Quarterly report to disability ministers

30 June 2022

Office of the Scheme Actuary

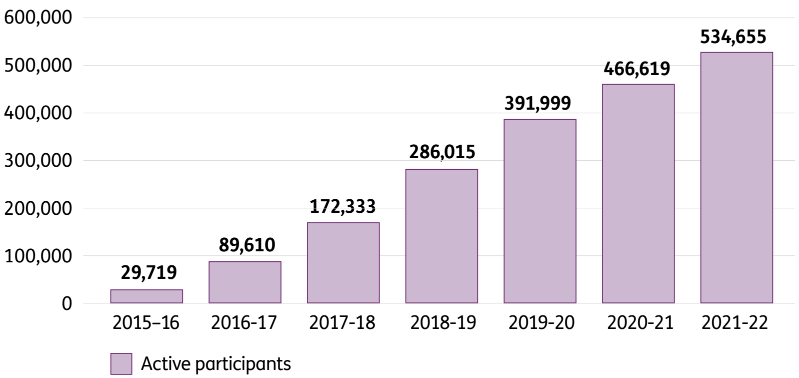
Contents

Nine years of the NDIS

Nine years of the NDIS

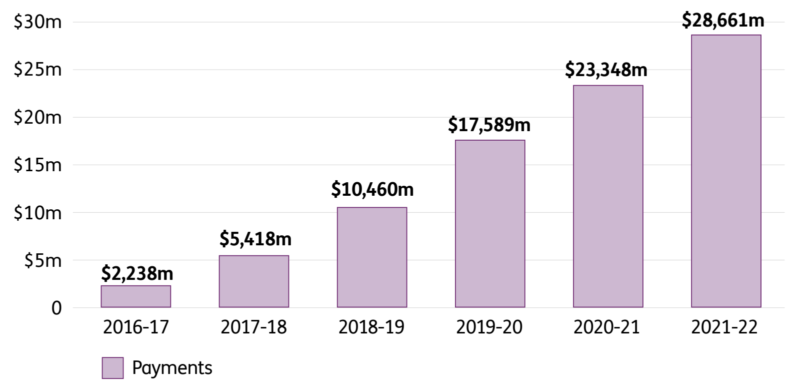
1. Growth in participant numbers

The number of active participants has increased from around 30,000 after three years of trial, to approximately 535,000 six years later.



2. Payments

Payments are amounts of money paid for supports received by participants. Over the last five years total payments have grown from $2,238m to $28,661m[1].

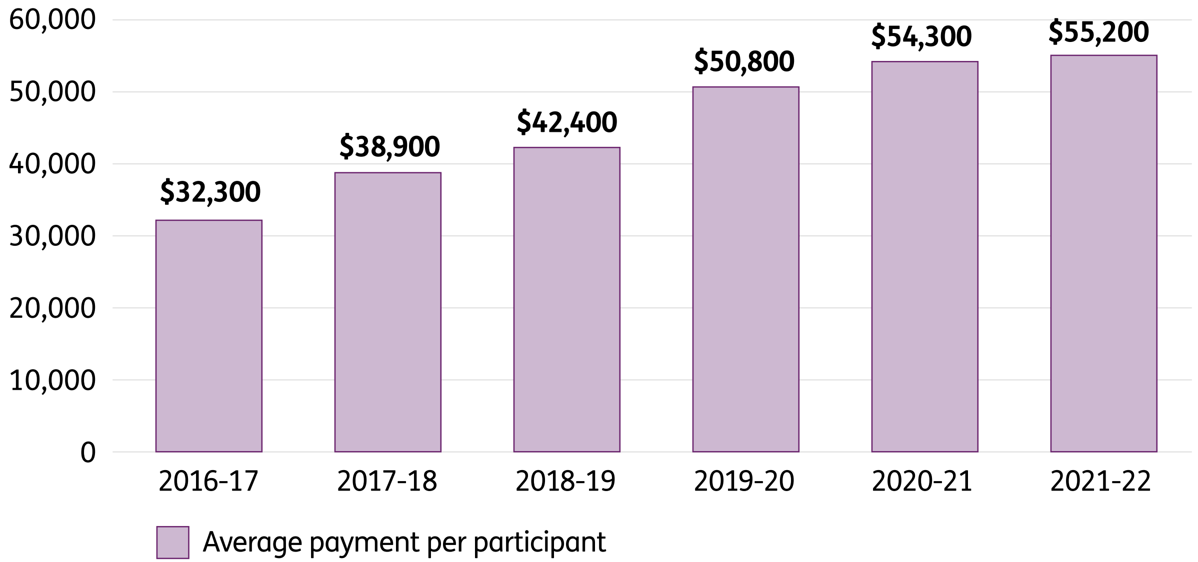


[1] Total payments are based on an accrual basis, sourced from the NDIA Annual Reports. The $28,661m in 2021-22 is a draft figure, with the final figure due to be reported in the upcoming NDIA 2021-22 Annual Report.

Nine years of the NDIS

3. Average payment per participant[2,3]

The average payment per participant has also increased over the last five years, from $32,300 to $55,200.



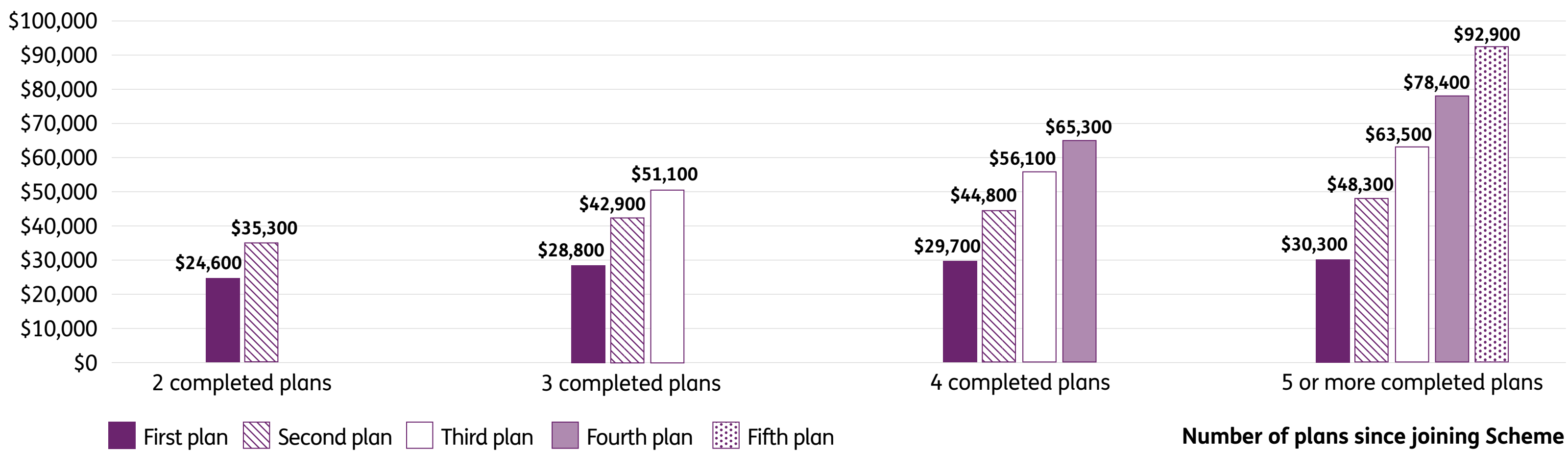
[2] Includes cash payments and in-kind supports as well as payments for participants in residential aged care.
[3] Average payments are discussed in more detail in Section 5 (Financial sustainability) of this report.

Nine years of the NDIS

4. Average payments per participant over time[4]

Average payments to participants have increased over time for all participant cohorts having different number of plans since joining the Scheme.

Notably, the rate of increase in average payments to participants is the greatest between the first and second plans, with the rate decreasing over time.

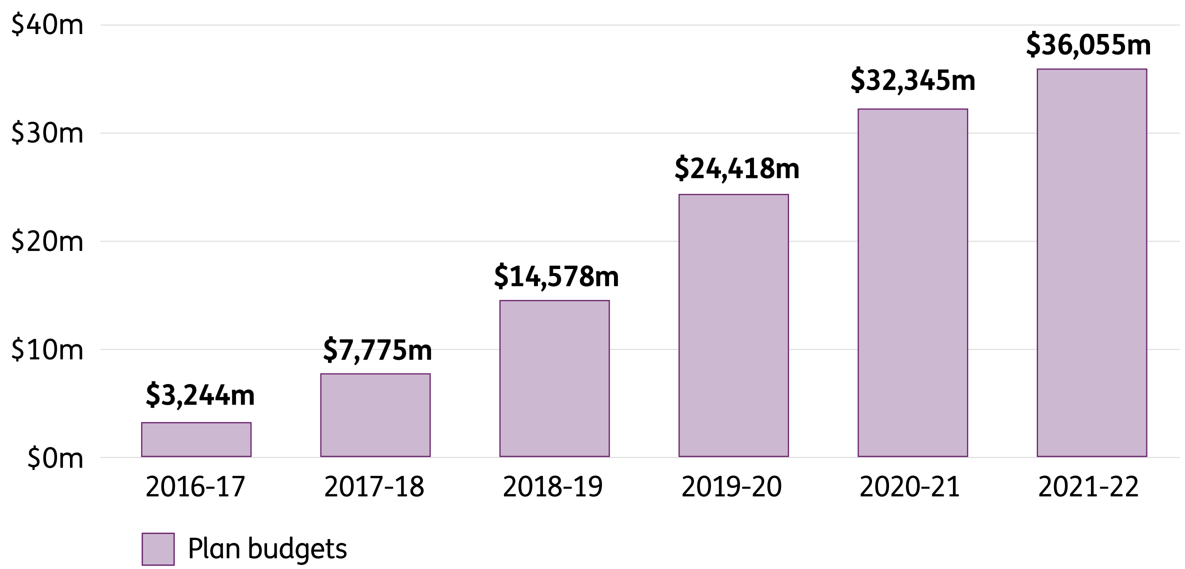


[4] Each set of columns represents a cohort of participants, based on the number of completed plans they have had since joining the Scheme. The individual columns then chronologically represent the average annualised payments corresponding to their first through to their latest complete plans. For example, for participants who have had four completed plans since joining the Scheme, average annualised payments during their first plan period were $29,700, with this figure increasing to $65,300 during their fourth (and latest complete) plan period.

Nine years of the NDIS

5. Plan budgets[5]

Over the last five years total plan budgets have grown from $3,244m to $36,055m.

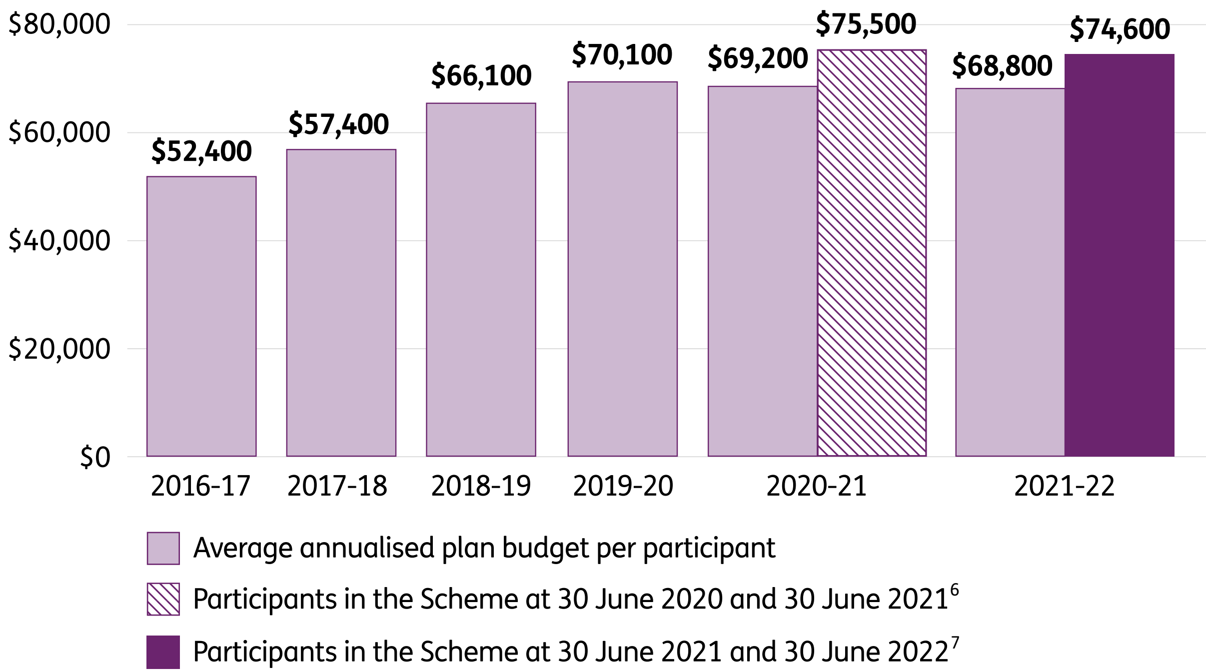


[5] Plan budgets are the cost of supports contained with a participant's plan, approved to be provided to support a participant's needs. In some cases, not all of the plan budget is used by participants. The amount used is referred to as payments.

Nine years of the NDIS

6. Average annualised plan budgets per participant

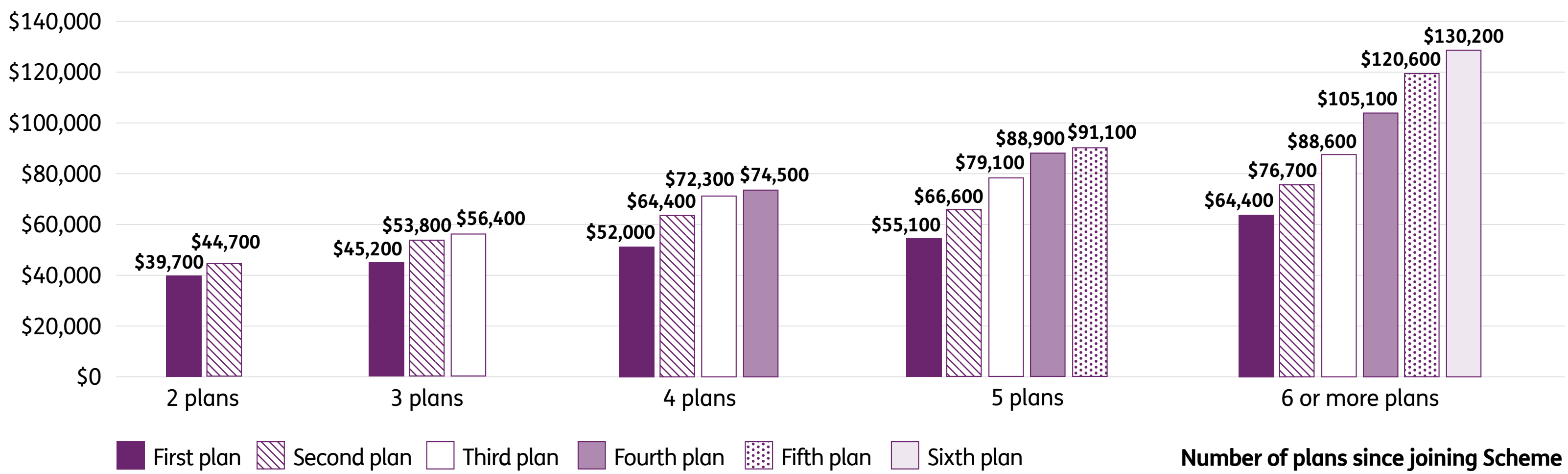
The average annualised plan budgets per participant have also increased year on year since 2016-17, but decreased slightly over the last two years. This is driven by changes in the profile of participants in the Scheme, with a higher proportion of participants with lower budgets entering the Scheme (specifically children).



