Independent Review of the National Disability Insurance Scheme

The role of pricing and payment approaches in improving participant outcomes and scheme sustainability

Occupational Therapy Australia submission

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Introduction

Occupational Therapy Australia (OTA) welcomes the opportunity to provide a submission to the Independent Review of the National Disability Insurance Scheme (NDIS) in response to the Issues Paper on the role of pricing and payment approaches in improving participant outcomes and scheme sustainability.

OTA is the professional association and peak representative body for occupational therapists in Australia. There are over 27,666 registered occupational therapists (OTs) working across the government, non-government, private and community sectors in Australia[1]. Occupational therapists are allied health professionals whose role is to enable their clients to engage in meaningful and productive activities.

Occupational therapists and the NDIS

Occupational therapy is a person-centred health profession concerned with promoting health and wellbeing through participation in occupation. Occupational therapists achieve this by working with NDIS participants to enhance their ability to engage in the occupations (activities) they want, need, or are expected to do; or by modifying the occupation or the environment to better support their occupational engagement. Occupational therapists provide services across the lifespan and have a valuable role in supporting participants living with developmental disorders; physical, intellectual, chronic and/or progressive disability; and mental health issues.

Occupational therapists have a critical role in providing services within the NDIS, supporting people living with physical, intellectual, psychosocial and other disabilities. Occupational therapists work in a diverse range of settings to deliver NDIS services, or support NDIS participants, including small, medium and large private practice, rehabilitation settings, paediatric services, and community services.

Occupational therapists help to unlock the value of the NDIS by working with scheme participants to identify goals and engage them with appropriate supports and services that promote independence, social connection, economic participation and protect and sustain physical and mental health. They deliver services including:

- functional capacity assessment;
- prescription and implementation of assistive technology and/or environmental modifications;
- positive behaviour support;
- disability-related chronic disease management;
- driving assessments (when specifically trained to do so); and
- targeted, goal-focussed capacity building, for example, activities of daily living (ADL), or ADL training with participants with physical and/or psychosocial disability.

Occupational therapists are highly skilled in assessing the degree to which a person's disability affects their level of function in daily tasks. Based on these assessments, occupational therapists make recommendations for, and then deliver, interventions that enhance and maintain an individual's functional capacity, and prescribe supports, aides and assistive technology that help everyday Australians live as engaged, valued and contributing members of society.

[1] Occupational Therapy Board of Australia (Australian Health Practitioner Regulation Agency), 2022; https://www.occupationaltherapyboard.gov.au/News/Annual-report.aspx

OTA has long recognised the value of the NDIS and welcomes reforms that will see enhancements to the NDIS Quality and Safeguarding Framework, and improvements within the National Disability Insurance Agency (NDIA) to promote efficiency, reduce red tape, improve the experience and outcomes of participants and enhance service quality and safety. OTA fundamentally supports the NDIS objective of giving people choice and control over how their disability-related services and supports are delivered, and empowerment of participants to fully utilise their funded supports and make decisions about their care and support services.

OTA has already made a general submission to the NDIS Review in January 2023, and further submissions on the NDIS Quality and Safeguarding Framework, and NDIS Participant Safeguards in May 2023. This submission includes specific feedback to the policy proposals presented in the most recent Pricing and Payments issues paper.

Delivering quality outcomes
Broadly, OTA would like to reiterate our view that the issue of pricing is one that is complicated by the fact that it appears that the NDIS Review is attempting to attribute pricing and cost of scheme services, with quality outcomes. The Review Panel has correctly identified that the measurement of outcomes and quality is not a current focus of the NDIS scheme and OTA supports development of more internal frameworks, systems and processes, and scheme culture that is directed towards building an understanding of expected service quality, that can enable the market to respond.

Finding 1: Short and medium term pricing improvements

Proposal 1.1 – Independent price setting

Ensuring that the setting of price caps is transparent, including greater use of market data and independent price monitoring and/or price setting. This could ensure NDIS price caps better reflect efficient prices, strengthen confidence in the price setting process, and support ongoing investment in the sector.

