



Submission in response to:

Queensland Productivity Commission Inquiry into the
National Disability Insurance Scheme (NDIS) Market in
Queensland

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Background

Assistive Technology Suppliers Australia (ATSA)

Assistive Technology Suppliers Australia (ATSA) welcomes the opportunity to respond to the Queensland Productivity Commission Inquiry into the NDIS market in Queensland.

ATSA is a national organisation representing assistive technology (AT) suppliers, including manufacturers, importers, distributors, retailers, tradespeople and technicians.

Our 140 members, including more than 30 suppliers in Queensland, comprise businesses and not-for-profit organisations and range from small family owned concerns to multinational organisations throughout Australia.

It is estimated that, excluding AT for communication and sensory disabilities, approximately 80% of the AT in Australia passes through the hands of ATSA members.

ATSA is a registered not-for-profit charity with the ACNC and requires that its members adhere to a comprehensive Code of Practice on the provision, sales and servicing of AT.

The Constitution of ATSA details our organisation's objectives:

The Company's Object is to advance health and social and public welfare by:

- (a)** funding and promoting:
 - (i)** research into Assistive Technology;
 - (ii)** the education of the public as to the availability of Assistive Technology to meet the needs of persons with a disability;
 - (iii)** "Best practice" in the way Assistive Technology is supplied; and
 - (iv)** community accessible Assistive Technology events;

- (b)** giving the Assistive Technology users and suppliers a voice that:
 - (i)** provides positive influence on Government policy;
 - (ii)** educates Governments and other stake holders about Assistive Technology;
 - (iii)** promotes a robust, competitive and commercially viable marketplace with the aim that Assistive Technology is available to users at a reasonable cost;
 - (iv)** advocates to achieve excellence, quality, value and positive outcomes for suppliers, Assistive Technology users, stakeholders and the broader community;
 - (v)** works with governments at all levels to ensure the viability of the Assistive Technology industry for the sake of those who use Assistive Technology; and
 - (vi)** delivers quality and value in Assistive Technology solutions for people with disability and their carers;

- (c)** improving the quality of Assistive Technology provision by:
 - (i)** supporting the ongoing training and education of health care professionals;
 - (ii)** promoting ethical business practices that safeguard the interests of users of Assistive Technology;
 - (iii)** participating in the development of appropriate and cost-effective product standards; and
 - (iv)** maintaining and enhancing services standards, quality and reputation of the Members for the collective mutual benefit and interests of the Members and the public;

- (d)** developing alliances with all industry stakeholders to:
 - (i)** drive continued improvement in outcomes for Assistive Technology users;
 - (ii)** minimise the total lifetime costs of Assistive Technology on society and Assistive Technology users;
 - (iii)** ensure an open, fair and competitive market; and
 - (iv)** promote the services, activities and events of the Company; and

- (e)** undertaking such other actions or activities that are necessary, incidental or conducive to advance this Object.

In summary,

ATSA requires members to act within a strict framework of ethical behaviour to ensure that the supply and quality of AT solutions is delivered to ensure the best interests of the consumer are upheld. Many consumers of AT have a high dependency on these products to provide for improved quality of life. Therefore, we believe it is paramount to maintain high quality and safe practices.

The Australian Assistive Technology Industry

A viable and competitive Assistive Technology provider sector is pivotal to ensuring choice and flexibility for people with disability and older people in Australia, meeting their clinical and functional needs so that they are best equipped to be able to live their life with dignity.

Australians with disability have access to most of the world's leading AT solutions through a network of specialist AT retailers.

When the provision of AT is well funded and targeted, it can significantly reduce the need for labour intensive attendant care support resulting in real cost savings to Government.

There is a great body of evidence, both from Australia and overseas, which supports the cost saving and quality of life improving potential of assistive technology. To cite just two examples.

There is strong evidence that assistive technology can enable: improved safety and reduced falls; reduced hospitalisation; improved independence, mobility and physical function; improved well-being and quality of life, including an enhanced sense of safety and increased opportunities to continue living at home. The evidence suggests that assistive technology is most effective when older people are provided with early intervention, careful assessment, the correct prescription and home-based follow-up training in how to use assistive technologies. The research also suggests that families and carers have an improved sense of confidence about older people's quality of life when they are provided with comprehensive telecare and/or 'smart' technology care.

