

Flexibility and Value for Money

- Participants entering the NDIS from State and Territory self-management and shared-management programs argue that the NDIS curtails their flexibility and consequently their motivation and ability to seek value for money.
- Multiple inconsistencies between reasonable and necessary decisions and the goal of value for money prompted the IAC to investigate the issue.
- How can the NDIS assist participants to seek value for money?

The NDIA needs to review and remediate restrictions on participant choice in relation to the goal of seeking value for money, and consider whether safeguards intended can be achieved in other ways.

Participants and the Scheme experience value for money when participants have increased flexibility.

- Increased flexibility enables participants to:
 - be nimble in a changing environment
 - move from traditional services to innovate in pursuit of their goals, tailoring support in the context of their unique circumstances
 - purchase supports important for the achievement of outcomes rather than needing to find surrogates in disability services.
- Increased flexibility supports Scheme sustainability by:
 - supporting participants to drive market change
 - Increasing competition to deliver more targeted services.
- The *NDIS Guide to Self-Management* already provides an assurance mechanism for increased flexibility.

Many constraints on flexibility have unintended impacts on participant ability to seek value for money

- NDIS rules inhibit the use of mainstream services to meet disability support needs.
- Some constraints relate to managing risk
 - the Price Guide encourages a shopping list approach to support
 - designation of 'stated supports' limits access to contemporary supports.
- The inability to roll over unspent funds reduces ability to plan for large expenses
 - State and territory systems authorized participants to roll over a pre-determined level of unspent funds that encouraged saving for expenses such as holidays
- AT assessments do not acknowledge participant & family knowledge & experience, leading to AT decisions not 'fit for purpose'.
- Constraints on flexibility also lead to:
 - sub-optimal cost of support
 - loss of opportunity to grow demand and supply of contemporary support
 - less support for building informal support, inclusion and an ordinary life.

So, the NDIA should take steps to understand and remediate the impact of restrictions on flexibility.

1. Review restrictions on participant choice in moving toward a best practice regulatory framework. The review should:
 - a) assess whether restrictions conflict with value for money and whether safeguards intended can be achieved in other ways
 - b) identify practices that motivate participants to seek value for money
 - c) identify capacity building and safeguards to give confidence that participants can use flexibility safely.
 2. Utilise an outcomes approach to decide what can be purchased with reasonable and necessary support.
- Expected outcomes include:
- a) fewer restrictions on choice and increased flexibility of provision
 - b) decisions made on basis of outcomes achieved
 - c) participants achieving outcomes
 - d) enhanced Scheme sustainability
 - e) implementation of best practice regulatory framework.