OTA position:

OTA strongly supports the adoption of an independent and transparent price setting body and process for the NDIS. The current price setting mechanism, which is an annual review undertaken by the NDIA, is perceived as being a fast and incomplete review mechanism that does not fully utilise stakeholder feedback or undertake a full analysis of the factors that are currently influencing the NDIS market and delivery of NDIS services. There is also a perception that NDIA's Annual Pricing Review is impacted by overall NDIA budget constraints in its final decision making. While budgetary impacts must be a key consideration, it should be transparently accounted for as an element of overall decision making, which does not occur currently.

For example, the most recent 2023 pricing review said it undertook an analysis of existing pricing through reviewing allied health provider websites to validate the current market pricing. As only selected allied health providers disclose pricing on their websites, this is not an accurate method to validate pricing decisions. This data would also not provide accurate pricing for the type of supports that are being provided to NDIS clients. It is not accurate to compare rates for a physical rehabilitation appointment, a hand therapy appointment, or a Medicare Better Access appointment, with a comprehensive functional capacity review, or delivery of therapeutic interventions for a client with multifactorial disability. A market survey should collect data on a range of factors which can affect pricing including length of appointment/hourly rate, skill set of the practitioner, and the types of services that will be provided.

Similarly, the 2023 review discounted data received from Ability Roundtable, a body representing 56 large NDIS service providers, which showed that provider costs were well in excess of the current maximum price for the 'therapy supports' item. The pricing review considered that as these providers only provided services to 20% of the NDIS market, they were not a true picture of provider costs. This is not consistent with the pricing review's use in its own analysis of a small number of non-comparable prices on randomly selected provider websites In addition, the principle of 'economy of scale' would suggest that larger providers are delivering services in a more efficient manner, as the costs relating to administration and business overheads can be born across a larger scale of business operations. Despite this, this data was not considered weighty enough to impact the pricing decision.

OTA is also concerned that the current pricing arrangements do not appear to take an equitable approach when responding to changing systemic economic factors. For example, the 2023 NDIA Pricing Review did not apply indexation for therapy supports, meaning that there had been no indexation or increase applied to the price for therapy supports for four years, while inflation has grown at approximately 18% over that period. This was despite the Review report acknowledging that comparative rates in other compensation schemes had been indexed, putting NDIS rates for occupational therapists in the "middle/lower range" when compared to other schemes. However, the review did recommend that NDIA consider any changes to the Consumer Price Index and Wage Index when deciding to increase price limits for Non-SCHADS Labour Supports.

It is clear that the current approach does not collect sufficient data, does not compare comparative data accurately, discounts data provided by stakeholders, and doesn't make decisions that are consistent with broader market and economic trends, or does not apply these consistently. This leads to a devaluing of the services offered by occupational therapists, and poor outcomes for service providers, who have continued to absorb the price cut (that has occurred due to high inflation over the four-year period of stagnant prices), impacting sustainability and quality of services for NDIS participants. This leads to a devaluing of the services offered by occupational therapists, and poor outcomes for service providers, who have continued to absorb the real price cut (that has occurred due to high inflation over the four-year period of stagnant prices), impacting sustainability and quality of services for NDIS participants.

Under no circumstances should there be any reduction in the current maximum rate, which is widely reported to OTA as being insufficient for clinicians to cover current business costs due to the impact of inflation. OTA's recent submission to the 2023 NDIA Annual Pricing Review called for a 18% increase to this rate, to address the inflation that has occurred across the 4-year period where the price has remained stagnant.

OTA notes the considerable risk to service delivery within the scheme if there is any reduction in the current price for therapy supports. In December 2022, OTA undertook a survey of our members, receiving 320 responses. In that survey OTA asked the question "If there was a reduction in the NDIS fee payable for OT services how likely is it that you/your employer would stop providing services under the NDIS scheme?" Of 320 respondents, 52% reported it was very likely, and 31% reported it was likely that they would stop providing NDIS funded services. Cumulatively, this is 83% of surveyed recipients, and demonstrates that the current pressures are placing scheme operations at risk.

