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Submission for the NDIA Annual Pricing Review for 2021-2022

Patron: His Excellency General the Honourable David Hurley AC DSC (Retd)
President: Claire Moore

Introduction

We would like to thank the National Disability Insurance Agency (NDIA) for the opportunity to provide input into the National Disability Insurance Scheme (NDIS) Annual Pricing Review for 2021-2022.

MIFA is committed to working with the Government and the NDIA to ensure that NDIS participants with psychosocial disability experience quality care, better outcomes, enhanced choice and control, and recovery-oriented psychosocial supports in the NDIS. MIFA contends that there are issues unique to this cohort of people that must be addressed separately as part of NDIS service planning, design, development and implementation.

We recognise that significant improvements have been implemented within the NDIS, whilst others are underway, to enhance the NDIS experience for participants with psychosocial disability. These improvements include the NDIS Participant Service Charter, the Service Improvement Plan, the introduction of Psychosocial Recovery Coaches, the development of the NDIS Psychosocial Disability Recovery Framework, and the review of the NDIS Act 2013 (Cth) to implement recommendations from the Tune Review (2019). We commend the Government and the NDIA for recognising that improvements needed to be made in these areas to promote better experiences and outcomes for participants with psychosocial disability. In this submission, we will highlight areas where further development and refinement is needed in the pricing arrangements to enable better outcomes in the delivery of psychosocial disability supports.

MIFA has previously raised concerns about NDIS pricing structures for the delivery of psychosocial supports.¹ In this submission, we highlight fundamental principles and issues of concern that impact on the delivery of psychosocial supports in the NDIS marketplace. There is a necessity to view the delivery of these supports through a different lens, as compared with the delivery of disability supports more broadly. The pricing structures and arrangements that support the delivery of services for people living with severe and complex mental health issues who experience a decrease in functional capacity require special consideration. A different approach that considers the unique nature of recovery-oriented psychosocial support service delivery is essential to support market stewardship, service provider sustainability, the delivery of quality supports that enable recovery, and better long-term outcomes for NDIS participants with psychosocial disability.

¹ For example, in the [submission](#) to the Joint Standing Committee on the NDIS inquiry on general issues around implementation and performance of the NDIS, in our [response](#) to the NDIA Annual Pricing Review 2019-2020, and in the [submission](#) to the Joint Standing Committee inquiry on NDIS Market Readiness.

Embedding a Recovery Approach

For some time now, MIFA has been advocating that we must revise the underlying assumptions and methodologies used when setting pricing and making projections about psychosocial support services in the NDIS. With the development of the NDIS Recovery Framework for psychosocial disability (the 'Recovery Framework'), it is now critical that the NDIA consider the long-term impact of a recovery approach in the NDIS and how this can positively impact Scheme sustainability. MIFA contends there is a need to immediately invest in quality, recovery-oriented psychosocial support services and workforce development to support the growth in psychosocial supports that is needed to meet demand. We need an upfront investment approach to create long-term positive returns on investment as people with psychosocial disability are supported to lead contributing lives in the community.

Further work is needed to understand how a recovery approach can contribute to cost efficiencies over time for people with psychosocial disability. More grounded research on the impact of psychosocial support can inform the co-design of service-types and cost drivers that can be applied to the NDIS. This will assist the sector and the NDIA to work together to develop better pricing structures for psychosocial disability that achieve the objectives of the NDIS.

Enhancing the sustainability of the Scheme through a recovery approach

MIFA notes the recent concerns of Government about the long-term sustainability of the Scheme. There have been multiple references to 'cost blow-outs' by members of Cabinet and the Prime Minister, and concerns that the most recent [Scheme Actuary projections](#) show long-term challenges with the affordability of the NDIS. With sustainability concerns front and centre, it is timely to consider the positive social and economic impacts of a recovery-oriented approach to psychosocial support delivery through the implementation of the Recovery Framework.