[6] There was no reduction in the average plan budgets of participants continuing in the Scheme. For example, for these existing participants who were in the Scheme at 30 June 2020 and at 30 June 2021, the average plan budget increased from $70,100 to $75,500 (7.7 per cent). Similarly, for participants who were in the Scheme at 30 June 2021 and at 30 June 2022, the average plan budget increased from $69,200 to $74,600 (7.8 per cent).
[7] Ibid.

7. Average plan budgets over time[8]

In considering participants by the number of plans they have had since joining the Scheme, and tracking the average plan budgets for the same cohort of participants over time, it is evident that the average plan budgets have increased for all participant cohorts per plan. Noting however, the rate of increase over the latest plan is lower compared to the rates seen for the earlier plans for all participant cohorts.



[8] Each set of columns represents a cohort of participants, based on the number of plans they have had since joining the Scheme. The individual columns then chronologically represent the average annualised plan budget amounts of their first through to their latest plans. For example, for participants who have had 5 plans since joining the scheme, annualised plan budgets for their first plans averaged $55,100. These participants are now on their fifth plans, with an average annualised plan budget of $91,100.

Nine years of the NDIS

8. Participant outcomes[9]

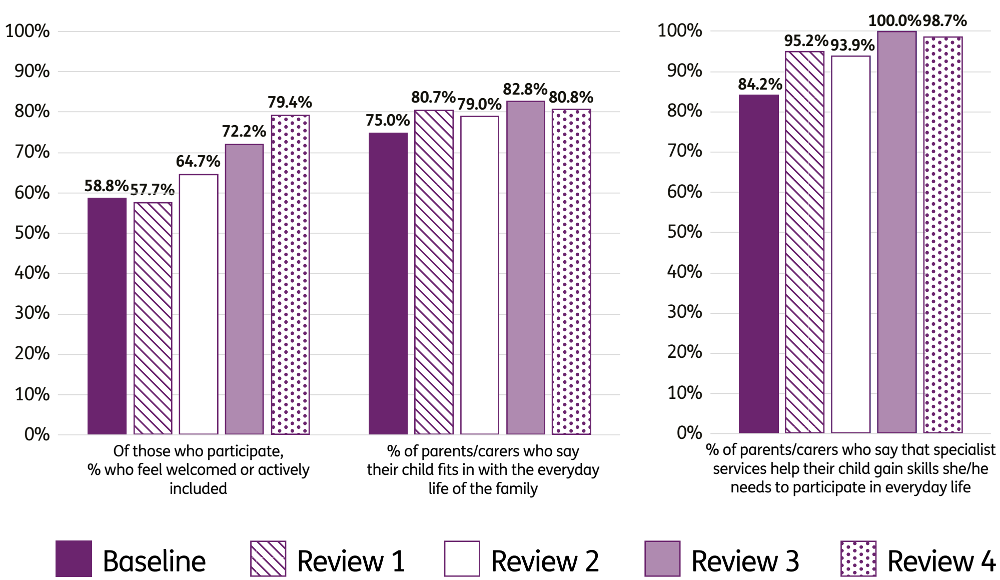
Children aged up to 14

Improvements were observed in the areas of daily living, relationships, and lifelong learning.

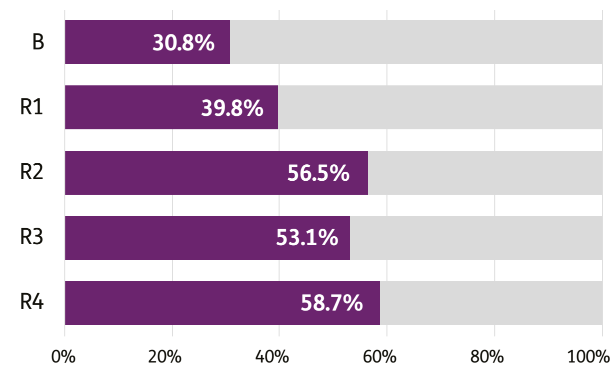
It is worth noting that improvements in some indicators tend to taper off towards later reviews, particularly for parents who say that specialist services help their child gain skills they need to participate in everyday life, and for parents reporting their child has friends they enjoy playing with.

Feeling welcomed and fitting into family life

Specialist services



My child has friends they enjoy playing with



[9] Results for this section are taken from the 30 June 2021 Participant outcomes report: https://data.ndis.gov.au/reports-and-analyses/outcomes-and-goals/participant-outcomes-report

Nine years of the NDIS

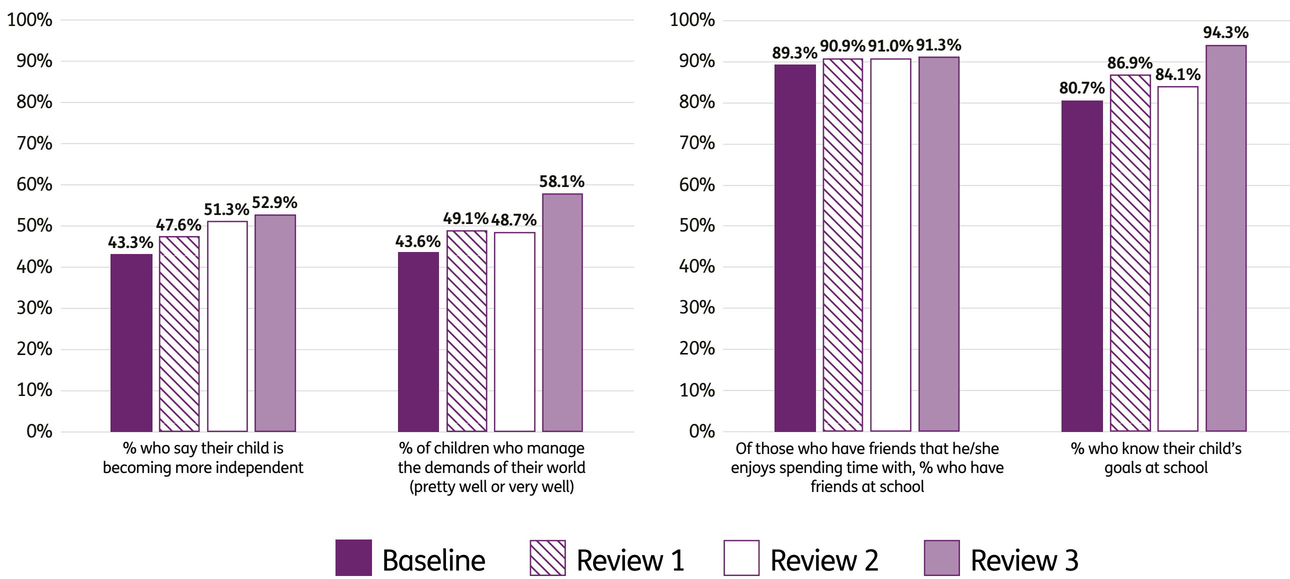
8. Participant outcomes

Children aged up to 14

For school aged children, there are improvements in their ability to become more independent, manage the demands of their world well, make friendship connections at school, and parents are being better informed of their child's goals at school.

Independence and managing demands

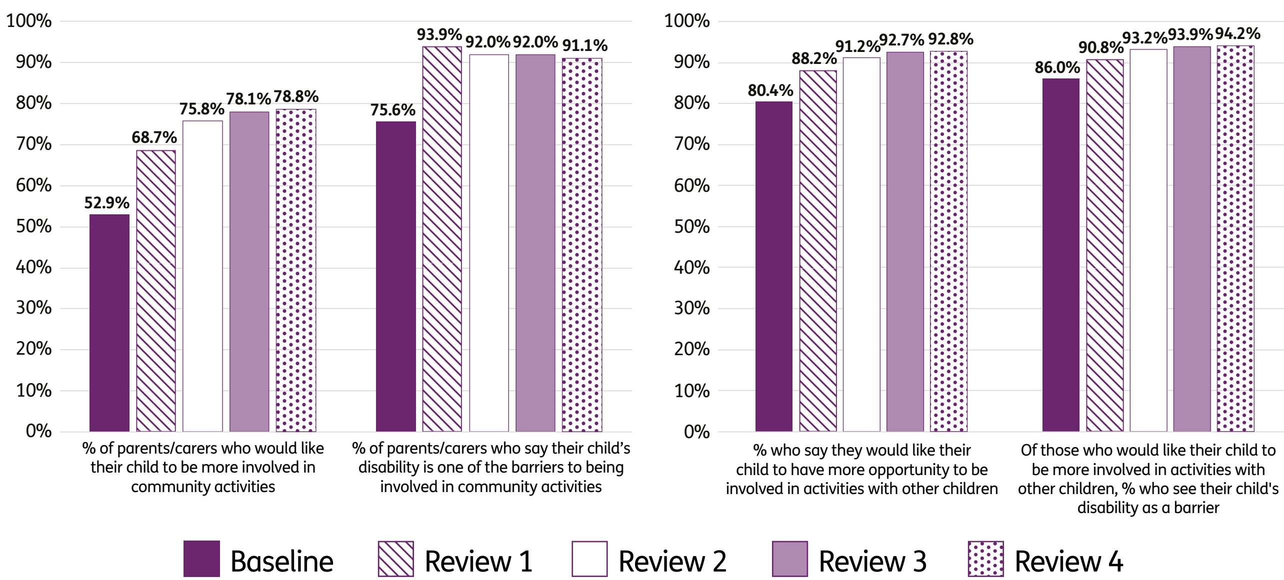
Connections at school



8. Participant outcomes

Survey results highlight concerns about involvement in social activities among children aged up to 14, with parents/carers wanting their child to be more involved in activities with other children and respondents citing their child's disability as a barrier to greater involvement.

Participants from 0 to before starting school | **Participants from starting school to age 14**

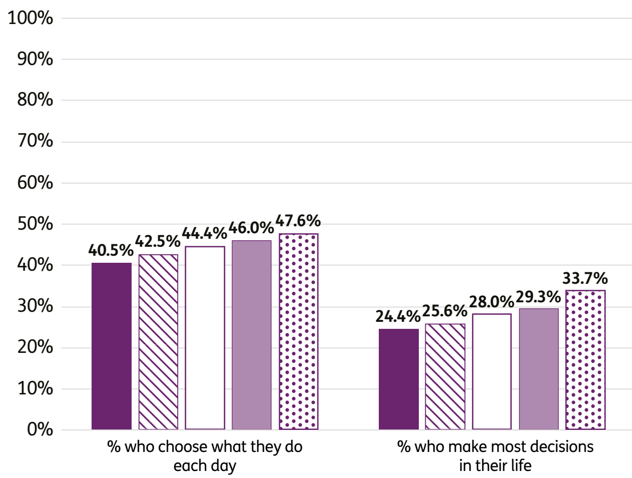


8. Participant outcomes

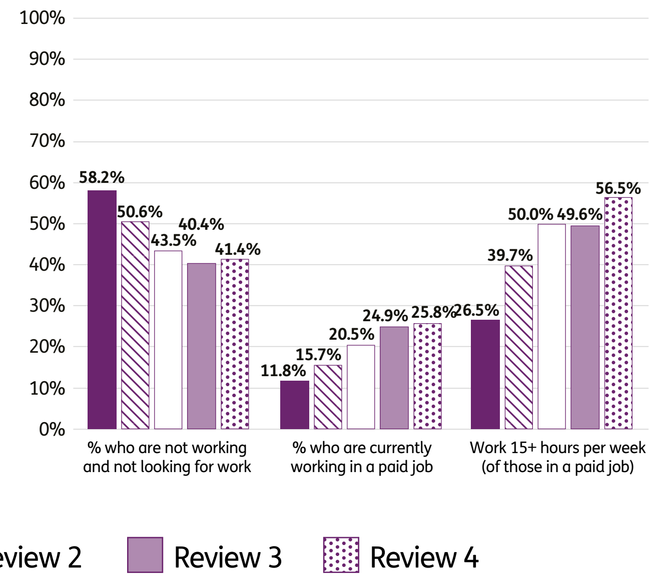
Participants aged 15 and over

Participants aged 15 to 24 are increasingly likely to choose what they do each day and make most decisions in their life. They are also experiencing positive employment outcomes.

Choice and control



Employment



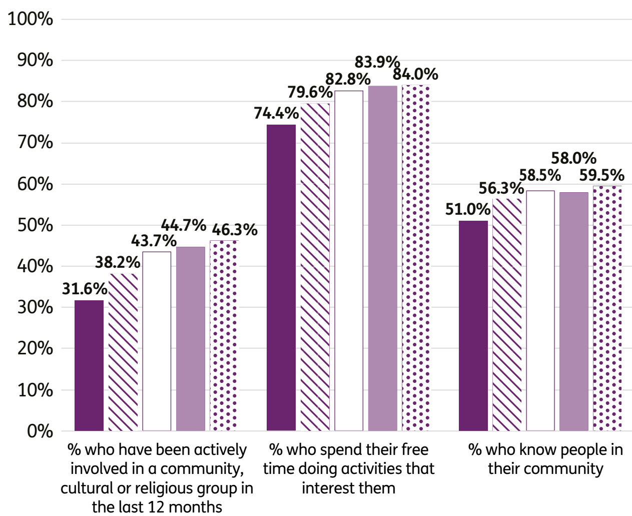
Nine years of the NDIS

8. Participant outcomes

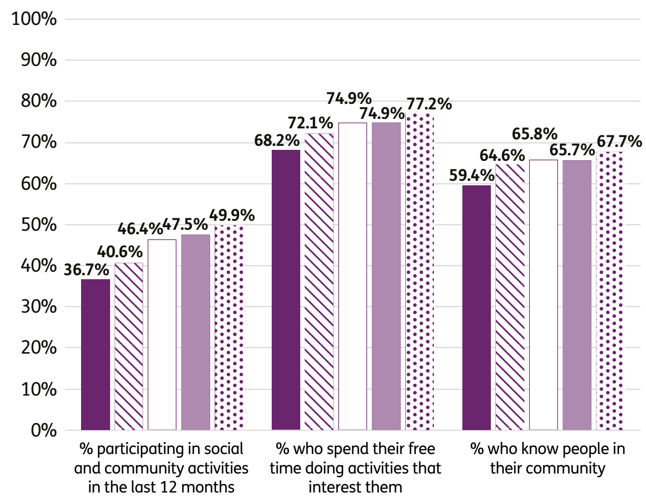
Participants aged 15 and over

Participants aged 15 to 24, as well as those aged 25 years and over, are increasingly involved in community activities, spend their free time doing activities of interest, get opportunities to learn new things, and report knowing people in the community.

Participants aged 15 to 24



Participants aged 25 and over

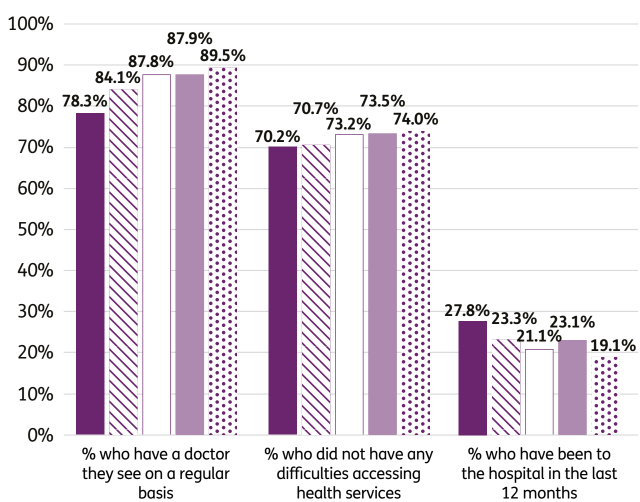


8. Participant outcomes

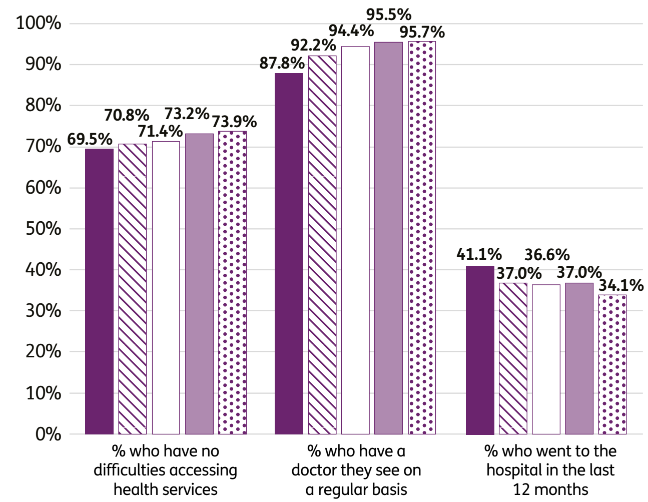
Participants aged 15 and over

Participants aged 15 to 24, as well as those aged 25 and over, report improved access to health services and reduced hospital visits, and a higher percentage of participants report having a regular doctor.