Recommendation 1:
The future price setting decision maker for the NDIS should be an independent body that is established separately to the NDIA, that has clear terms of reference which are guided by a comprehensive analysis of the health of the current and projected market, workforce demand and shortages, and other economic factors including inflation/CPI, and increases in award wages and other major economic metrics. This body should undertake a comprehensive

market survey to understand accurate, comparable, pricing for NDIS services. It should engage people who have knowledge of the types of services that NDIS providers are providing, so they understand the complexity of different types of services, scope of role, and challenges that staff experience on the job, and can compare these accurately to find a reasonable price structure.

Proposal 1.2 – Further pricing differentiation

Further differentiating price caps to reflect the additional costs involved in delivering services to participants with more complex needs and in regional areas. If this can be achieved without creating excessive administrative burden, it could improve supply and access to quality supports for participants.

OTA position:
OTA supports an additional loading or price increase to support service provision for NDIS participants in regional and remote areas. Further pricing increases that align with remoteness of location are supported. A higher maximum price for remote participants has the potential to attract investment in service delivery in remote locations, cover the additional costs associated with servicing remote populations, and would also support the therapists who are currently servicing this vital participant group at a loss.

Additionally, the NDIS should revisit its current policy for the remuneration of therapist travel to participants whereby a maximum of 30 minutes of travel can be paid for travel in MMM1-3 areas and 60 minutes in MMM4-5 areas. This is insufficient in cases where a client's location is more than 30 minutes away in metropolitan areas and more than 1 hour away in regional and remote areas. OTA members have reported that they are supporting clients in outer metropolitan areas, and also in regional areas where travel requirements are up to 2 hours away from their business location, with no other occupational therapy services within this area.

OTA does not support differentiated pricing based on participant complexity, as this will be difficult to implement, and may lead to poor outcomes for participants. Level of 'client complexity' is a subjective measure that presents both ethical and clinical issues.

> *"In my experience, nearly all the clients I see for NDIS are complex in terms of multiple diagnoses, social issues, physical health issues, trauma history."*
>
> (OTA Member)

It is acknowledged that NDIS clients are often more complex than some clients that OTA members may service in other settings. This is an additional reason why the comparison of pricing allowed under other schemes is not an appropriate benchmark with which to compare NDIS pricing, and OTA has consistently argued for an hourly payment rate for NDIS participants that is higher than rates in other schemes, due to this complexity. However, differentiation of complexity within the NDIS participant cohort will be inaccurate and challenging. A non-exhaustive list of elements to consider would include age, type and level of disability, number of disabilities, level of functional capacity, any changes to disability or decline in function over time, mental health impacts, neurodiversity, value and types of services in a participant's plan, individual needs and goals, the number of supports or providers required to appropriately support the participant, their level of communication, their socio-economic status, their connection and support from friends and family, level of literacy and numeracy and familiarity with government schemes.

These are all factors which can create complexity of client functioning, and also in service provision, and so categorisation may be inaccurate. Instead, NDIA should focus on including additional hours of funded therapy supports in the capacity building areas of participant plans, where a participant is identified as having additional complexity.

Recommendation 2: That NDIA increases the pricing rate for therapy services delivered to remote and regional participants, and there is a removal of caps on the amount of travel that can be billed, and commensurate increase in plan funds to adequately cover required travel, to enable the participant to choose their preferred therapist and receive therapy support in their own home.

Proposal 1.3 – Preferred provider arrangements

Implementing 'preferred provider' panel arrangements – where providers agree to supply supports at an agreed price and on agreed terms – as a possible alternative to price cap arrangements for certain NDIS supports. The NDIA could leverage its 'buying power' to negotiate prices with providers. This could provide a simplified option for participants in accessing supports, without limiting their choice.

OTA Position:
OTA does not support preferred provider arrangements for therapy supports/occupational therapy services. While the Review report provides very limited direction on the type of arrangements that are being considered, OTA is concerned that any approach that would see the appointment of a select group of therapy providers, who are required to tender for service provision or negotiate with the NDIA on service terms, would significantly impact the current NDIS market.

The trend by state and federal government to appoint small panels of approved service providers has increased in state and territory compensation schemes. It is usually suggested as a way to ensure quality and safety in services and also enable simpler administration of services and payments. It was previously signalled by the NDIS for their proposed 'Independent Assessor Panel' (which was later scrapped) and by DVA (which currently requires veterans under one specific Act to access service from Comcare registered providers).