The NDIA is showing commitment to developing a stronger focus on recovery for NDIS participants living with psychosocial disability.¹ As a member of the Mental Health Working Group – Stakeholder Reference Group, MIFA is contributing to the development of the Recovery Framework to support better outcomes and enhanced economic and social participation for NDIS participants with psychosocial disability. Greater understanding of and support for a recovery-oriented approach is needed within all levels of the NDIA.

The most effective responses to people with severe mental illness and psychosocial disability are those that are flexible, holistic, integrated, supportive of recovery outcomes, and delivered within a recovery-oriented framework.² A commonly cited definition of recovery is the one articulated by William Anthony:

[Recovery is] a deeply personal, unique process of changing one's attitudes, values, feelings, goals, skills and/or roles. It is a way of living a satisfying, hopeful, and contributing life even with the limitations caused by the illness. Recovery involves the development of new meaning and purpose in one's life as one grows beyond the catastrophic effects of mental illness.²

The National Framework for Recovery-Oriented Practice recognises and embraces the possibilities for recovery and wellbeing created by the inherent strength and capacity of all people experiencing mental health issues. There is a focus on maximising self-determination and self-management of mental health and wellbeing, whilst assisting families and loved ones to understand the challenges and opportunities arising from a person's mental health experiences.

A recovery approach is aligned to the objectives of the NDIS. Supporting a person with psychosocial disability to build their resilience, strengthen their natural supports from family, friends and loved ones, and develop their connections with the community, enables enhanced community participation and contribution. This may result in a reduction in life-time support needs, depending on the individual needs of each person. Over time, this decreases Government outlays by reducing access to more expensive acute mental health services, whilst encouraging involvement in volunteering, education and training, and employment over the lifespan. This philosophy aligns with the true spirit and intent of the NDIS. Optimising the impact of a Recovery Framework within the NDIS may support a reduction in funding over time for some participants with psychosocial disability as individuals become more connected to community, employment, and strengthen their ability to manage their own recovery.

There is a need to invest in quality recovery-oriented, community-based supports upfront that will deliver good returns on investment in the longer-term and support Scheme sustainability. Sustainable growth in the NDIS psychosocial disability market means that service providers must be financially viable, be able to attract and retain skilled and qualified staff, and be supported to invest in innovative, integrated and quality supports that deliver better long-term outcomes for participants. The current pricing structure does not support service providers to be innovative or to invest in significant service improvements. There is a common struggle of maintaining the status quo within very tight margins and cross-subsidising services with surpluses from other non-NDIS programs. The unfortunate result of this market squeeze is the departure of many organisations from the marketplace, many of whom have determined that the delivery of psychosocial supports is simply not financially viable. This results in thinning markets and limited choice and control for NDIS participants with psychosocial disability.

² Mental Health Recovery Movement, 2011, citing Anthony (1993) available at [Mental Health Recovery Movement | mentalrecovery \(wordpress.com\)](https://www.mentalrecovery.com/), accessed on 28 November 2021.

The pandemic has further highlighted the importance of investing in community-based mental health services that support recovery. Since the onset of the pandemic, we have seen a growing need for service providers to invest in innovative and responsive service delivery, with increased demand for services and new modes of service delivery.³ Receiving support either in person or virtually (or a combination of both) has been paramount. Service providers have adapted quickly to provide greater choice and flexibility for participants in a highly dynamic and uncertain pandemic environment, whilst managing the many impacts on participants and their workforces. MIFA Member organisations adapted their services to meet the needs of participants who were experiencing a lack of access to some essential community services during periods of lockdown and increasing levels of physical distancing, isolation, and mental distress. The impacts of the pandemic have been felt differently across different States and Territories. Service providers in some jurisdictions are still managing the impacts of prolonged lockdowns and adjusting to build capacity in everchanging markets. Whilst financial support from the NDIA during the onset of the pandemic was valued and welcomed, this did not address the deeper financial sustainability issues at play for service providers in the psychosocial disability space.