Participants aged 15 to 24



Participants aged 25 and over



Baseline | Review 1 | Review 2 | Review 3 | Review 4

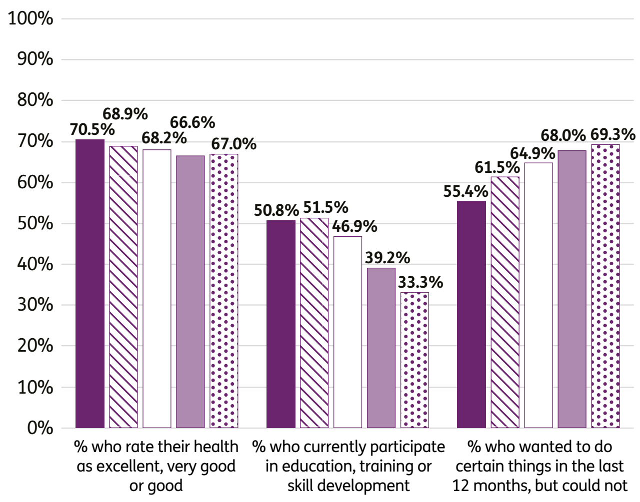
Nine years of the NDIS

8. Participant outcomes

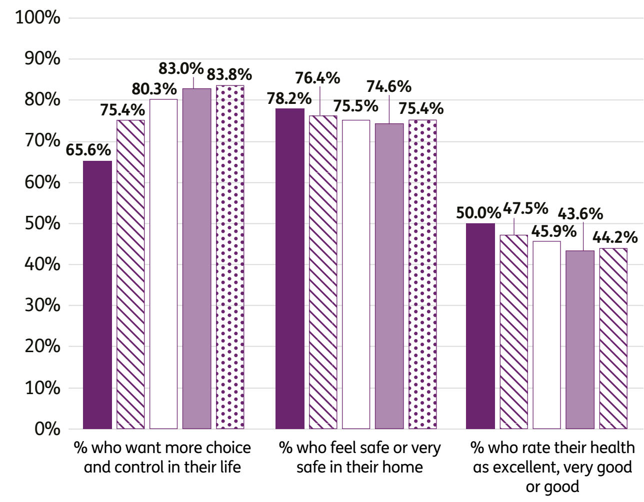
Participants aged 15 and over

For participants aged 15 to 24, as well as those aged 25 and over, further work is needed to improve some outcomes in the areas of health, lifelong learning and home. Participants are also more likely to say they want more choice and control in their life.

Participants aged 15 to 24



Participants aged 25 and over



Baseline Review 1 Review 2 Review 3 Review 4

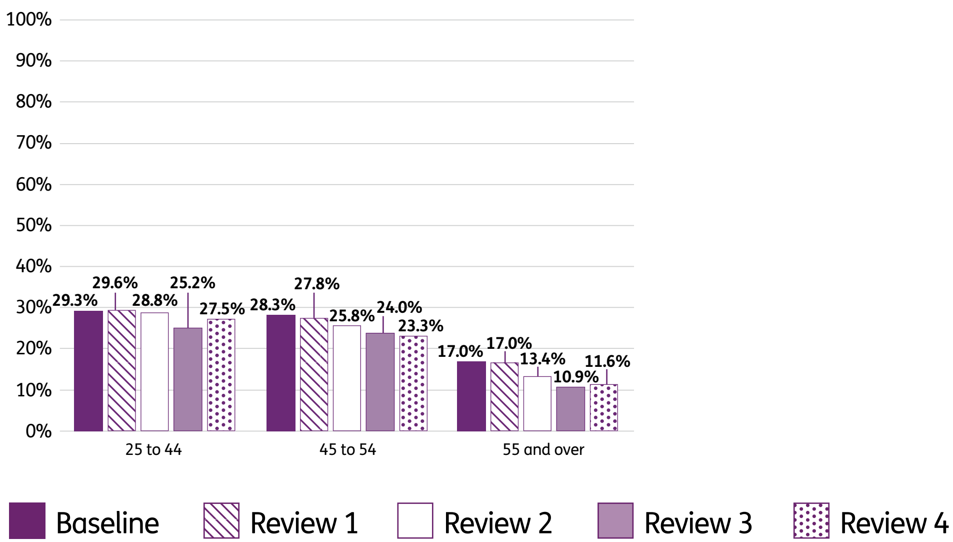
Nine years of the NDIS

8. Participant outcomes

Participants aged 15 and over

For participants aged 25 and over, further work is needed to improve employment outcomes.

Participants aged 25 and over – percentage in a paid job by age group



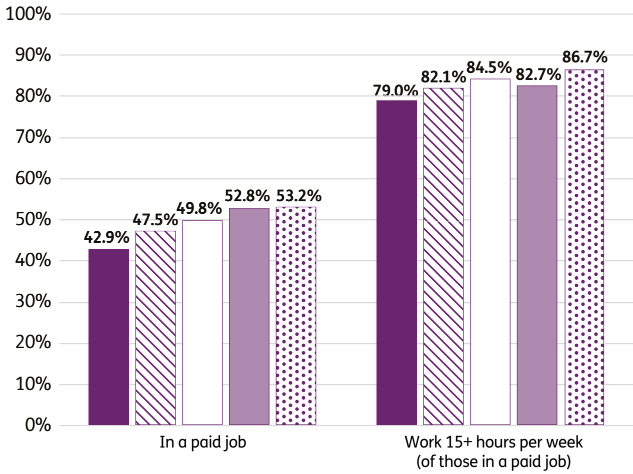
Nine years of the NDIS

9. Family/carer outcomes[10]

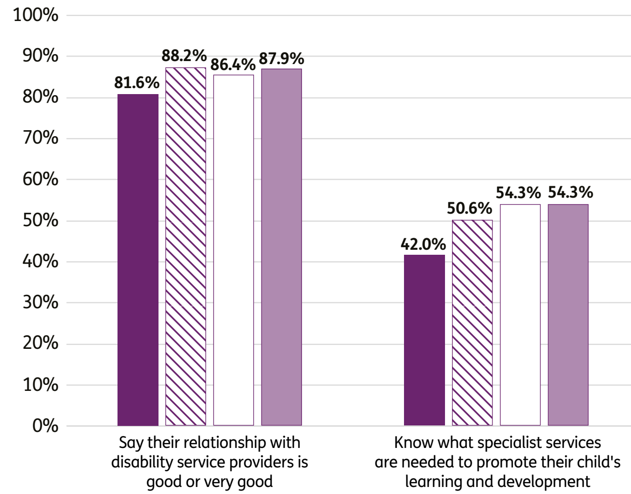
Families and carers of participants aged 0 to 14

Families and carers of participants aged 0 to 14 have experienced improved employment outcomes, as well as improved relationships with disability service providers. The gains are most apparent at the first review point.

Employment



Relationships with disability service providers



Baseline Review 1 Review 2 Review 3 Review 4

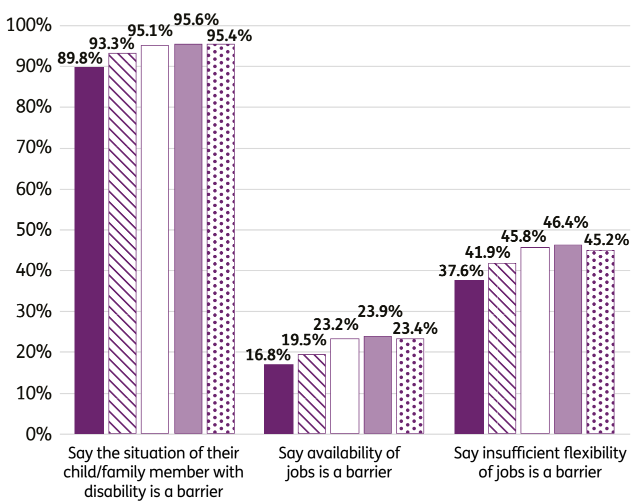
[10] Results for this section are taken from the 30 June 2021 Family and carer outcomes report: https://data.ndis.gov.au/reports-and-analyses/outcomes-and-goals/family-and-carer-outcomes-report

9. Family/carer outcomes

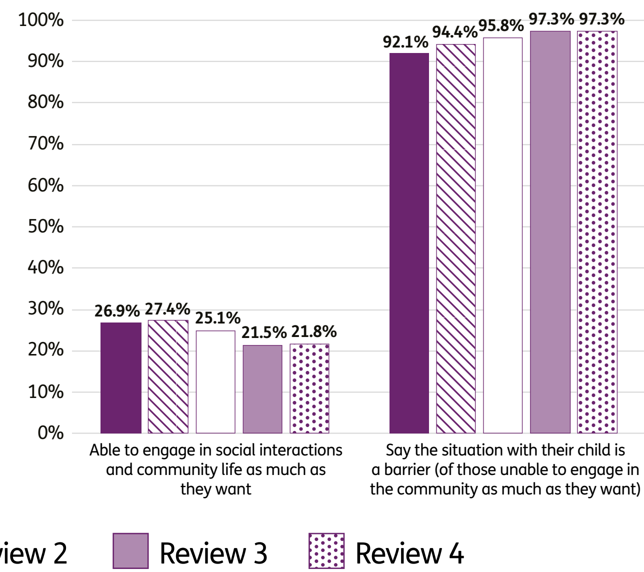
Families and carers of participants aged 0 to 14

Despite the improvement in employment outcomes, families and carers still report being unable to work as much as they want, citing a number of barriers to employment. There has also been a decline in social and community involvement.

Barriers to employment



Social and community involvement

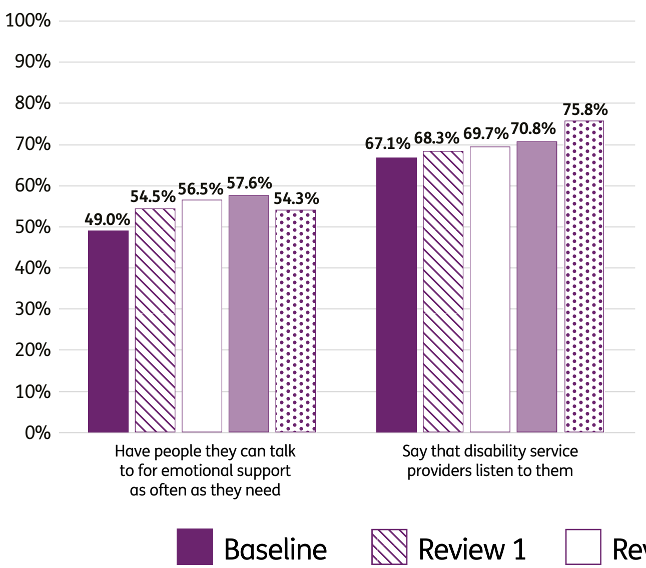


9. Family/carer outcomes

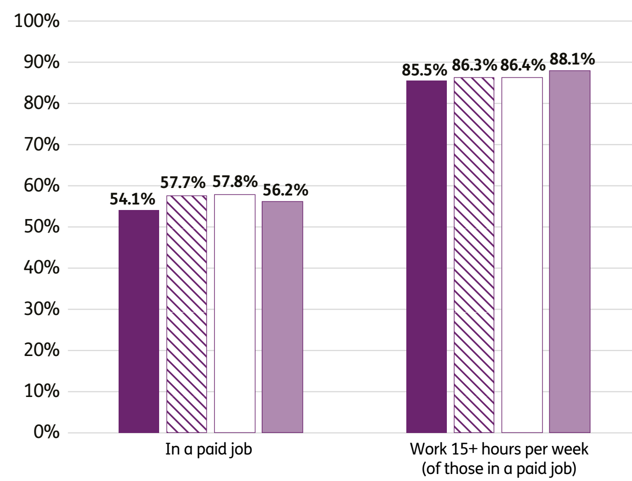
Families and carers of participants aged 15 to 24

Families and carers of participants aged 15 to 24 report improvements in emotional support, and feeling that disability service providers listen to them. There have also been some improvements in employment outcomes.

Feeling supported and listened to



Employment

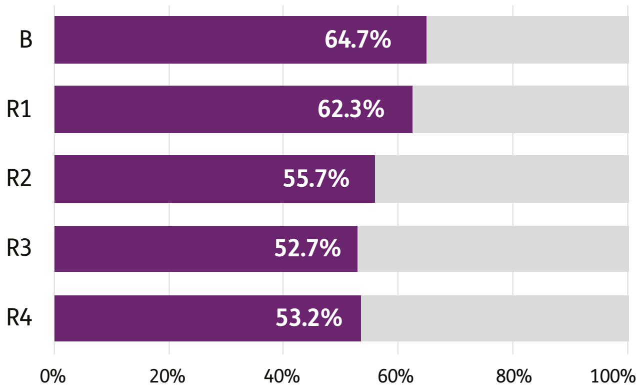


9. Family/carer outcomes

Families and carers of participants aged 15 to 24

However, self-rated health of families and carers has deteriorated over time.

Percentage of families/carers rating their health as good, very good or excellent



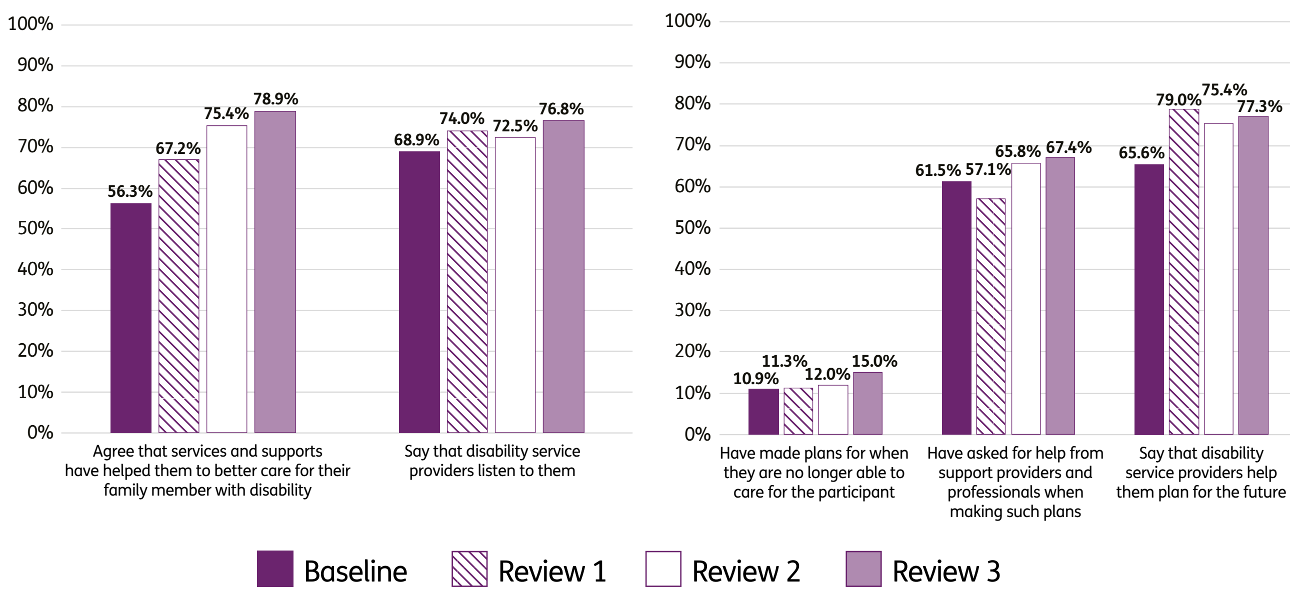
9. Family/carer outcomes

Families and carers of participants aged 25 and over

Families and carers of participants aged 25 and over also report improvements in feeling that disability service providers listen to them, and that disability service providers have helped them to better care for their family member. They are also starting to think about the future support of their family member.