Such panels frequently comprise a few large, multi-disciplinary (and sometimes multi-national) companies. Very few panel members are small practices and almost none are sole providers, due to the administrative barriers that tendering, and contract arrangements present. These types of arrangements, while bureaucratically convenient by limiting the size of the field which must be administered, result in the termination of longstanding and hugely beneficial clinical relationships between highly experienced clinicians working in small practices with often very complex clients. If this is implemented and therefore results in the exclusion of qualified practitioners from the entire practice field for NDIS, then this would be particularly concerning, and potentially highly disadvantageous to participants.

For example, OTA is aware that in the delivery of NDIS services to participants with psychosocial disability, only 6 percent of payments were received by the top 10 providers, meaning 96% of spending is going to small providers[2]. The change to a preferred provider model would cause significant disruption, and risks negatively impacting participants' outcomes and experiences of the scheme.

If a preferred provider model reduced participants' ability to access services outside of this list of providers, or introduced tiered pricing or conditional access requirements, then this would risk impacting client choice and control, which is a central tenet of the NDIS.

It also risks a significant impact to the current occupational therapy business landscape. Currently many occupational therapists are sole practitioners, and they pursue this as they

[2] NDIS, 2022, Psychosocial Disability Summary – September 2022 < https://data.ndis.gov.au/media/3567/download?attachment>

have attained significant expertise in their area of interest and scope. They do not have the ability to comply with additional red tape or to tender to provide services at a reduced cost or increased volume and would be excluded from provider panel arrangements, which would put these small businesses at a distinct disadvantage.

If the NDIS Review team pursues this initiative, it should not be in the areas of general therapy support provision. It is noted that in the areas of thin markets, especially in remote or regional areas, or areas that require additional training and support, for example delivery of services that are culturally safe for First Nations participants, then some form of preferred provider arrangement may be beneficial to enable commissioning of services for a group of participants.

Recommendation 3: NDIS Review team does not pursue preferred provider arrangements for providers of mainstream NDIS Therapy support services, due to the significant impacts this would cause for participant care, and provider viability.

Finding 2: Alterative pricing approaches

Proposal 2 – Alternatives to fee for service pricing

Other payment approaches (such as, outcome, enrolment and blended payments) could be used to better align incentives for providers with the interests of participants and governments and promote the delivery of 'value-based' supports in the NDIS. However, it is important to carefully consider the advantages and disadvantages of different payment approaches to avoid introducing perverse incentives for providers and maintain choice.

OTA position

OTA does not support outcomes based or enrolment payments for therapy supports delivered by occupational therapists under the NDIS. Retaining fee for service payment for therapy supports is the preferred approach.

Outcome payments

Working towards a participant's goals and achievement of outcomes is already inherently structured into service provision within the occupational therapy profession. Occupational therapists work with NDIS participants to identify goals, and build participants' capacity to achieve these, as a core element in their scope of practice and approach. An occupational therapist will undertake an assessment with a participant, identify their strengths, interests and goals, and then work towards achievement of these. However, the attachment of payments to the achievement of outcomes will not incentivise more efficient or higher quality services and may significantly impact the quality and safety of service delivery, as outlined below.

Firstly, the definition of an outcome, and measurement of success against this criterion, and then linking payments to this, risks fundamentally altering the way in which therapy supports are delivered. The NDIA has previously acknowledged the complexity that exists in setting and measuring participant outcomes. In their 2015 pilot to establish an NDIS Outcomes Framework, the review report noted that "Results also need to be considered in the light of the NDIS's role. The Outcomes Framework poses questions about areas of a participant's life for which other systems, such as health or education, are primarily responsible, not the NDIS. Whilst the inclusion of such questions was deliberate, and it is important for building up a

picture of progress, it is important to remember that the NDIS is not able to directly influence outcomes in all areas"[3].

This highlights the conflict that exists in establishing outcome focussed metrics. If they are high level, and broad in nature, it will be challenging to attribute any change in these to direct therapeutic interventions, and there is a wide range of factors that may impact achievement of outcomes. This can include housing, health, disability, employment and education systems, a participant's family and friendships, socio-economic factors, external events (e.g. the Covid pandemic impacted outcomes as shown in NDIA's own reporting) and so much more.