[Connell J, Grealy C, Olver, K and Power J, (2008) Comprehensive scoping study on the use of assistive technology by frail older people living in the community, Urbis for the Australian Department of Health and Ageing. P 6]

For thousands of dependent adults in England, equipment and adaptations play a vital role by allowing people to live independently in their own homes. Interventions vary from simple devices, such as grab rails, to major adaptations, such as stairlifts and bespoke bath and shower rooms.

The range of benefits that can be attributed to these interventions are well documented, both in terms of their impact on quality of life and – in some cases – the significant reduction in the demand for care that can be achieved through the avoidance, or delay in the onset, of the need for health and social care services.

... the results suggest that equipment and adaptations lead to reductions in the demand for other health and social care services worth on average £579 per recipient per annum (including both state and private costs). In addition, the services lead to improvements in the quality of life of the dependent person worth £1,522 per annum.

[Building a Business Case for Investing in Adaptive Technologies in England by Snell, Fernandez and Horder, 2012, PSSRU at London School of Economics, P.2]

The extensive diversity of products and services provided by our membership's businesses is remarkable in a market of just 24 million people. It enables not only choice, but value to meet the best clinical and functional outcomes for the individual including the enhancement of independence.

AT devices are a result of research and development plus innovation, to provide suitable products. Most AT is classed as a medical device and are required to meet standards testing and regulatory compliance with the Therapeutics Goods Administration. ATSA members and

the AT industry are dedicated to the training of allied health practitioners to ensure the most appropriate AT device is supplied to meet the individual user's need.

As the circumstances of each person are different, including their physical environment, it is typical for the supplier of the AT to work with the user, their carers and healthcare professionals through trials of the more complex AT products in the planned place of use, at no charge.

Pre-sale services to individual AT users include provision of information, advice, detailed assessment and the development of specifications for an AT solution and quotations based on review from health care professionals. Our industry is dedicated to identifying the most suitable solution for the user of AT and draws on an extensive range of products that include configured and adjustable devices to ensure a tailored solution for the individual.

Post-sales services include delivery, set-up, adjustment, training, and ongoing support/advice, maintenance, repairs and spares. All of these services are undertaken to ensure a good fit between the consumer and their AT, and often require considerable specialised expertise and experience.

QPC Inquiry into the NDIS market in Queensland

This submission will primarily relate to the following terms of reference:

- consideration of any impediments to supply, including in relation to the preparedness of the private and non-government sectors to enter the market;
- any structural, regulatory or other impediments that might inhibit the efficient operation of the NDIS market including: impediments under State jurisdiction, under Federal jurisdiction and outside of government control;
- any issues relating to the interaction between the NDIS market and related markets and schemes.

Barriers to entry by certain organisations into the NDIS market.

Currently, in order to supply approved (deemed reasonable and necessary by the NDIA and included in the plans of participants in the NDIS) assistive technology (AT) to NDIS participants, a business must be registered with the NDIS Quality and Safeguards Commission if they are to be directly paid by the NDIA.

The only exceptions to this are suppliers of AT who provide their goods or devices to self-managed participants. The latest NDIA data identifies two thirds (64%) of budgets are currently 'agency managed' and suppliers can only provide services to this group if they are registered with the NDIS Quality and Safeguards Commission.

AT is considered to be a low risk support and providers of AT are only required to comply with a verification audit, whereas the suppliers of high risk supports, such as personal care and supported independent living are required to adhere to a certification audit.

However, the verification process is not without its challenges and requires an investment on average of \$1000 plus (business size dependant), for just the audit process, which does not take into account the required time and effort to prepare for the audit (dependant on the size and maturity of the business this could equate in excess to 75 hours of administration). Because of this, ATSA has become aware of a number of its members who are choosing not to register with the NDIS or to allow their registration to lapse.