Relationships with disability service providers

Succession planning

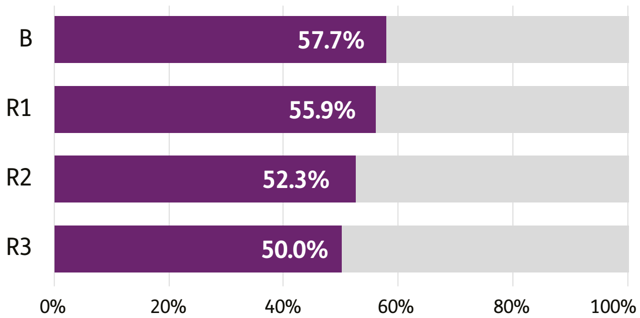


9. Family/carer outcomes

Families and carers of participants aged 25 and over

However, consistent with families and carers of younger participants, self-rated health has deteriorated over time.

Percentage of families/carers rating their health as good, very good or excellent



Key highlights

1. Continued support for participants, providers, staff and partners during the COVID-19 pandemic
2. Supporting participants affected by floods
3. Co-design projects which are strengthening the NDIA's engagement process
4. Implementing the NDIS legislation amendments that came into effect on 1 July 2022
5. The Annual Price Review

Part 1:
Participants and their plans

1

Participants and their plans

More than half a million participants are receiving supports from the NDIS.

1.1 Number of participants in the Scheme

– At 30 June 2022, **534,655** participants had approved plans[11], a **3%** increase from last quarter (an additional **19,291** participants).

– The NDIA undertook **103,269** plan reviews in the quarter, averaging **7,944** reviews per week.
  - Of the **103,269** plan reviews, **82,231** plans were initiated by the Agency and **21,038** plans were requested by participants. Agency initiated reviews occur as plans are due to expire, and a new plan is required.

Active participants with approved plans and percentage increase over time

	2013 -14	2014 -15	2015 -16	2016 -17	2017 -18	2018 -19	2019 -20	2020 -21	2021 -22
Active participants	7,285	17,155	29,719	89,610	172,333	286,015	391,999	466,619	**534,655**
Yearly increase[12]		9,870	12,564	59,891	82,723	113,682	105,984	74,620	**68,036**
% increase in active participants		135%	73%	202%	92%	66%	37%	19%	**15%**

[11] 30,905 participants with approved plans had exited the NDIS as at 30 June 2022.
[12] This is the net increase in the number of active participants in the NDIS each period noting some participants have exited the NDIS.

Participants and their plans

1.2 Children in the NDIS (younger than 7)

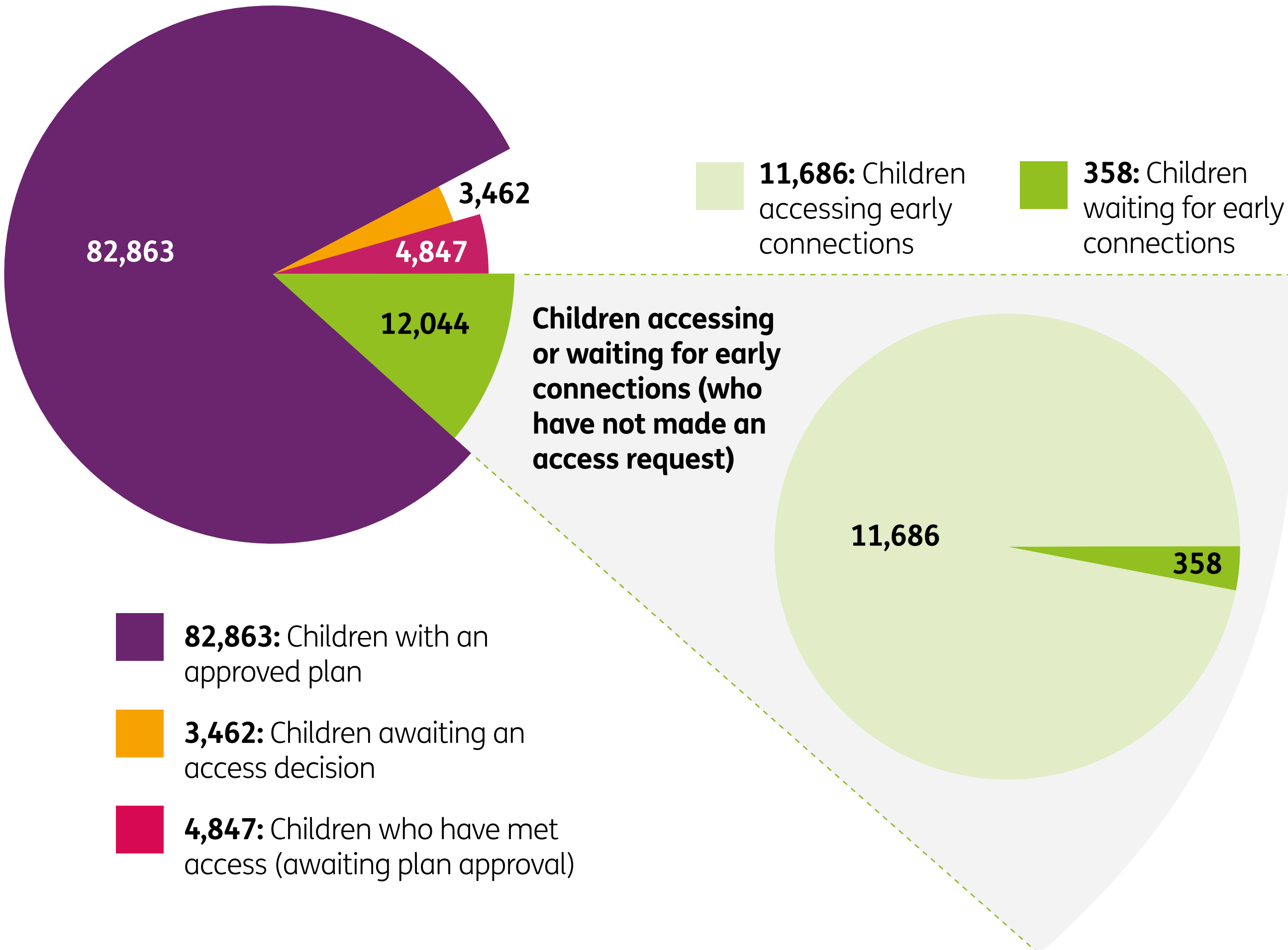
Of the **534,655** participants with an approved plan at 30 June 2022, **82,863** were children younger than 7 (**15%**), and of the **19,291** new participants with an approved plan this quarter, **8,419** were children younger than 7 (**44%**).

In addition to the **82,863** children younger than 7 with an approved plan:

- **4,847** children had met the access criteria under Section 24 of the NDIS Act (Permanent Disability) or Section 25 of the NDIS Act (Early Intervention) and were waiting for an approved plan.
- **3,462** were awaiting an access decision from the NDIA (of which **2,254** (**65%**) were accessing early connections from the early childhood approach).
- **12,044** children were supported by the early childhood approach (of which **11,686** (**97%**) were accessing early connections). Not all children need to make an access request to the NDIA because some will receive early connections, along with support from mainstream and community services.

Participants and their plans

1.2 Children in the NDIS (younger than 7)



Participants and their plans

1.3 Participation rates

Participation rate refers to the proportion of the Australian population who are NDIS participants. The **rate varies by age and gender**, reflecting the prevalence of different disability types.

The shape of these participation rates reflects the age and disability profile of participants in the Scheme:

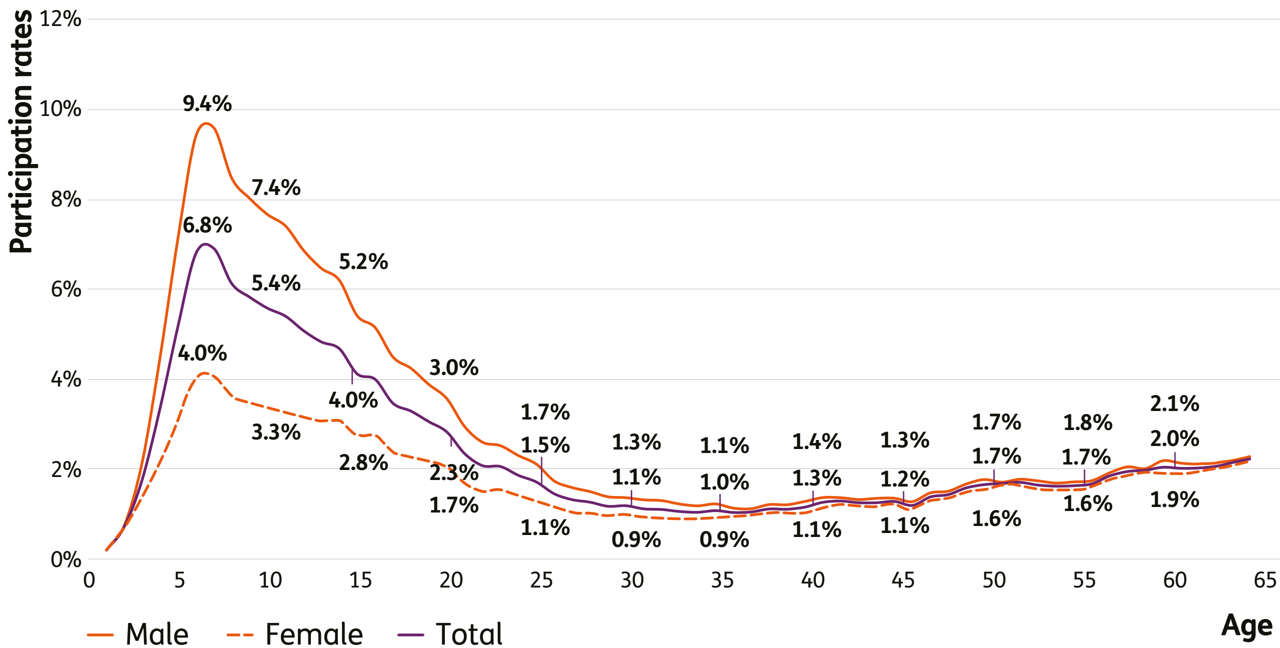
- Overall, the rate of participation rises steeply from age 0, peaking at roughly **7%** between ages 5-7.
- The rate declines steadily to around **1%** at age 35, before rising gradually to **2%** by age 64.
- At the peak, the participation rate for males (**9%**) is more than double that of females (**4%**).
- A broader age group of 3-14 years gives a similar result, with participation rates of **7%** for males and **3%** for females.
- Almost half of all NDIS participants aged 18 or under. This largely reflects the significant proportion of children with autism (**55%**) and developmental delay (**18%**), which have higher prevalence in males than females.

Participants and their plans

1.3 Participation rates

This quarter, the prevalence rates have increased by between 0.1 to 0.3 percentage points for each age group.

Participation rates[13]



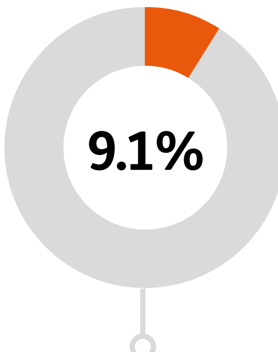
[13] There were 6,059 participants aged 0 to 64 years with a gender of 'Other' at 30 June 2022. The participation rates for this group are included within the total rates.

Participants and their plans

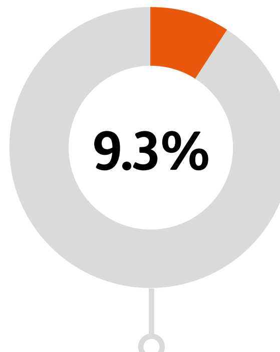
1.4 Participant Characteristics

The NDIA continues to monitor and focus on the number of participants entering the NDIS who are Aboriginal and Torres Strait Islander, CALD, and living in remote and very remote areas.

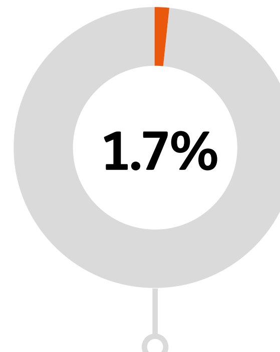
Of the **19,291** participants entering and receiving a plan this quarter:



participants who received a plan this quarter identify as Aboriginal or Torres Strait Islander[14]



participants who received a plan this quarter identify as CALD[15]



participants who received a plan this quarter were from remote/very remote regions[16]

[14] This compares to an expected 7 per cent of the Australian population who classify themselves as Aboriginal or Torres Strait Islander who have a need for assistance. Source: Census of Population and Housing 2016 ("Need for Assistance" variable), Persons Place of Usual Residence, by Indigenous Status.

[15] The percentage of CALD participants excludes participants who identify as Aboriginal and Torres Strait Islander. Further, the NDIA published extra analysis on CALD participants in the September 2021 quarterly report (https://www.ndis.gov.au/about-us/publications/quarterly-reports). The analysis indicated that it is likely that CALD participants are joining the NDIS but have not been identified as CALD in the data collected, rather than a large number of CALD people with a disability not currently being in the NDIS. With the introduction of the new ICT system, the opportunity to collect improved data on participants should allow better identification of CALD participants.

[16] This compares to 2 per cent of the Australian population living in remote or very remote areas. Source: Census of Population and Housing 2016, Persons Place of Usual Residence, by Remoteness Area.

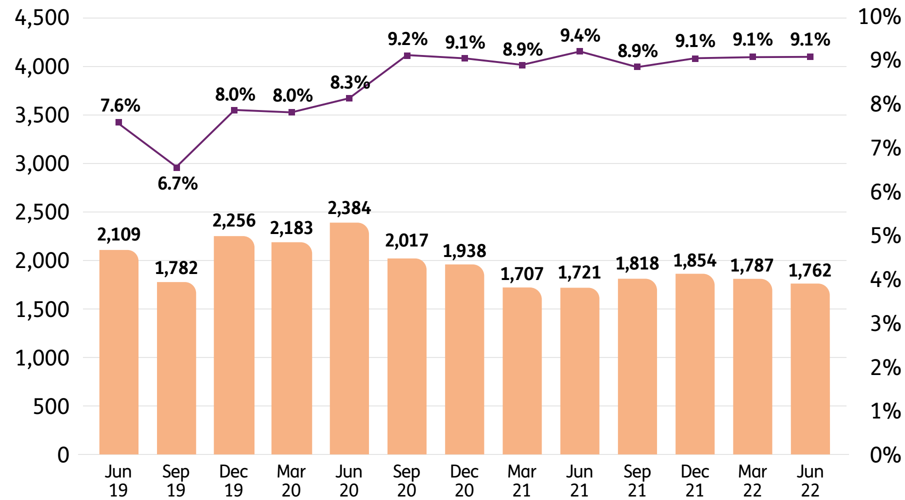
Participants and their plans

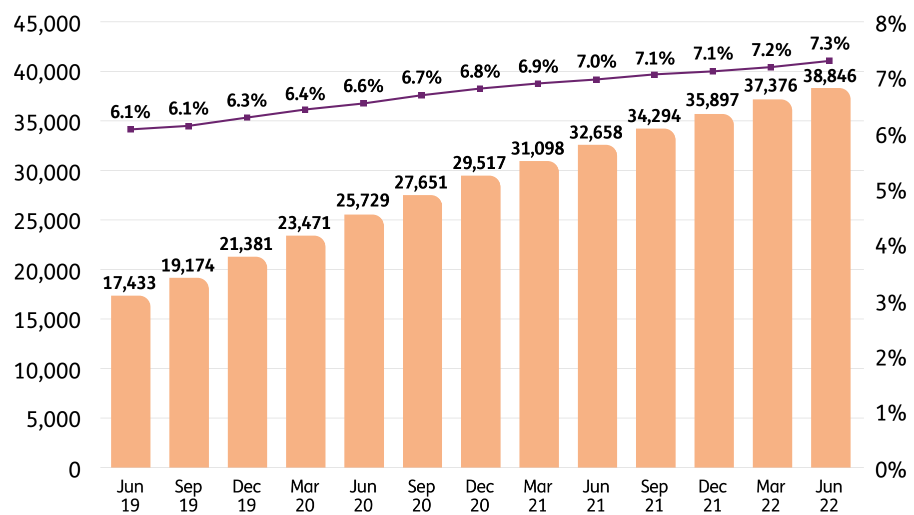
1.4 Participant Characteristics

Number and proportion of Aboriginal and Torres Strait Islander participants over time incrementally (top), and cumulatively (bottom).[17]

Aboriginal and Torres Strait Islander

Proportion of plan approvals





[17] The incremental chart shows the distribution of new participants that have entered in each quarter. The cumulative chart shows the distribution of active participants as at each quarter over time. Quarterly results are reported based on a rolling 3 year period.