> *"NDIS goals (in participants' plans) are often poorly written, unmeasurable and unrealistic - I cannot emphasise this enough. I can't see how outcomes can be reliably measured or be fair to the provider."*
>
> (An OTA member)

If outcomes are individualised and established by a participant's plan, then there are challenges in defining these. Currently OTA is aware of varying quality in the plans that are developed for participants by NDIA staff and delegates, with the stated goals and objectives being vague, unachievable, unsuited to the participant and a range of other issues. OTA is aware from the planning process that NDIA staff often rely on allocation of Typical Support Packages which are based on data modelling to allocate plan funding. If these are also used to set participant outcomes, then this is likely to produce unsuitable results.

If outcomes are linked to client functional capacity, then this will present significant issues for participants whose functional capacity may stabilise or decline over time due to their specific disability. This issue would impact establishment and measurement of outcomes for participants with Multiple Sclerosis, Motor Neurone Disease, Parkinson's, Dementia, Alzheimer's, Brain Injury, complex mental health conditions or other forms of disability.

The same issue may arise where a participant experiences a significant personal/social issue arise during the funding period. Similarly, issues may also arise where a participant is focussed on outcomes/goals that they want to achieve but are not realistic, and the occupational therapist must spend time focussing on client insight and developing alternative goals. The participant may not agree to the recommended course of treatment and so modifications/adjustments have to be made at the start of the treatment period, or at a later point, which reduce the success of the intervention. Issues may also arise if outcomes are determined at the time of a participant's plan being confirmed, this also presents challenges where a client wishes to pursue additional outcomes a participant may wish to pursue after their plan has been "set". If an OT is unable to address any outcomes that are not agreed upon at the time at which their plan is established, this limits the timeliness of them providing supports to a participant outside of the review cycle. A further factor is where service provision is complex, not because of the client, but because of the approvals required from NDIA to enable to participant to achieve their goals.

Setting aside the challenge of establishing what an appropriate outcome is, there is then the issue of measurement of progress against that goal, which is impacted by all the general systemic and environmental factors discussed above, and additionally may also be affected by the participant's rapport and relationship with their therapist, frequency with which they can

[3] NDIA, National Disability Insurance Scheme, Outcomes framework pilot study: summary report, Version 1, September 2015 <https://www.ndis.gov.au/about-us/publications/outcomes-framework-pilot-study-summary-report-2015>

access therapeutic supports, amount of funded support and so much more. Variance in participants' interests, goals, needs and capacities will mean that some participants need more support to achieve outcomes, while others will require less support to achieve the same outcome.

For example, the outcomes-based payment would be unsuitable to remunerate for the amount of time required to provide an outcome of a client obtaining a manual wheelchair (including occupational therapist's assessment of the client and prescription), as the required therapeutic supports may vary considerably depending on the client. For example, a participant who is an amputee, but has high literacy and communications skills, has previously worked in government roles, can understand and respond to emails, and can fully understand the advice provided by the OT in terms of wheelchair prescribing pros and cons, may require less time and therapeutic support to make decisions. This is compared with a more time consuming and complex process to prescribe the same device for a participant who has low literacy, can't read emails, doesn't understand consumer responsibilities, has complex mental health and social issues, and has a large formal and informal care team.

An outcomes-based payment would not be able to appropriately remunerate for the time taken in both cases. Additionally, outcomes-based payments would not be able to adequately remunerate for the administrative back and forth that is required to deliver such outcomes, where further approvals or inputs are required by third parties such as the NDIA, Assistive Technology suppliers and others. OTA members frequently report issues with NDIA staff, including delayed decision making, requests for the same or additional information, additional reports and poor communication, which could impact the time taken to obtain this outcome for the participant. Similarly, there may be delays in obtaining quotes or backorders or shortages on the side of the AT provider which also impact the achievement of this outcome. An outcomes-based payment could not accommodate for this and would leave the service provider out of pocket for their time and expertise. This situation is even more pronounced in the case of complex home modifications, which can take a significant period to assess, plan, prescribe, and implement, requiring even more factors than AT prescription/approval.

