a sector that has considerable social capital in doing so much more than just psychosocial disability support. MHCC welcomes the opportunity to discuss these impacts further with you.

Regards,



Jenna Bateman,
Chief Executive Officer

[1] Community Mental Health Australia (2015). *Developing the Workforce: Community Managed Mental Health Sector National Disability Insurance Scheme Workforce Development Scoping Paper Project.* Sydney: Mental Health Coordinating Council.