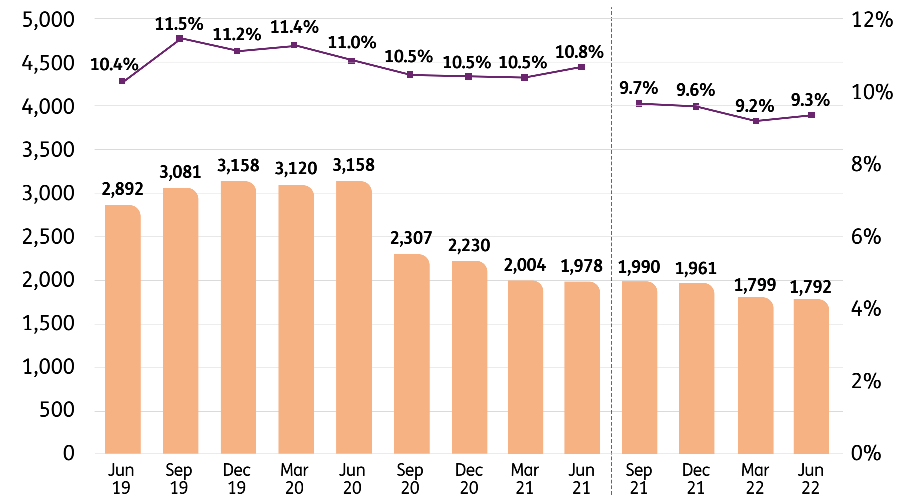
Participants and their plans

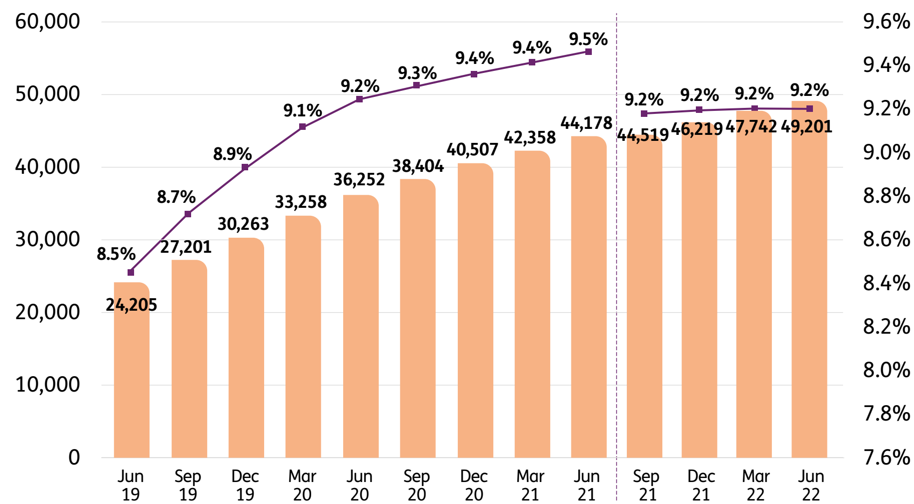
1.4 Participant Characteristics

Number and proportion of Culturally and Linguistically Diverse participants over time incrementally (top) and cumulatively (bottom).[18,19]

CALD

Proportion of plan approvals





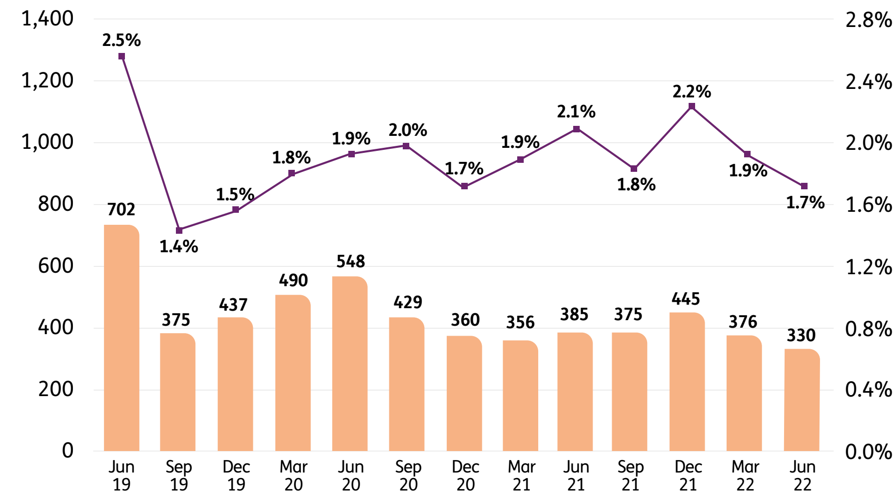
[18] The incremental chart shows the distribution of new participants that have entered in each quarter. The cumulative chart shows the distribution of active participants as at each quarter over time. Quarterly results are reported based on a rolling 3 year period.

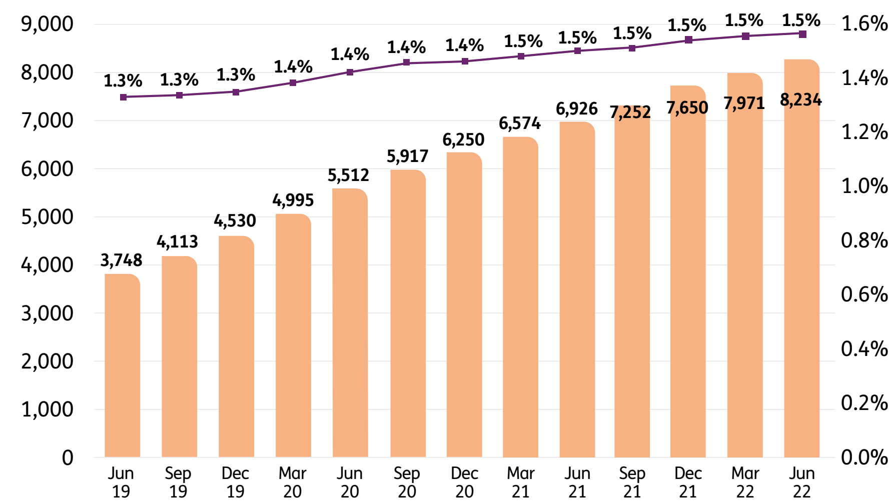
[19] The number of CALD participants from the September 2021 quarter onwards excludes participants who identify as Aboriginal and Torres Strait Islander. In previous reports, Aboriginal and Torres Strait Islander participants were included if their main language spoken at home was not English. This has resulted in a "break" in the time series, meaning the results prior to the September 2021 quarter do not compare to the results since.

Participants and their plans

1.4 Participant Characteristics

Number and proportion of remote/ very remote participants over time incrementally (top) and cumulatively (bottom).[20]





Remote/Very Remote

Proportion of plan approvals

[20] The incremental chart shows the distribution of new participants that have entered in each quarter. The cumulative chart shows the distribution of active participants as at each quarter over time. Quarterly results are reported based on a rolling 3 year period.

Participants and their plans

1.4 Participant Characteristics

Age and disability

The breakdown of participants by **age** and **disability** this quarter indicates:

– continuation of a high proportion of children **aged 0-6 years** entering the Scheme (**43.6%** this quarter and **44.5%** in the March 2022 quarter). It is also worth noting that the number of children in the Scheme **aged less than 18 years** was **43.5%** at 30 June 2019 and **48.0%** at 30 June 2022.

– consistent with the high numbers of children, a relatively higher proportion of participants with **Developmental Delay** entered the Scheme again this quarter (**29.9%** this quarter and **30.1%** in the March 2022 quarter).

– a consistent proportion of participants entering the Scheme this quarter for the remaining disability types, including **Autism** (**29.1%**), **Psychosocial disability** (**10.2%**) and **Intellectual disability**[21] (**6.5%**).

[21] Intellectual disability includes Down syndrome.

Participants and their plans

1.4 Participant Characteristics

Younger People in Residential Aged Care (YPIRAC)

– The number of people in residential aged care under the age of 65 years has decreased in recent quarters:

- **5,606** at 30 June 2019
- **3,161** at 31 March 2022 (**44% decrease**)

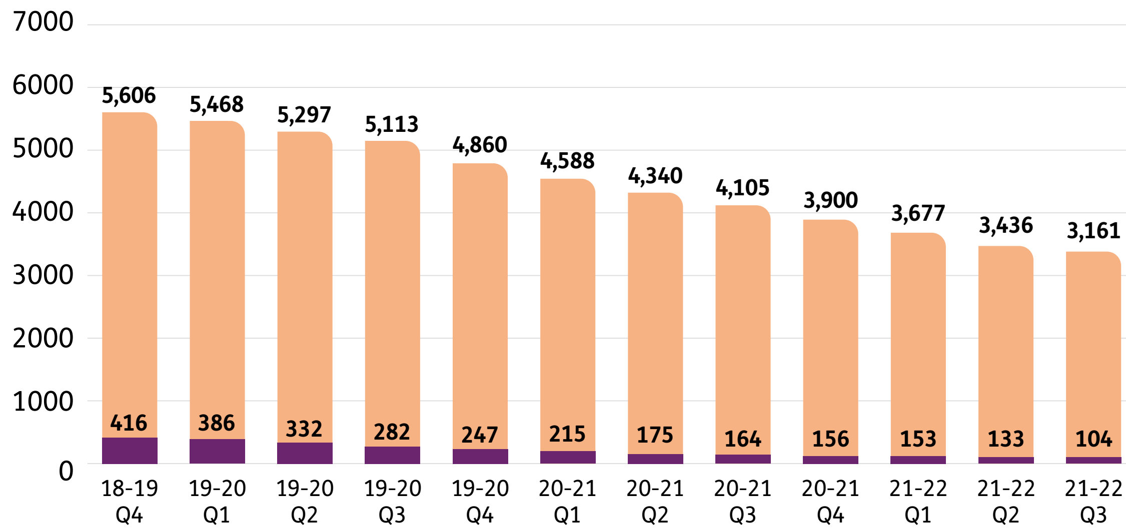
– Fewer people <65 years entering residential aged care:

- **416** people <65 years entered the Scheme in the June 2019 quarter
- **104** in the March 2022 quarter (**75% decrease**).

Number of individuals in residential aged care and admissions to residential aged care (under 65 years), by quarter

Individuals in residential aged care at the end of the quarter

Admissions during the quarter



Participants and their plans

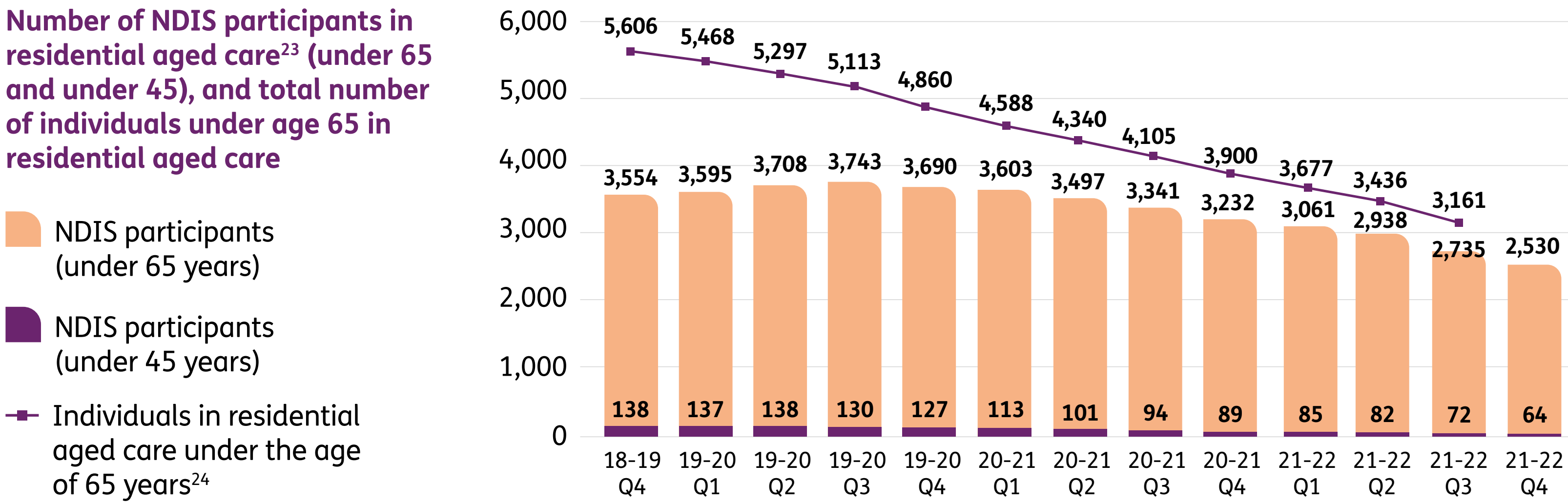
1.4 Participant Characteristics

Younger People in Residential Aged Care (YPIRAC)

- At 30 June 2022, there were **2,530** participants aged <65 years in residential aged care with an NDIS approved plan, including 64 who were aged under 45 years (2.5%).[22]

- Since 1 July 2016, **819** participants have exited residential aged care and relocated to a more appropriate accommodation setting.

Number of NDIS participants in residential aged care[23] (under 65 and under 45), and total number of individuals under age 65 in residential aged care



[22] There were a further 2,006 participants with an approved plan aged 65 years or over who are currently in residential aged care.
[23] Represents the number of NDIS participants in residential aged care as per data available on respective quarter-ends.
[24] Data provided by the Department of Health as at 31 March 2022.

2

Part 2: Participant experience and outcomes

Participant experience and outcomes

Some outcomes continue to improve the longer participants are in the Scheme, but there is still more to do around important areas such as employment

2.1 Participation in work, community and social activities

Despite COVID-19, participation rates in community and social activities have increased, while the overall rate of participation in work is stable.

For participants who have been in the Scheme for at least 2 years, their **community and social participation** has increased since they first enter.[25] Specifically, comparing responses at the most recent plan review (between two to five years after entry) with responses at Scheme entry[26]:

– **seven** percentage point increase from **34%** to **41%** for participants **aged 15–24** years.

– **ten** percentage point increase from **36%** to **47%** for participants **aged 25-34** years.

– **eight** percentage point increase from **37%** to **45%** for participants **aged 35-44** years.

– **seven** percentage point increase from **36%** to **43%** for participants **aged 45-54** years.