Building on the above example, given the multitude of factors that may exist in achieving a participant outcome, there is a risk that a provider could seek to achieve the outcome in a way that is unsuitable but results in funding. In the case of the wheelchair example, this could look like a therapist sourcing a wheelchair for a participant but going with the model that is easiest to order and obtain but does not meet the participant's needs in the long term.

The concept of outcomes-based payments may also perversely incentivise the prioritising of superficial and rapid outcomes over authentic and meaningful outcomes that will have a sustained and lasting impact for the participant. Some participants may require several years of therapeutic support to build capacity to achieve goals, which may stretch beyond the length of their current plan, or ever their relationship with one therapy provider.

There is a risk that use of outcomes may create perverse incentives to cherry pick clients by unscrupulous operators, potentially excluding clients with complex needs, clients with low prospect of employment or independent living, or clients who have who have difficulty engaging with services, perhaps due to their cognitive or psychosocial disability (e.g. history of "sacking" therapists for perceived poor service), leaving clients with more complex disability or needs without support. An equivalent example is the outcomes-based payments that some Disability Employment Support services receive which lead to job seekers being placed into any job or accommodation, regardless of suitability, to get the provider payment.

Outcome payments also present issues with provider cash flow. If a provider is only being paid after several months of support provision to a participant this can significantly affect their business sustainability and would not be supportable.

Enrolment payments
OTA does not support enrolment payments as these may also impact participants and quality of service delivery. For example there may be disincentives to provide certain types of services, e.g., assessments for assistive technology or Functional Capacity Assessment, and may see providers seek to only deliver longer term or ongoing support. Additionally, therapists may (consciously or unconsciously) pressure clients to continue with services so they get an enrolment payment, even if this is not in the client's best interests, for example where there is not sufficient therapeutic support being provided, or a mismatch between the required skillset of the clinician.

There is scope for the NDIA to provide further guidance to providers on their expectations about the appropriateness of therapy supports, via a clinical framework approach. This has been adopted across other third-party payer schemes and allows for more focused and appropriate conversations between therapy providers and administrators about what is considered reasonable and necessary.

OTA Recommendation 4: Retain fee for service payments for occupational therapists delivering 'therapy supports' and retain the ability to deliver supports in non-face-to-face settings.

Finding 3: Increased transparency about volume, quality and cost of services

Proposal 3.1 - Market monitoring

Market monitoring through systematically collecting transaction data supported by near real-time payment systems. This would include collecting more transaction data for the self-managed market.

OTA position
OTA supports this as long as there is no increased administrative burden on providers to provide additional data outside of current systems.

Proposal 3.2 - Price disclosure

Requirements for providers to disclose their prices, such as through an online marketplace similar to the My Aged Care website.

OTA position
OTA recognises that this proposal may provide more transparent information to participants on pricing. There is a risk that this approach may result in participants making choices based on price above other criteria. The cheapest provider will not always be the most appropriately qualified or clinically appropriate therapist. Should a proposal like this be implemented, any marketplace portal must be easy to use and update/correct, and place no significant increased administrative burden on providers to supply information. It is also important that it does not result in any unintended anti-competitive effects. It is noted that many occupational therapists already disclose pricing on their websites, and this also allows them to disclose information about their specialisation.

Proposal 3.3 – Provider performance rating

Measuring and reporting on provider performance – that is, the extent to which they provide quality supports that achieve outcomes for participants. This should be reported in an

accessible format for participants, such as a star rating system, which are used across several social services.

OTA position
OTA supports quantification of service quality if this can be collected in an impartial way and does not increase administrative burden on providers. If there is intention to derive quality ratings from participants from feedback or reviews, this is potentially problematic and would require careful assessment and moderation to weed out feedback that is vexatious, inaccurate, or irrelevant to the service being provided, and would need an appeal process to enable providers to appeal for removal of inaccurate, inappropriate or vexatious reviews.