To understand the economic benefits of a recovery approach within the NDIS, MIFA recommends that the Scheme Actuary undertake an analysis of the cost projections before and post the implementation of the Recovery Framework. This will support the identification of potential cost savings from optimising recovery within the NDIS for participants with psychosocial disability. As a start, we would encourage the Scheme Actuary to undertake this work based on what the NDIA's evidence says about the impact of a recovery approach over time. We also recommend that the Scheme Actuary engage with people with psychosocial disability, mental health service providers, and researchers and academics to enable more comprehensive modelling and more accurate long-term Scheme projections to support the spirit and intent of the NDIS.

Changes are required to the NDIS Disability Support Worker Cost Model

For years, MIFA has been advocating for changes to current NDIS price modelling to support the delivery of psychosocial support services and quality assurance activities by community-based mental health service providers. For safe and quality recovery-based services to thrive in the NDIS, there must be a revision of the NDIS Disability Support Worker Cost Model.

The sector has developed responsive recovery-oriented models of support over many years and has developed a workforce that is appropriately qualified and skilled to deliver this support. However, there is a mismatch between the supports people with psychosocial disability need and

³ For general impacts of the COVID-19 pandemic on mental health see Australian Institute of Health and Welfare, 2021, *Mental health services in Australia*, available at [Mental health services in Australia, COVID-19 impact on mental health - Australian Institute of Health and Welfare \(aihw.gov.au\)](https://www.aihw.gov.au/mental-health-services-in-australia-covid-19-impact-on-mental-health).

the types of supports provided in NDIS packages, and between the pricing of the supports and the true cost of service delivery.

Community mental health workers support individuals with complex needs, often integrating their supports across multiple sectors and systems. This work requires a high level of skill and competency, compassion and resilience that is developed and strengthened over time. Better outcomes for participants, including enhanced social and economic participation, require significant investment in the workforce, especially the peer workforce, to enable the transformative change that supports lifelong recovery.

The current price structure of the NDIS Disability Support Worker Cost Model raises several challenges for psychosocial disability support provision. The Reasonable Cost Model⁴ fails to acknowledge the true cost of providing recovery-oriented psychosocial disability support to individuals with serious and complex mental illness. The potential implications of the current pricing for psychosocial services are:

- The exclusion of participants with higher needs that require higher levels of staff support from these services.
- The loss of existing skilled and qualified staff and a de-skilling of the workforce.
- Service providers may choose to only provide low-priced supports if the NDIS participant also purchases higher-priced supports from them, essentially offsetting losses on one support with profits from another. This limits choice and control and undermines the objectives of the NDIS.
- Without changes to either funding style or the pricing model to adequately fund centre-based group service provision, some organisations report the need to close centre-based group services for psychosocial disability, leaving a large gap in the market.
- Withdrawal of service providers altogether from the market. Some service providers, particularly in rural and remote areas, are at the point of imminent withdrawal from the market due to unacceptable losses and others have already succumbed to significant financial losses and have withdrawn entirely (including service providers in metropolitan areas).

The challenges associated with delivering quality, safe and sustainable services to NDIS participants with psychosocial disability are impacting on the availability of community-based psychosocial supports. Lack of access to suitable services continues to be an ongoing concern for many participants. As the Productivity Commission notes, “participants sometimes find it difficult to purchase needed supports as they may not exist in their community or may be ill-suited to

⁴ NDIA and NDS, 2014. *Final Report of Pricing Joint Working Group*. Available at: https://www.ndis.gov.au/html/sites/default/files/documents/final_report_of_pricing_joint_working_group.pdf

their needs”.⁵ The Productivity Commission states that lack of access to psychosocial supports may result from NDIA pricing for services being set too low and markets being too thin in certain regions.⁶

Thin markets, where only a small number of providers (if any) offer services, can result in inequitable access for NDIS participants. In these circumstances, NDIS participants may not fully use their packages, particularly if the available services are not appropriate or do not meet their needs. This is concerning for NDIS participants with psychosocial disability who may require supports to be flexibly scaled up in response to the episodic nature of psychosocial disability. Local services may not exist to provide additional support when it is needed.