– **six** percentage point increase from **36%** to **41%** for participants **aged 55-64** years.

– **six** percentage point increase from **36%** to **42%** for participants **aged 65 years and older**.

– **seven percentage point increase from 36% to 43% for participants aged 15 years and older.**

[25] This section compares Baseline indicator results when participants entered the Scheme, with results measured at the most recent participant plan review for each respondent. Trial participants are excluded.
[26] Figures have been rounded to the nearest whole percentage.

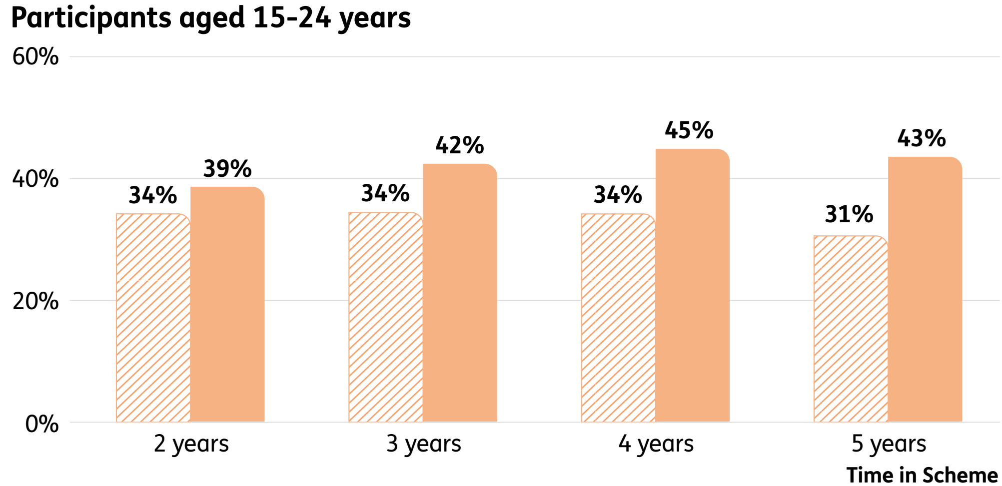
Participant experience and outcomes

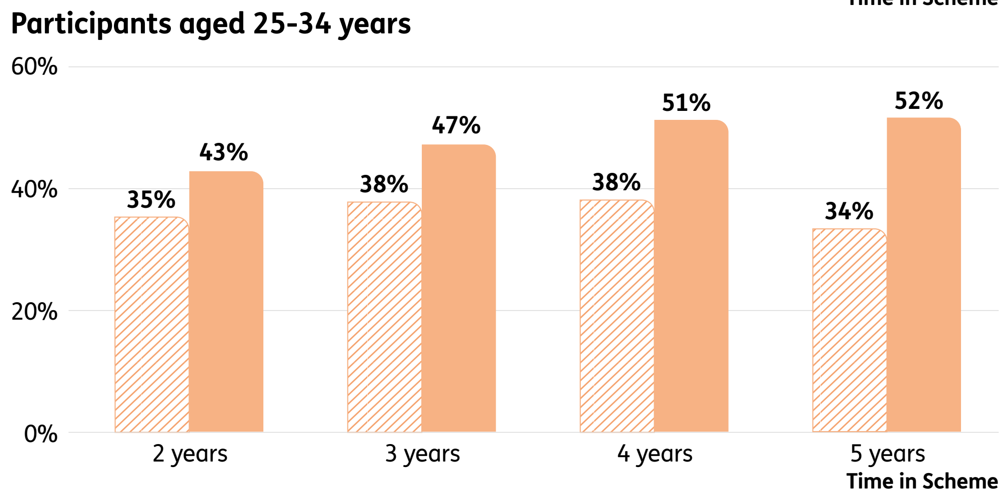
2.1 Participation in work, community and social activities

Change in the percentage of participants participating in social activities who have been in the Scheme for 2, 3, 4 or 5 years

Baseline

Latest review

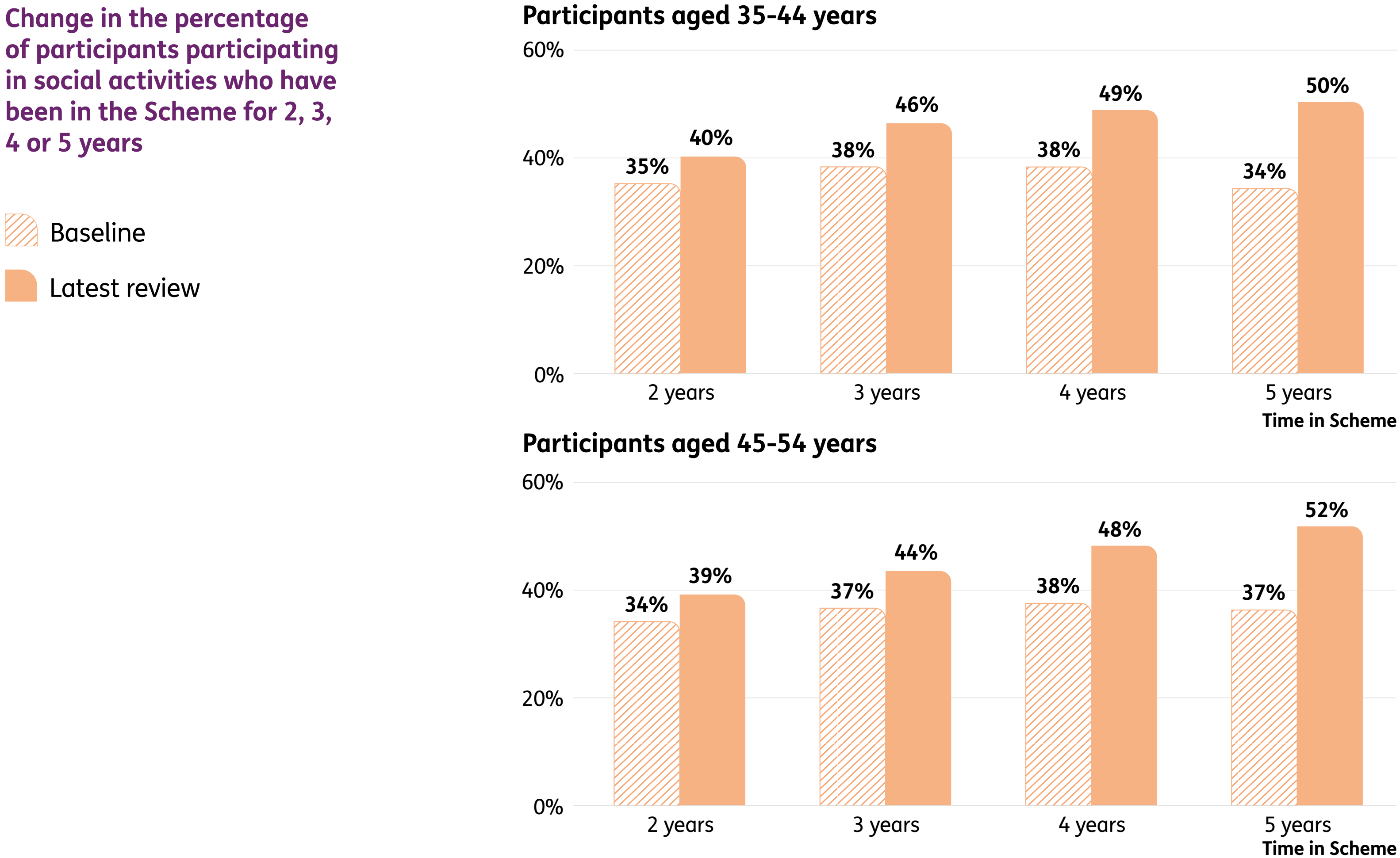




Participant experience and outcomes

2.1 Participation in work, community and social activities

Change in the percentage of participants participating in social activities who have been in the Scheme for 2, 3, 4 or 5 years



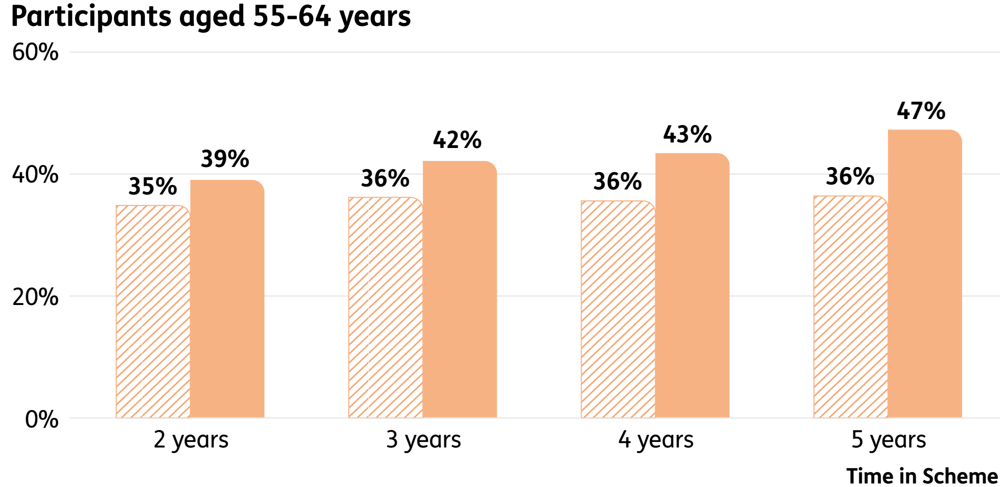
Participant experience and outcomes

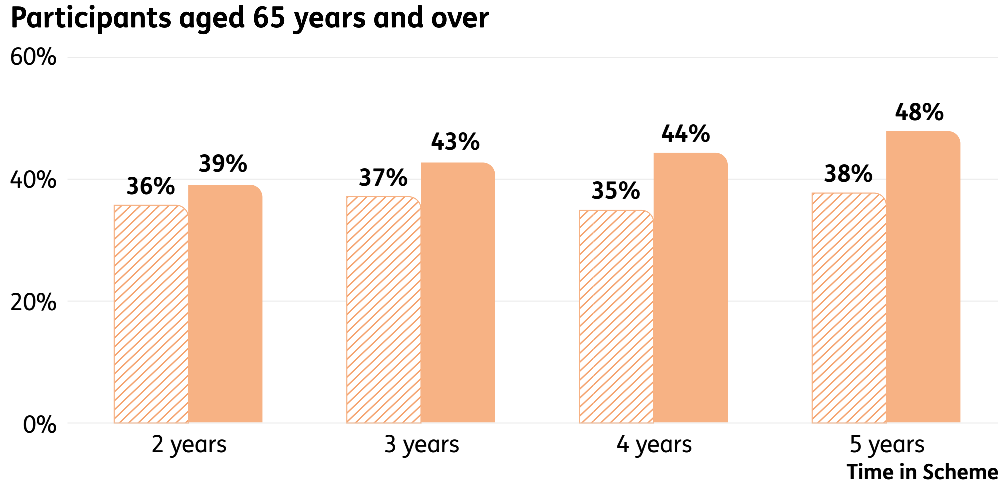
2.1 Participation in work, community and social activities

Change in the percentage of participants participating in social activities who have been in the Scheme for 2, 3, 4 or 5 years

Baseline

Latest review

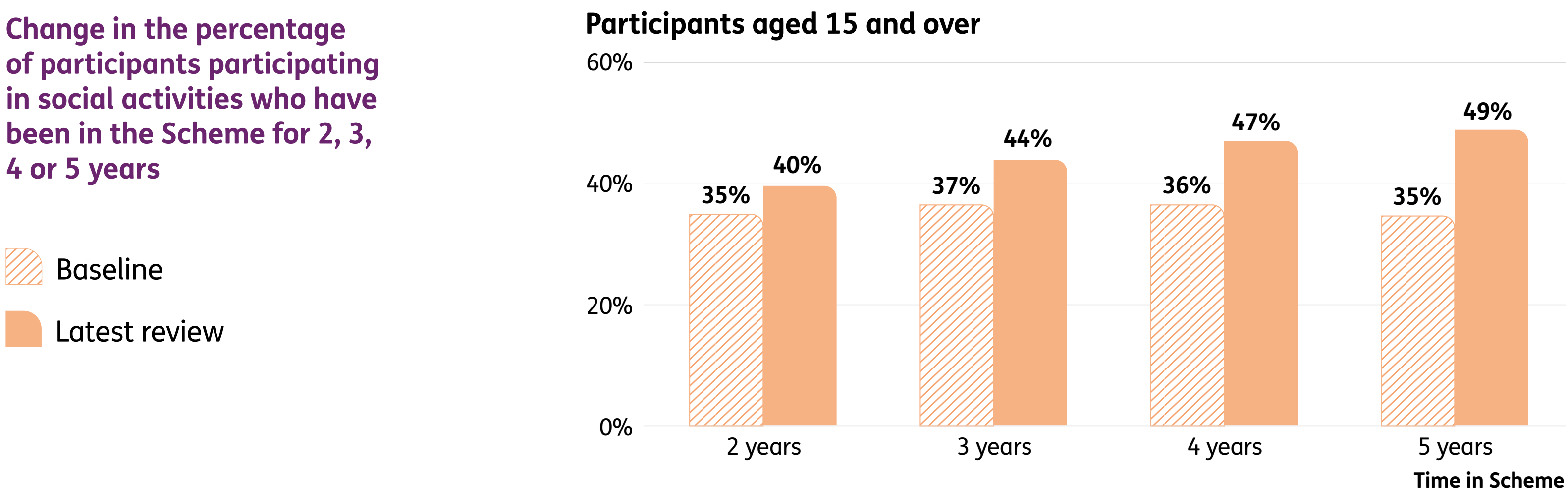




Participant experience and outcomes

2.1 Participation in work, community and social activities

Change in the percentage of participants participating in social activities who have been in the Scheme for 2, 3, 4 or 5 years



Participant experience and outcomes

2.1 Participation in work, community and social activities

Participation in work (percentage in a paid job)
The percentage and change overtime in the Scheme, differs by age group with an increase in employment for those in the 15-24 year age group, while employment remains stable or declines for all other age bands.

Comparing response at the most recent plan review (between 2-5 years after entry) with response at Scheme entry[27]:

– **ten** percentage point increase from **11%** to **21%** for participants **aged 15-24** years.[28]

– **less than 0.5** percentage point increase from **28%** to **29%** for participants **aged 25-34** years.

– **one** percentage point decrease from **29%** to **28%** for participants **aged 35-44** years.

– **two** percentage point decrease from **25%** to **23%** for participants **aged 45-54** years.