One OTA member expressed their concerns:

> *"The dominant factor in participants being motivated to offer a rating may disproportionately reside with participants who are disgruntled with the service. This lacks the depth of understanding why a service provider may not have satisfactorily met a participant's needs, or even had they met the needs identified by the participant, why a participant may still not be satisfied."*

For example, OTs may experience client complaints or concerns due to mismatch in client expectations about what they can access, limitations on the NDIS scheme, or other factors outside of the therapist's control. For example, a client may be dissatisfied with a therapist when they refuse to provide a recommendation for a support or service, as it is not considered clinically justified, or 'reasonable and necessary' within the scope of NDIS support, which has caused the client to become dissatisfied and lodge a complaint. There may also be perverse incentive where providers may solicit positive reviews, leading to only high- and low-quality reviews being submitted for providers, which does not present an accurate view of quality and performance.

It is noted that occupational therapists (and many other regulated allied health professions) are bound by the AHPRA Code of Conduct, which places restrictions on advertising for occupational therapists in certain circumstances, including testimonials about client services. AHPRA has also published *Guidelines for advertising a regulated health service* (the advertising guidelines) which also defines what is considered a testimonial, and who is responsible for complying with the AHPRA National Law, in relation to advertising, including third parties. The NDIS Review team should ensure they fully understand the requirements that AHPRA may place on NDIA or any other third-party provider if they are considering any type of rating system that enables the disclosure of testimonials about regulated professions.

It is noted that existing review systems such as Google Review are already being utilised in the current NDIS market to some extent.

Finding 4: Foundational Market reforms

Proposal 4.1 – Increased participant information

Participants have the information and capability to make informed choices on the value and quality of supports, including the help they need to do this.

OTA supports better information for participants to understand and use their planned funds. OTA notes that the provider finder on the NDIS website is out of date.

There is a need for better utilisation of allied health funded supports and services in participants' plans and any guidance or support that NDIA can provide to ensure participants access the full scope of their entitlements is welcomed. OTA also supports enhancement of the skills and capabilities for support coordinators and plan managers to understand participant needs, the role of OTs, and the clinical reasoning that justifies OT recommendations for prescribed supports and equipment.

Proposal 4.2 – Better use of participants' budgets

Participants' budgets support them to be active consumers in the NDIS market

OTA supports full utilisation of a participant's budget and more advice and support for participants to utilise their committed supports. Currently, utilisation of allied health services in the capacity building element of participant plans is around 57%, which means many participants are missing out on much needed supports. As above, better training for support coordinators and planners is needed to help participants fully utilise their budgets.

Proposal 4.3 – Incentivisation of providers

Providers are incentivised to compete on price and quality, and deliver the volume and mix of supports that improve outcomes for participants

As noted in response to Proposal 2, OTA hold concerns about the introduction of any form of outcomes-based payment approach under the NDIS. It is noted that significant workforce shortages are impacting the NDIS market and are expected to continue in the short and medium term and so while market competition is the intended goal for the NDIS, it is not possible to achieve this fully in the current environment. The incentive that would most increase the provision of high-quality services by occupational therapists, is an increase in the maximum price for therapy supports.

Proposal 4.4 – Contestable markets

A range of contestable approaches are used in NDIS sub-markets when they would achieve better outcomes

As noted above, there are significant factors affecting the efficient functioning of the current NDIS market as it relates to occupational therapy services, and so any market interventions in this sub-market would need to be carefully considered to ensure they do not further exacerbate issues including workforce shortages and service waitlists, or impact provider viability.

At times it may be appropriate for the NDIS to be 'more than just the funder' of NDIS services in cases such as particularly complex clients where the usual NDIS-funded supports aren't working as intended, and clients are left without essential services, for example where there has been a repeated breakdown of supports, or a lack of suitable options in their area.

Proposal 4.5 – Clear accountability across governments

Governments have clear roles and responsibilities with a coherent and transparent strategy for stewarding the NDIS market – including the approach for the overall market and for different sub-markets (such as regional and remote markets).

OTA supports better coordination and cooperation between all levels of government to ensure scheme efficiencies are utilised, markets operate efficiently, that costs are shared appropriately, and that Tier 2 services are also appropriately funded to meet unmet community need and reduce pressures on Tier 3 individual plans.

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