The Productivity Commission notes that this is particularly concerning in rural and remote areas. Many NDIS participants must leave their communities to access services, which can lead to social isolation and lack of connection to land and community, negatively impacting on social and emotional wellbeing.⁷ This inequitable access disproportionately affects Aboriginal and Torres Strait Islander peoples in regional and remote areas, especially where cultural needs may not be met by mainstream service offerings.⁸ We would argue that this would also disproportionately affect people from culturally and linguistically diverse backgrounds and individuals who identify as belonging to the LGBTIQ+ community.

The pricing that is needed

To create an NDIS that can respond appropriately to people’s psychosocial needs, we need a better understanding of the relationship between the approved support package and the cost drivers, resulting in an appropriate hourly pricing rate. There are many hidden costs not accounted for in the Reasonable Cost Model that must be addressed in the delivery of psychosocial supports. These cost-drivers are primarily:⁹

- providing an hourly rate that supports the attraction, recruitment and retention of competent, qualified and skilled staff
- providing an hourly rate that supports ongoing training, supervision and professional development, including extensive initial training for staff entering the sector for the first time and at entry levels
- revising assumptions around appropriate ‘billable’ hours for face-to-face service delivery
- revising overhead allocations to support investment in innovation, quality improvement and systems that support service delivery in a post-pandemic market.

⁵ Productivity Commission, 2020, Mental Health, Report no. 95, Canberra, p. 857.

⁶ Productivity Commission, 2020, Mental Health, Report no. 95, Canberra, pp. 857-858.

⁷ Productivity Commission, 2020, Mental Health, Report no. 95, Canberra, p. 858.

⁸ Productivity Commission, 2020, Mental Health, Report no. 95, Canberra, p. 858.

The sector would be prepared to test our assumptions about unit cost through targeted research and work with the NDIA to reach mutually agreed and appropriate pricing for the NDIS Disability Support Worker Cost Model.

Developing a system of viable psychosocial support for people with severe and complex mental health conditions within the NDIS also requires an understanding of the key needs of people with psychosocial disability. These include:

- the need to take time to develop a comprehensive recovery plan
- capacity building, wrap-around support across many life domains and systems that can be flexible and responsive
- access to infrastructure and transport that meets their needs
- the need to be supported by well-trained and supervised staff.

We are still seeing a lack of understanding from NDIA staff about how supports to people with psychosocial disability are provided to ensure the best outcomes for people, and to support a flexible approach that can adapt to changing needs over time.

Certain assumptions must be applied when estimating the true cost of the NDIS Disability Support Worker Model. These assumptions relate to the areas of (a) base hourly rate, (b) non-client facing time, (c) supporting Aboriginal and Torres Strait Island peoples and people in rural and remote areas, and (d) the need for increased flexibility.

Base hourly rate

The knowledge, skills and experience of employees working with people with psychosocial disability is central to participants receiving services that are relevant to their needs. The Reasonable Cost Model assumes that workers with no or low (certificate-level) tertiary education will be employed.⁹ The delivery of recovery-oriented and capacity building support to a person with psychosocial disability requires a skill set that enables the worker to target the underlying barriers to functional engagement.

The workforce that delivers psychosocial supports is highly skilled and these skills must be reflected in the pricing. The NDIA has stated that it sees capacity building-style work as integral to all kinds of support, including those described as 'core'. However, a pricing model based on SCHADS Level 2.3¹⁰ for core supports does not enable service providers to employ enough staff with the skills to manage complexity, respond to challenging behaviours, maintain engagement, and build recovery, whilst receiving appropriate supervision, support and ongoing training and

⁹ Cortis, N., Macdonald, F., Davidson, B. and Bentham, E., 2017. *Reasonable, necessary and valued: Pricing disability services for quality support and decent jobs*, pp. 28-29. Available at: <http://apo.org.au/system/files/98111/apo-nid98111-354151.pdf>.