Many of these businesses are very small and often they are

- sole operators without the resources or time to prepare for an audit.
- Level of activity with the NDIS does not justify the investment, this is typical in a regional and remote location
- run mixed businesses such as general equipment suppliers (pushbikes, motor scooters, lawnmowers etc) who also have a limited number of mobility devices among their products;
- are small scale home modification builders who do kitchen or bathroom refurbishments, install decks or replace roof guttering but are also able to install ramps, support rails and widen doorways.

The reasons these businesses have chosen not to register for the NDIS relate to the significant administrative burden of registering. For a one or two-person business even the verification requirements can be substantial. These administrative burdens, combined with

the claim process creates a disincentive and limits the number of AT suppliers, particularly in regional locations.

ATSA is not seeking to avoid the appropriate scrutiny of these businesses. As the Productivity Commission would be aware, unregistered providers still need to:

- comply with the NDIS Code of Conduct;
- maintain an in-house complaints system; and
- comply with any professional registration requirements.

It is also acknowledged that anyone can make a complaint against a business to the NDIS Quality and Safeguards Commission regardless of whether they are registered or not.

What does ATSA Recommend

- 1) That the Productivity Commission recommend that the NDIS Quality and Safeguards Commission introduce a third tier of registered providers.
- 2) The definition of this new tier of registered providers are business entities:
 - with a total turnover less than \$1m per year;
 - no more than 5 permanent full-time employees;
 - whose provision of assistive technology equipment or home modification services to people with disability comprises less than 50% of annual turnover.
- 3) Owners and employees of the business would be required to undertake Police and Working with Children checks, maintain an in-house complaints system and comply with the NDIS Code of Conduct.

Advantages of such a change to the registration of businesses in the NDIS.

The advantages of such a system is that it enables long term, very small business providers of AT to continue to provide services to all NDIS participants.

It applies appropriate quality checks on organisations without unduly burdening them with registration red tape. It supports the spirit and intent of the NDIS quality and safeguarding compliance requirements for the NDIS participants. It educates the small providers that it is necessary and important to keep people safe at a significantly reduced cost.

It would also increase the choice and control of participants and supports local communities by enabling participants to continue to access local suppliers, who are often in small regional locations. In addition, it will promote appropriate mainstream market competition.

Cost of conducting trials of Assistive Technology, particularly in regional and remote locations.

Currently AT suppliers must on most occasions, absorb the cost of AT trials, these costs are not insubstantial, and these additional costs are then passed on to consumers.

As identified in the introduction, in order to ensure the most appropriate AT for the individual consumer, many days or weeks of trials with various AT models may be required. These costs involve staff time and transport, liaising with the family and nominated therapist, as well as any customisation of the products.

If the participant is in a remote or regional location the costs of staff time, accommodation and transport are considerably higher.

There is provision for the payment of trials within the NDIS price guide, (AT and Consumables Code Guide, 1/07/2020, Section 3. Rental Supports) however they are rarely included in participant plans.

The allied health professional who must prepare the report to justify the reasonable and necessary nature of the AT, in order to ensure the AT is included in a participant's plan, is paid a fee, but it appears that a lack of knowledge amongst planners and local area coordinators about the ability to include the cost of trials in a plan mean that AT suppliers usually absorb these costs.

The consideration of payment for the trial process for the supply of AT recognises the business who is providing the trial, is not guaranteed that the service provided will result in a sale. AT trials are important to ensure the right AT is supplied and should be considered as a step in the processes that comes at a cost. Historically an AT business who supplied trials were listed on a supply contract with the government agency and could anticipate a level of sales, that would offset the costs of running trials. However, under the new consumer model of supply under the NDIS, there are no guarantees of a sale. The quality of outcome that is achieved by the participant through trialling of AT must be upheld due to the high capital investment involved that demands that the continuation of trials is an essential stage of the selection process.

What does ATSA recommend?

- 4) That the productivity commission recommend to the NDIA that the line item identified in Section 3 of the AT and Consumables Code Guide be routinely included in the plans of those people with identified complex AT needs.

