

NDIS Service Provider Travel

Provisions under the NDIS for Provider Travel are inadequate, leading to significant service pressure on providers for the delivery of a range of support to participants. This is resulting in significant cost which is not being covered by the NDIS pricing. Existing Providers are increasingly needing to make business decision to withdrawal from markets where it is neither sustainable nor viable. This in turn is reducing flexibility, choice and control to participants across metropolitan, rural, regional and remote areas.

BACKGROUND

The new NDIS Pricing Guide 2019/20 classifies provider travel as 'billing for non-direct services' (p12 NDIA Price Guide 2019-20). Any provider travel that is part of the participant support must form part of the service agreement. That is the service agreement between the participant and provider should specify the travel costs that can be claimed.

The new pricing guide provides:

- a new Support Catalogue that clearly identifies the support items where provider travel can be claimed
- time that providers can claim has increased
 - from 20 to 30 minutes in MMM1-3 areas
 - from 45 to 60 minutes in MMM4-5 areas
- increased in additional loading from 20 per cent to 40 per cent for remote and from 25 per cent to 50 per cent for very remote

Alliance20 acknowledges these changes provide significant improvements which strengthen the ability for providers to offer quality services to NDIS participants.

CURRENT ISSUES

In enabling participants to exercise choice and control, a range of support is dependent on service providers transporting staff to the point of support. Although the NDIS Pricing Guide 2019/20 has responded to some of the challenges that provider travel generates, issue remain:

- The provider travel component of service delivery remains a key contributor to extreme service pressure leading to seriously impacting on service and organisational sustainability
- Considerable change on travel billing is required as back of house cost for travel is different with each provider
- The Modified Monash Model (MMM) used to determine regional, remote and very remote areas using a scale from 1-7 is inadequate and not reflective of operational cost in delivering service across metropolitan, rural, regional and remote

- All travel payments are counted as time worked. The biggest cost however in the viability of a regional, remote or very remote area is the kilometre reimbursement which providers are obliged to pay to staff under Award provisions
- The workforce in regional, remote and very remote areas experience further economic challenge with distances travelled from home to their first and last participant

IMPACT STATEMENT

IMPACT FOR PARTICIPANTS

- Approximately ten to twenty percent of participants are significantly impacted by cost of travel providers incur in the delivery of services.
- Greater disadvantage and reduction of choice and control is experienced by participants in locations with thin markets and providers making business decisions to withdrawal due to sustainability and viability issues.

IMPACT FOR PROVIDER

- Under the current framework provider travel cost is not fully recoup causing significant service pressures

IMPACT FOR MARKET

- Providers are withdrawing from market due to the challenges of provider travel under the NDIS scheme, leading to a clear reduction in the market

PROPOSED SOLUTIONS

In order to address the challenges around provider travel both short and long term strategies are required. Funding alone is not the solution but rather will require also addressing issues around thin markets, workforce development and service innovation. Consideration should be given to:

- A review and update methodology which will takes both distance and time into account. Preferred model to put in place is quotable provider travel
- Where provider travel is causing extreme service pressure, NDIS implement a readily engaged and speedy process specific to deal with provider travel viability cases
- Develop a long term Regional and Remote Workforce Strategy specifically targeting the NDIS sector.
- Alliance20 members have invested considerably to contain travel cost pressures and have developed in depth analytics in this area and a ready to work with NDIA providing data and case studies