¹⁰ NDIA and NDS, 2014. *Final Report of Pricing Joint Working Group*, p. 12. Available at: https://www.ndis.gov.au/html/sites/default/files/documents/final_report_of_pricing_joint_working_group.pdf.

professional development. It is also problematic that the NDIS cost adjustments do not currently align with the timing of the Fair Work Commission Award (SCHADS) minimum wage review, which involves wage review increases in July each year.¹¹

Non-client facing time

The requirement for there to be 85% to 95% client-facing time under the Reasonable Cost Model requires an increasingly mobile staff, with very little in-office time. This reduces opportunities for incidental supervision. The current non-client-facing time assumptions fail to account for the following:

- Assertive outreach activities, which may be classified as time not spent directly with a client. Many clients with psychosocial disability require an assertive outreach approach to ensure engagement.
- Liaison between support coordinators, psychosocial recovery coaches and other support workers working with the person. To ensure the best outcomes for participants with psychosocial disability, it is important to ensure that supports are delivered in a coordinated and integrated way that supports providers to effectively respond to the changing needs of participants and their families and carers. It is imperative that core support workers can meet with a Support Coordinator or Recovery Coach to ensure they are aware of the current issues that are impacting on the participant's life, emerging risks, and any warning signs for the individual. For example, a meeting of one hour per month would assist in facilitating this coordination of support for all individuals.
- Training and development. This is a significant part of furthering the skills of the workforce, but it is not accounted for. MIFA is aware that many organisations are not able to provide paid training to their staff. Training and professional development must be undertaken in the worker's own time, outside of regular working hours, at their own cost.
- Staff travel time and transport costs, particularly for outreach and services in regional, rural and remote areas, is not adequately considered in the hourly cost model.

Rural and remote areas, and supporting Aboriginal and Torres Strait Islander people

The pricing does not adequately reflect the true cost of services for rural and remote areas, or for supporting Aboriginal and Torres Strait Islander communities, particularly in remote areas. The additional cost pressures faced in rural and remote areas can include significantly increased transport costs, additional overheads associated with remote premises, additional staff benefits

¹¹ Evidence is provided at [Social & community services industry pay rates - Fair Work Ombudsman](#).

to attract staff (particularly larger salary packages than in metropolitan areas¹²), the need for more specialised and trained staff where language and cultural differences exist, and staff housing requirements.

Investment in recruitment, training, development and ongoing support of local Aboriginal and Torres Strait Islander workforce can involve additional short-term costs but produces significant long-term savings. MIFA recommends undertaking a review of the business model for providers operating in these areas to develop pricing that adequately reflects the significant cost pressures.

Increased flexibility

Flexibility is a core tenet of recovery-oriented service provision due to the fluctuating needs of people as their mental health state and function varies over time. It is critical that pricing structures for the psychosocial disability cohort embraces flexibility so that plans can be responsive to the needs of individuals through appropriate funding packages.

The complexities of supporting people with psychosocial disability point to a critical need for flexible and responsive NDIS supports for this cohort. Access and support must be timely and crisis responsive. Support systems and processes must be flexible enough to fluctuate with the changing support needs of the individual and respond to increased vulnerability and need (for example, in times of crisis, during periods of significant mental health decline, or during enforced isolation or self-isolation).

To enable flexibility for NDIS participants with psychosocial disability, MIFA recommends the following broad changes:

- Packages should contain adequate hours of support, including support coordination and/or psychosocial recovery coaching, to allow for flexible service delivery. This could involve front-ended support at the beginning, which can taper off over the course of the plan. Packages should allow for a rapid increase in support during a crisis and for the rollover of any unspent funds to be used flexibly during the next year.
- Provide for continuity of care when people are in a hospital/acute setting, which is essential for maintaining worker contact and involvement in the discharge process for better participant outcomes.
- Flexibility could be provided through alternative funding arrangements for certain activities, such as group centre-based programs. These could include subscriptions,

¹² For example, MIFA's Northern Territory based organisation reports having to pay significantly higher wages, well above industry average, to attract employees to rural and remote areas. Staff retention is an ongoing issue, particularly in remote service locations.

memberships, full course fees, bulk buying of support incidences in advance and/or much more lenient cancellation policies.

MIFA contends that these broader systemic changes around flexibility must be incorporated to provide better supports for NDIS participants with psychosocial disability.