Ensuring suppliers of AT are considered 'essential services' and can remain open during any stage 4 lockdowns

Obviously ATSA and its member organisations hope that there will be a rapid resolution of the COVID -19 pandemic currently affecting Australians, particularly those residing in Victoria.

As noted above, the AT market supplies vital items such as mobility devices, hospital beds and incontinence products through to patient lifting equipment, to name only a small example of AT products provided by ATSA members.

During any Stage 4 restrictions, it will be essential for the elderly and those with a disability to have access to AT support.

In order to ensure the provision of AT services continued in the current Stage 4 lockdown of Victoria required ATSA's direct engagement with Ministers and Senior Health Officials in Victoria. While ATSA was successful in securing such exemptions a recognition of the essential nature of AT provision would have simplified the process.

The only State which currently has a statute in place to easily declare the provision of AT devices and services as an essential service is NSW.

The relevant sections of the Essential Services Act 1988, namely Sections 2 and 4 (1) d and l are italicized below.

The Essential Services Act 1988 No 41 [NSW]

An Act to protect the community from disruption to essential services; and for related purposes.

(2) In this Act, a reference to the provision of an essential service includes a reference to the conduct, performance, maintenance, supply and distribution of an essential service.

4 Essential services

(1) For the purposes of this Act, a service is an essential service if it consists of any of the following:

(a) the production, supply or distribution of any form of energy, power or fuel or of energy, power or fuel resources,

(b) the public transportation of persons or the transportation of freight (including the provision of rail infrastructure for those purposes),

(c) the provision of fire-fighting services,

- (d) the provision of public health services (including hospital or medical services),
- (e) the provision of ambulance services,
- (f) the production, supply or distribution of pharmaceutical products,
- (g) the provision of garbage, sanitary cleaning or sewerage services,
- (h) the supply or distribution of water,
- (i) the conduct of a welfare institution,
- (j) the conduct of a prison,
- (k) a service declared to be an essential service under subsection (2),
- (l) a service comprising the supply of goods or services necessary for providing any service referred to in paragraphs (a)–(k).

What does ATSA recommend?

- 5) ATSA is requesting that any legislation or statutory instrument including 'Health Orders' introduced in Queensland or nationally include reference to the 'supply and maintenance of AT' as an essential service, thereby allowing exemption from travel restrictions for AT providers and their staff, plus approval for AT businesses to remain open during any declaration of emergency or disaster including Stage 4 lockdowns in the current Covid -19 pandemic. .

Issues relating to the interaction between the NDIS market and related markets and schemes.

ATSA is pleased to acknowledge that with the introduction of the NDIS access to AT by participants in the scheme has dramatically improved.

Not only is there now far greater 'choice and control' for people with a disability governing attendant care services, capacity building and community participation but also a recognition that Assistive Technology (AT) has a clear role within the service provision sector and can significantly enhance the quality of life and dignity of people with disability.

Improved communication, increased mobility, access to the community and an enhanced capacity to remain at home, rather than transfer to a residential setting, are all demonstrable advantages of the personalised NDIS planning and funding stream.

ATSA believes that these advantages could be replicated for older people and those who suffer a life altering catastrophic injury after age 65.

The most significant issue confronting Australians with a disability who wish to access the NDIS is the age restriction of 65. This creates an obvious barrier between two people with similar conditions and requiring similar AT supports. One person is able to access the NDIS and the associated supports and the other, for reason of age, is unable to gain similar supports unless they are able to privately fund such supports.

This circumstance is effectively creating two classes of persons with a disability, the haves, those under the NDIS and the have nots, everyone else. This problem highlights the anomaly that if you were born in the wrong year, or when the need arose e.g. the onset of MS, the timing of that onset determines your eligibility to adequate AT support.

MS Australia documented a clear example of this in their submission to the Royal Commission.