– **three** percentage point decrease from **19%** to **16%** for participants **aged 55-64** years.[29]

– **four** percentage point decrease from **13%** to **9%** for participants **aged 65 years and older**.[30]

– **one percentage point increase from 22% to 23% for participants aged 15–64 years.**

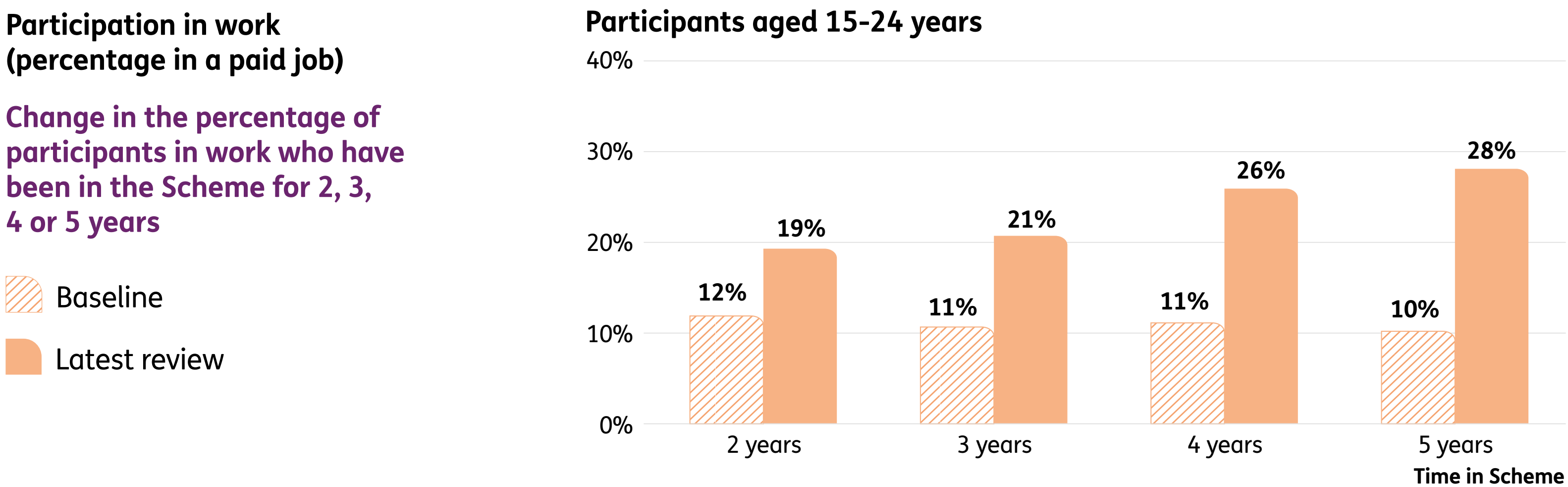
[27] Figures have been rounded to the nearest whole percentage.
[28] Some of the increase is due to participants leaving school and starting work. As the Scheme matures it will be possible to analyse the extent to which the percentage gap increases.
[29] Some of the decrease for older age groups is due to participants retiring from the workforce
[30] Ibid

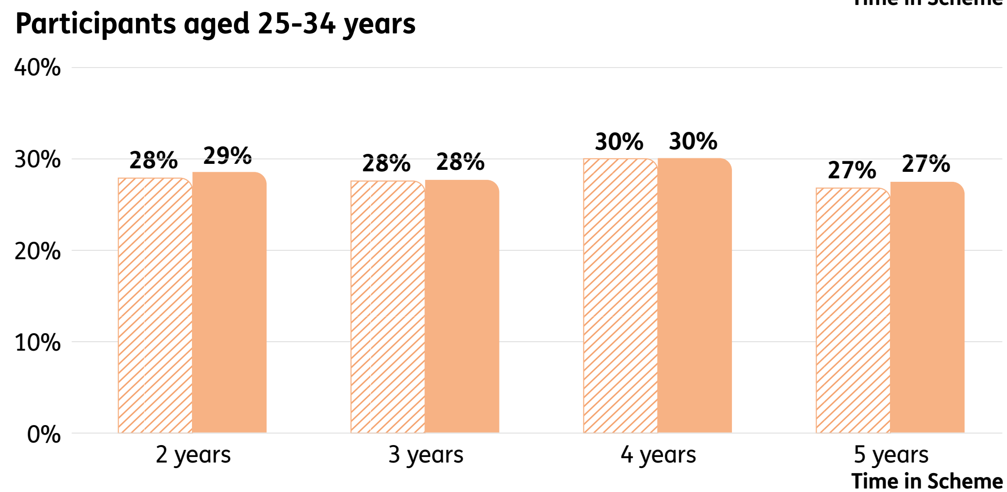
Participant experience and outcomes

2.1 Participation in work, community and social activities

Participation in work (percentage in a paid job)

Change in the percentage of participants in work who have been in the Scheme for 2, 3, 4 or 5 years





Participant experience and outcomes

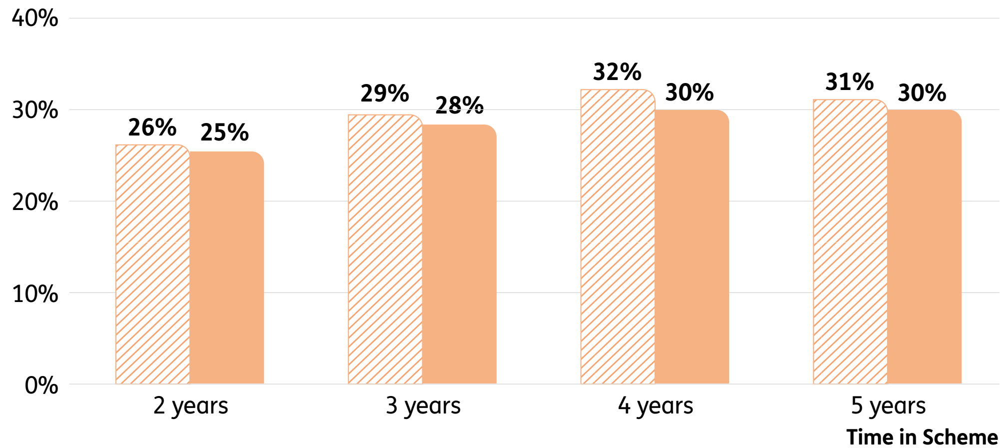
2.1 Participation in work, community and social activities

Change in the percentage of participants in work who have been in the Scheme for 2, 3, 4 or 5 years

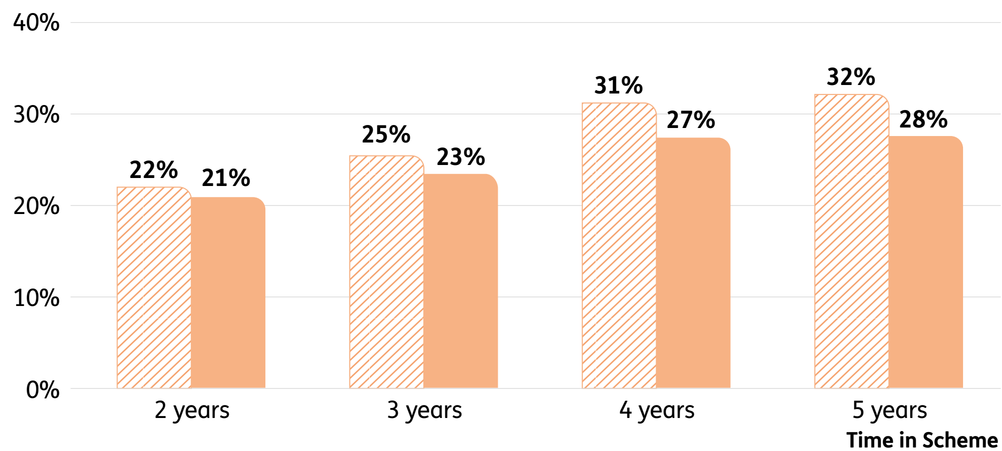
Baseline

Latest review

Participants aged 35-44 years



Participants aged 45-54 years



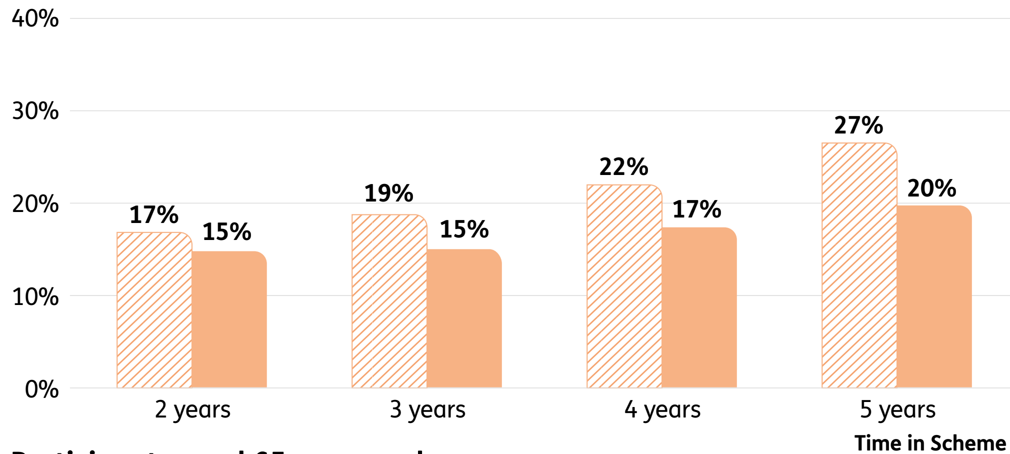
Participant experience and outcomes

2.1 Participation in work, community and social activities

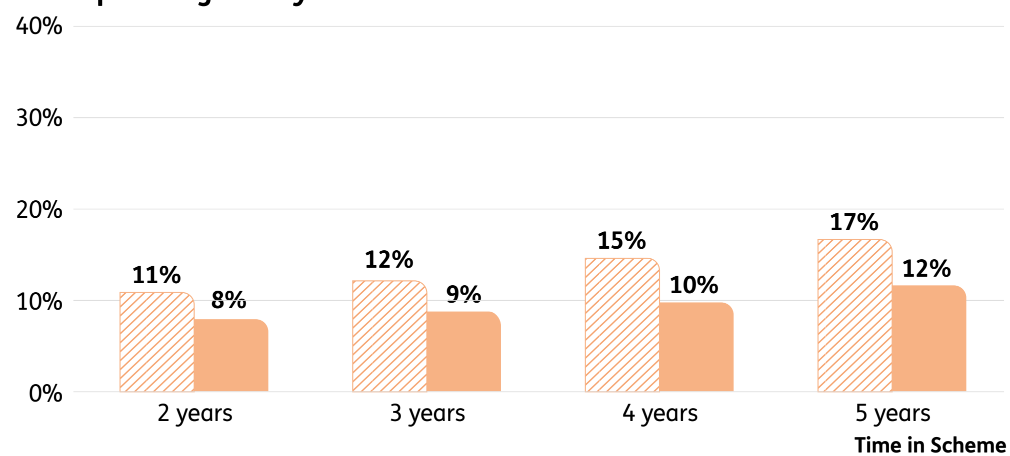
Participation in work (percentage in a paid job)

Change in the percentage of participants in work who have been in the Scheme for 2, 3, 4 or 5 years

Participants aged 55-64 years



Participants aged 65 years and over



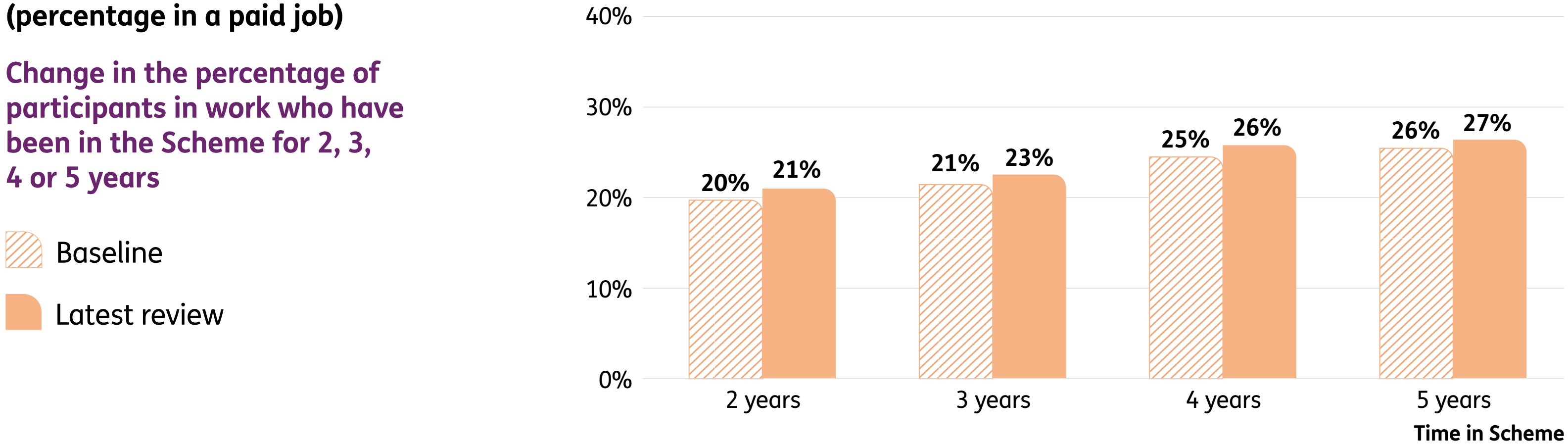
Participant experience and outcomes

2.1 Participation in work, community and social activities

Participation in work (percentage in a paid job)

Change in the percentage of participants in work who have been in the Scheme for 2, 3, 4 or 5 years

Participants aged 15 to 64 years



Participant experience and outcomes

2.1 Participation in work, community and social activities

NDIS Participant Employment Strategy

NDIA maintained a strong focus on employment outcomes for NDIS participants with the main vehicle continuing to be the **Employment Action Plan for 2021-22**, along with the initiatives under the **Australia's Disability Strategy 2021-2031 and the Employ my Ability – Disability Employment Strategy 2021-2031**.

In the last quarter, there has been increased emphasis on improving the awareness and capability of staff and partners, specifically the inclusion of employment in planning conversations. The impact of the concerted efforts to improve the skills and knowledge of Local Area Coordinators (LACs) and planners has increased employment goals from **35%** at 30 June 2021 to **37%** of working age participants by 30 June 2022.

Supporting the disability employment sector to deliver evidence-based, person-centred employment supports

The NDIA is working to deliver employment supports through:

- **The transition to the new Supports in Employment pricing framework (finalised by the 31 December 2021):** The NDIA has worked closely with providers throughout the transition of the new framework, resulting in 160 of the 161 providers in the Australian Disability Enterprise (ADE) sectors successfully transitioned. The new funding means that a participant can be supported in any workplace, not only in ADEs, and is intended to increase the variety of employment options available for NDIS participants.
- **Working with the sector:** The NDIA continues to support the sector more broadly to expand opportunities for participants to develop their skills and explore employment in a greater range of employment settings. At this stage, the work has centred on the sector-led Community of Practice established by National Disability Services with exchange of information about some of the initiatives from individual providers.
- **Focusing on broaden employment opportunities** for NDIS participants across the disability employment sector, evident in the engagement of providers at conferences conducted by both Disability Employment Australia and National Disability Services (NDS) in June 2022. This momentum can now build with the assistance of the DSS and in partnership with NDS so that the intent of the changes in NDIS funding for supports in employment can be realised.

Participant experience and outcomes

2.2 Analysis of participant outcomes

Participants continue to report positive outcomes.

Participants who entered the Scheme since 1 July 2016 were asked 'Has the NDIS helped?' at each participant plan review, allowing the NDIA to gain valuable longitudinal insights.

Participants who have been in the Scheme for at least 2 years

From 1 July 2016 to 30 June 2022, for participants who have been in the Scheme for at least two years, the following outcomes have been recorded:

For children aged 0 to before starting school:

- **95%** of parents and carers thought the NDIS improved their child's development at their most recent plan review, compared to **91%** at their first review.
- **95%** felt the NDIS improved their child's access to specialist services at their latest plan review, compared to **91%** at their first review.

For children starting school to 14 years:

- **73%** of parents and carers felt their child had become more independent as a result of the NDIS at their most recent plan review, compared to **61%** at their first review.
- **60%** of parents and carers felt the NDIS had improved their child's relationship with family and friends at their most recent plan review, compared with **50%** at their first review.

Participant experience and outcomes

2.2 Analysis of participant outcomes

Participants who have been in the Scheme for at least 2 years

For young adults aged 15 to 24 years:

- **50%** of participants felt that their involvement with the NDIS improved their health and wellbeing at their most recent plan review, compared to **43%** at their first review.
- **72%** of participants said the NDIS had helped them with daily living activities at their most recent plan review, compared to **60%** at their first review.

For adults aged 25 and over:

- **60%** of participants felt that their involvement with the NDIS improved their health and wellbeing at their most recent plan review, compared to **51%** at their first review.
- **83%** of participants said the NDIS had helped them with daily living activities at their most recent plan review, compared to **72%** at their first review.