Pricing arrangements for group-based community participation supports

MIFA has received feedback from some of our Member organisations that the new pricing arrangements for group-based community participation supports introduced on 1 July 2020 are not adequate and will negatively impact on financial sustainability. Extensive modelling was undertaken by our NSW based Member organisation using the new pricing arrangements and this projected a significant deficit for the organisation. These calculations included the complicated and onerous administrative tasks that would be required to implement the new pricing arrangements. On this basis, the organisation did not introduce the new pricing arrangements for group-based community participation supports.

Some Member organisations have told us that neither set of pricing arrangements for group-based community participation supports adequately support service providers to charge for administrative group service activities. These include billing, planning, preparation and set up for activities, and writing up group risk assessments. The pricing does not include contributions to organisational overheads – organisations do not receive adequate funds to pay for utilities, items for group activities, IT costs, stationery, or the cost of staff participating in community activities and collaboration. There is also a significant administrative burden for service providers under the current ratio rates.

The inadequacy of the pricing became even more apparent during the onset of the pandemic, when service providers were forced to physically close many group centres due to public health orders. Changes to service delivery, including changing service arrangements, planning for business continuity, adapting programs to provide phone and virtual supports, and planning for site closures and the reopening of sites were organisational costs that were not billable.

Overall, the current pricing arrangements place great strain on service providers' ability to provide and maintain group centre-based activities. MIFA stresses that group centre-based programs provide an important offering to many NDIS participants with psychosocial disability. Some participants strongly benefit from centre-based, drop-in style supports that provide an accessible, safe, and welcoming environment – a place where people feel like they can belong. We know from experience that participants of group centre-based models commonly cite increased confidence, acceptance, empowerment, and hope through the opportunity to engage

in supportive relationships with others who share their experience.¹³ There is great power in the ability to connect with peers and share stories, experiences, and advice about what has been helpful to people's recovery and how people have overcome barriers and adversity.

MIFA's Member organisations currently offer seven group centre-based models of support across Australia. Without increased flexibility and an injection of further funding, many recovery-oriented, centre-based services are facing closure. Flexibility in funding would allow for use of facilities, brief interactions with support workers or general administration staff, and informal interactions with other participants. Flexible funding would also support people to drop in at short notice and to stay for shorter amounts of time. This would support a recovery-oriented approach of providing support to participants based on a safety and wellness assessment or risk assessment approach, where there may be unpredictable support needs from day to day, rather than requiring a fixed ratio of staff to participants.

The NDIA can support flexible funding of group-based community participation supports by:

- returning to one standard rate for group-based activities in the centre and one rate for group-based activities in the community – with both rates supporting the true costs of service delivery
- adding an NDIS Pricing Guide line item under centre and group-based supports to allow for planning activities and participant engagement
- introducing billing under a Programs of Support Model so that participants can commit to a period of attending centre-based activities to enable service providers to recover costs where there are recurring cancellations.

Current pricing arrangements for Support Coordination

Our MIFA Members report that there are two main concerns with the current pricing arrangements for Support Coordination.

Firstly, the current pricing for Support Coordination does not adequately account for some operational costs. These include:

- Increases in SCHADS award wages and Portable Long Service Leave. This past year, service providers have experienced more than a 3.5% increase in wages and Portable Long Service Leave contributions. The NDIS Support Coordination pricing has failed to increase in parallel with these changes. This is resulting in a margin squeeze for service providers who are working within ever diminishing margins that impact on the financial sustainability of NDIS business models.

¹³ Raeburn, T., Halcomb, E., Walter, G. and Cleary, M., 2013. An overview of the clubhouse model of psychiatric rehabilitation. *Australasian Psychiatry*, 21(4), pp.376-378.

- Transport/travel and non-labour costs. If support coordinators fully bill the non-labour cost as per the NDIS Price Guide, then there may be insufficient funds remaining in a participant's plan.