Case study: 62 year old Lyn has a 70 year old husband Bob who has been living with MS for the past 30 years. Because of the rules in place with NDIS, Bob can only access My Aged Care, which doesn't provide the same amount of assistance as he would receive under the NDIS. Presently Bob has been waiting 15 months for any action/assistance on his approved aged care level 4 application. In that 15 months they have spent in excess of \$10,000 directly attributable to meeting Bob's needs. With an NDIS package these costs would have been covered; with no requirement for co-payment. Disability affects more than the person with the disease, it also has a huge impact on the life of the carer as well as family. In this case if Lyn was the one with MS, she would get an NDIS package and their life and wallet would be a whole lot better off!

According to the Australian Bureau of Statistics, the incidence of catastrophic injuries, such as spinal cord injuries or acquired brain injury is increasing and hospitalisation rates for falls by people over the age of 65 is increasing by 2% per year for women and 3% per year for men. Some of the people who sustain these injuries will not be supported by alternate insurance schemes.

The Australian Productivity Commission in their report on a National Injury Insurance Scheme (the precursor to the NDIS) stated:

A person acquiring a catastrophic injury who is unable to establish another party's fault for the injury will not generally be able to gain access to compensation under a fault-based common law system. This includes cases where the accident was purely a matter of chance without any other party's involvement—for example, a swimmer may acquire a brain injury when submerged by a freak wave. Alternatively, an accident may take place in a person's own home or private property, such as from falling off a ladder:

Consequently, the scope of cases that are non-compensable under the common law is very wide. Australia-wide, only about half of catastrophic injuries are compensated through insurance, with the supports required for the remainder covered through (generally inadequate) taxpayer-funded health and disability services. The proportion varies significantly across jurisdictions and depends crucially on whether a fault or no-fault insurance system is in place.

[Productivity Commission (PC), *Disability care and support*, Inquiry report, 54, vol. 1, PC, Canberra, 31 July 2011. P. 820

Productivity Commission recommendation:

The Productivity Commission proposed that lifetime care and support under the NIIS would meet all of a person's injury-related needs (excluding income payments, which would sit outside of the scheme). It would fund all reasonable and necessary clinical health services, medical and social rehabilitation, early interventions, therapies, care, and home and vehicle modifications.

Productivity Commission (PC), *Disability care and support*, Inquiry report, 54, vol. 1, PC, Canberra, 31 July 2011. P. 853

ATSA believes that this recommendation should be extended to those above the age of 65.

There is real potential for older Australians and those suffering non-compensable catastrophic injury after they turn 65 to also benefit to the same degree as Bob, but if the Government is not prepared to extend the age restrictions which currently apply to the NDIS, then a similar system to the one used by the NDIS, must be incorporated into the My Aged Care system and include those above the age of 65 who suffer a catastrophic injury.

ATSA believes that the increased use of Assistive Technology would significantly benefit older people in the Aged Care System in Australia and those who suffer a non-compensable catastrophic injury.

It would improve their lives by enabling them to:

- * Have increased independence, mobility, access to the community and to live a more comfortable, engaged and dignified life.
- * Improve clinical outcomes and increase the person-directed nature of the aged and health care system.
- * Reduce overall costs on the health care system (see research examples identified on Pg 4 of this submission) by ensuring older people and others suffering from significant injury can remain living, or return to living in their own homes and delay transfer to a residential health or aged care setting.
- * Be a meaningful addition to existing 'in-home care packages' by assisting family, friends and carers in the care and management of older people and those with catastrophic injuries.

What does ATSA Recommend?

- 6) ATSA recommends expansion of eligibility to the National Disability Insurance Scheme that would largely mirror the successful implementation of the services and

provision of AT in the National Disability Insurance Scheme (NDIS) for those people over 65 years of age that are currently supported by MyAgedCare.

It would have five key elements.

- Independent assessment of need.
- Strict regulation in the provision of AT products
- Accredited suppliers, with the expertise to deliver the most optimum AT solution possible and registered with either the Aged Care or NDIS Quality and Safeguards Commission.
- A funded program of Education to consumers, the community, allied health professionals and assessors to enhance knowledge of the potential benefits of AT.
- Monitoring and review of any funded program to ensure value for money and supplier quality and collect and analyse data to improve products, enhance service delivery, increase training and research and updating Australian Standards for AT products.