Secondly, our Member organisations report that there are generally not enough hours of support coordination allocated in plans. There is continued concern that plans simply do not accurately reflect participants' needs. For example, our NSW based Member organisation reports that the current hours allocated for support coordination are insufficient for most of the participants they are supporting. Many participants are receiving 14 hours of support coordination per annum when a minimum of 30 hours per annum is required. In some cases, more hours of support coordination are needed annually, and this depends on the complexity of participants' needs and the episodic nature of psychosocial disability. MIFA has previously advised the NDIA that it would be ideal to see a minimum of 100 hours of support coordination allocated to each NDIS participant with psychosocial disability annually. This would support recovery, capacity building, enhanced social and economic participation, and integration between different community sector and health professionals who are providing supports.

The lack of adequate support coordination hours in participants' plans points to the need to further educate and resource NDIA planners and LACs to understand the nature of psychosocial disability and the need for meaningful and responsive support. It is critical that participants' plans include sufficient support coordination funds to support recovery. The same can be said for travel/transport costs and non-labour costs, where participants would also benefit from sufficient funding for these costs in their plans.

Recommendations

Recommendation 1

We recommend that the NDIA collaborate with the community mental health sector, service providers, and NDIS participants, their families and carers, to understand how the recovery approach works in practice and identify the true costs and economic benefits of recovery-oriented service delivery, including potential long-term savings. This includes:

- a) empowering the Scheme Actuary to consider the impact of mental health recovery on psychosocial support needs over time and the long-term impact of the NDIS Recovery Framework
- b) empowering the Scheme Actuary to collaborate with people with psychosocial disability, the sector, researchers, and academics to enable more reliable and comprehensive modelling and more accurate long-term Scheme projections for psychosocial disability.

Recommendation 2

We recommend that the NDIA revise the NDIS Disability Support Worker Cost Model and review the underlying assumptions, cost-drivers and methodologies used to include the true costs of providing safe and quality psychosocial supports to participants.

Recommendation 3

We recommend that the NDIA support flexible funding arrangements for group-based community participation supports that reflect the true costs of delivering group services in centre-based settings and in the community. This includes reviewing the pricing for group-based community participation supports to include organisational costs that are currently not included in the pricing assumptions and modelling.

Recommendation 4

We recommend that the NDIA revise the current pricing arrangements for Support Coordination to ensure regular pricing updates in line with organisational costs (such as annual increases in Award wage rates and increases in Portable Long Service Leave contributions). We also recommend that the NDIA review its practices for allocating Support Coordination hours in participants' plans and ensure there is education and resourcing for NDIA planners and LACs to accurately allocate Support Coordination funds in the plans of participants with psychosocial disability.

We thank the NDIA for this opportunity to provide feedback. MIFA and the sector welcome the opportunity to work with the NDIA to deliver sustainable and quality supports for people with psychosocial disability. We look forward to working further with the NDIA, participants and other stakeholders to improve pricing structures to better support the needs of people with psychosocial disability.

About MIFA

MIFA is a federation of seven long-standing member organisations, established in 1986. Our members deliver specialist services for individuals living with severe mental ill-health and their carers, friends and families, out of nearly 60 'front doors' in metropolitan and regional areas, to over 20,000 people each year. Our membership has a strong focus on building community, valuing peer support and lived experience, and supporting recovery. We have substantial experience delivering specialist, place-based, community-building programs to those experiencing mental illness, and 60% of our workforce has a lived experience as a consumer or carer.

Our vision is that Australians have the best possible mental health and quality of life. We know from experience that recovery of a better quality of life is possible for everyone affected by mental illness. We work with individuals and families in their journey to recover mental health, physical health, social connectedness and equal opportunity in all aspects of life. MIFA's core strength lies in amplifying the voice of people affected by severe mental illness, their families and friends. We advocate for positive changes in all areas of social and public policy that impact on the quality of life of people with lived experience of mental illness. We create collaborative projects and communities of practice that support our MIFA member organisations.

MIFA's current member organisations operating across Australia are:

- BRIDGES Health & Community Care
- Mental Health Foundation ACT
- Mental Illness Fellowship Australia (NT)
- Mental Illness Fellowship of WA
- One Door Mental Health
- **selectability**
- Skylight Mental Health.

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Disclaimer

This submission represents the position of MIFA. The views of MIFA members may vary.