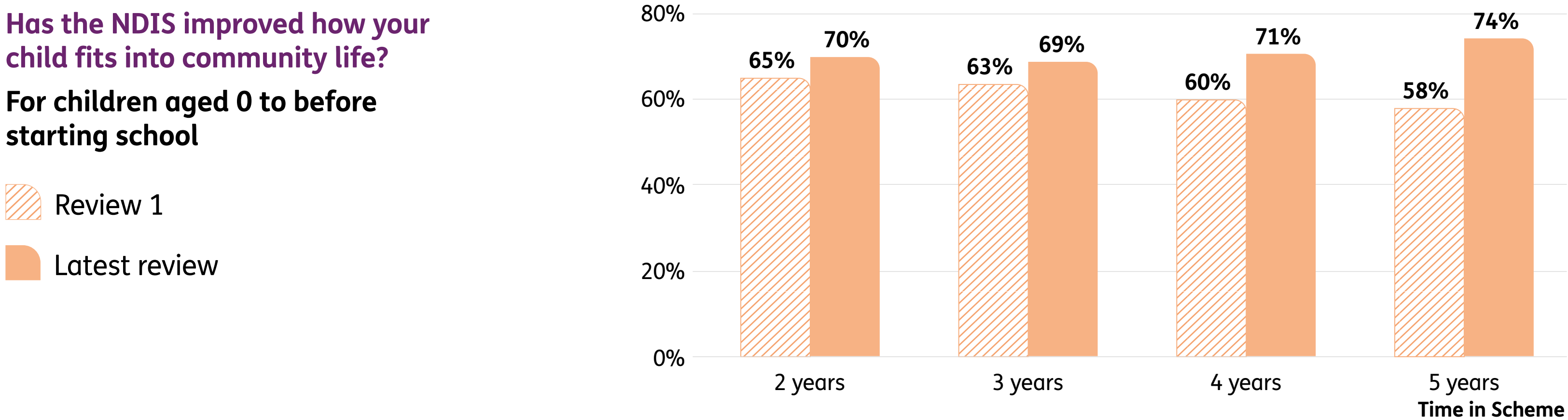
Participant experience and outcomes

2.2 Analysis of participant outcomes

Significant improvements in outcomes are evident the longer a participant has been in the Scheme. Highlights for participants who have been in the Scheme for at least 2 years, include:

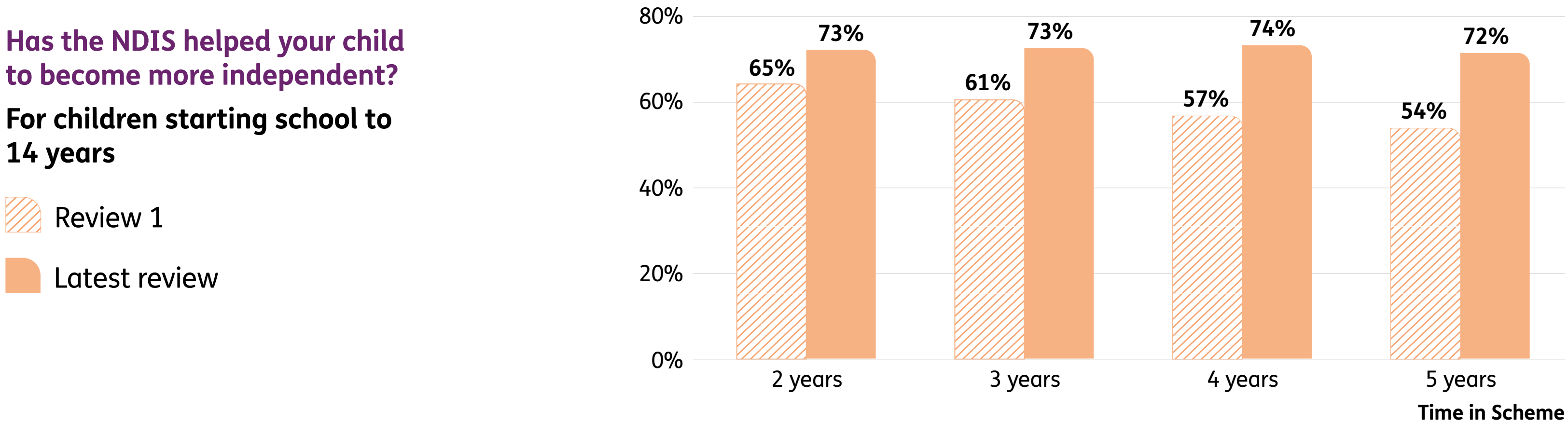
Has the NDIS improved how your child fits into community life?

For children aged 0 to before starting school



Has the NDIS helped your child to become more independent?

For children starting school to 14 years



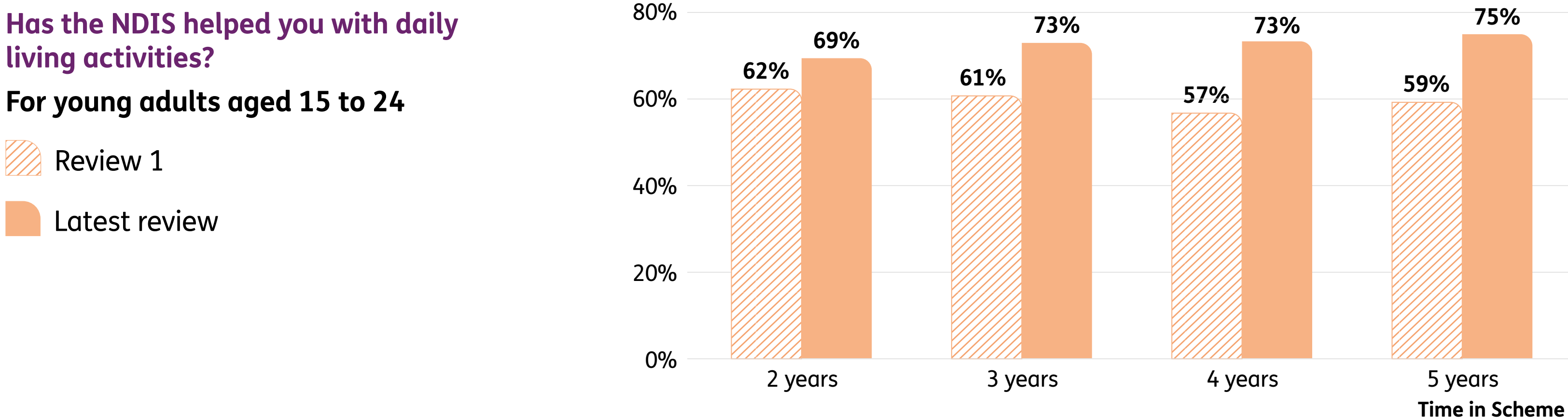
Participant experience and outcomes

2.2 Analysis of participant outcomes

Significant improvements in outcomes are evident the longer a participant has been in the Scheme. Highlights for participants who have been in the Scheme for at least 2 years, include:

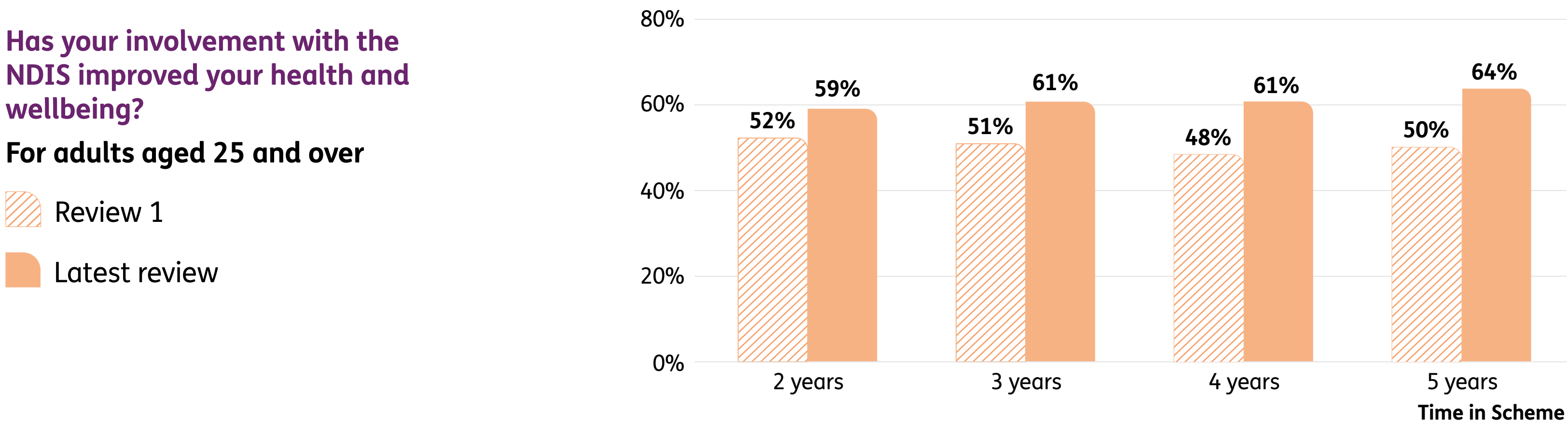
Has the NDIS helped you with daily living activities?

For young adults aged 15 to 24



Has your involvement with the NDIS improved your health and wellbeing?

For adults aged 25 and over



Participant experience and outcomes

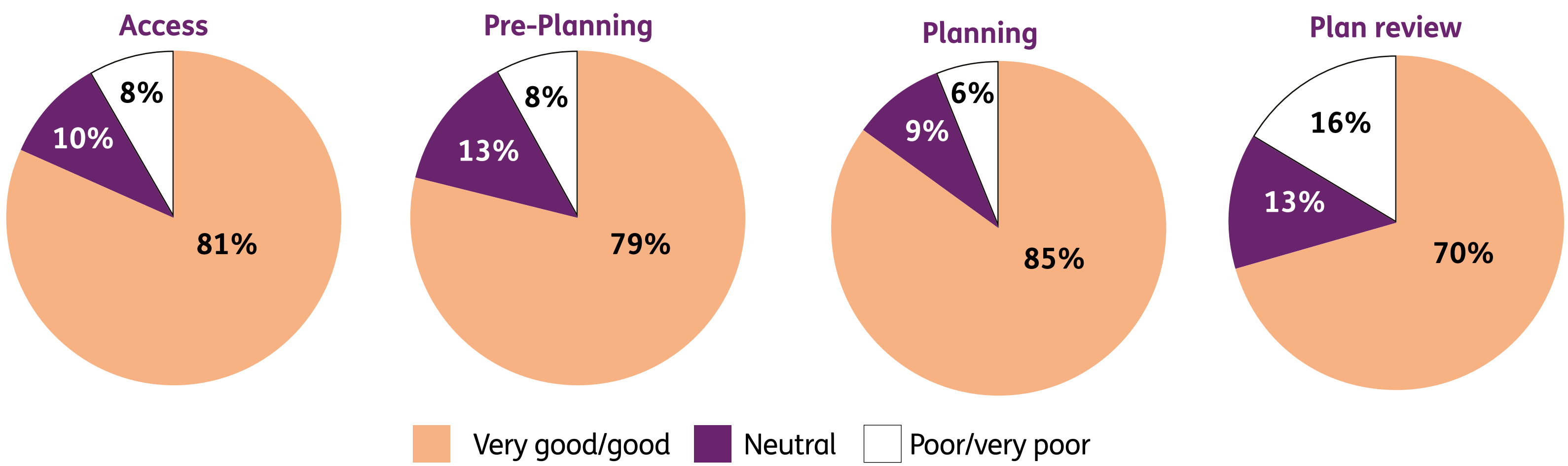
2.3 Participant satisfaction

Participant satisfaction has remained in line with satisfaction over the past quarters.

In September 2018, the NDIA expanded the original participant satisfaction survey to allow for a comprehensive understanding of the participant experience at each stage in the pathway– access, pre-planning, planning and plan review.

Rating of experience with the NDIS (1 April 2022 to 30 June 2022)

Overall, how was your experience with:



Satisfaction with the Review process has remained relatively constant in recent quarters at around **70%**, noting this decreased from 76% in the December 2020 quarter.

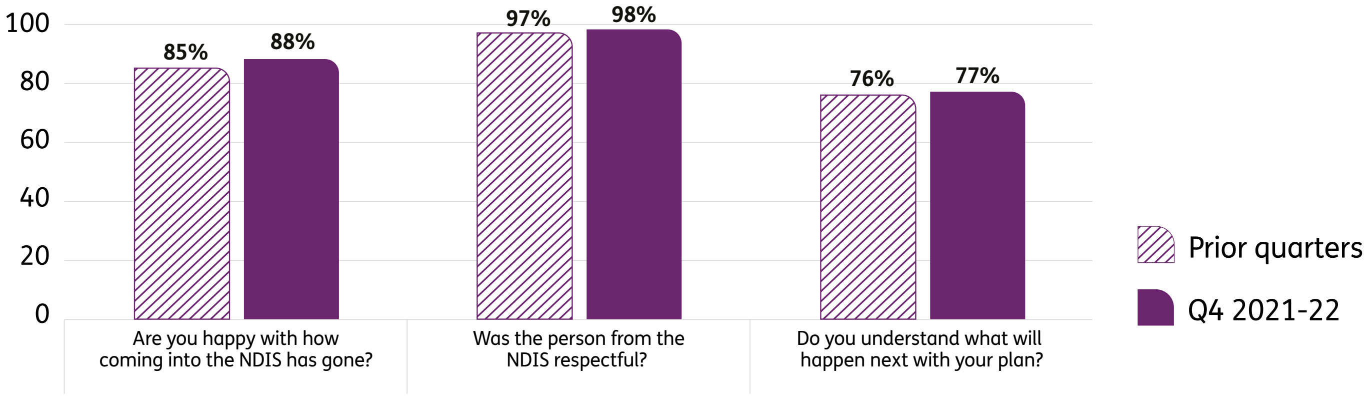
There was also a slight (2 percentage point) decrease in the latest quarter, from 72% to 70%, reversing the 2 percentage point increase observed last quarter.

Participant experience and outcomes

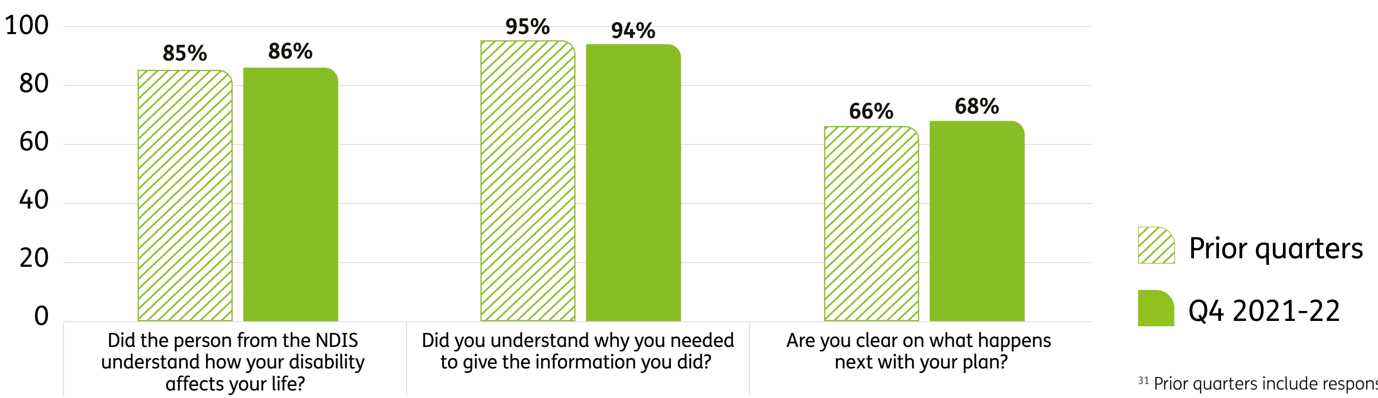
2.3 Participant satisfaction

Satisfaction across the four stages of the pathway[31]

Stage One: Access



Stage Two: Pre-Planning



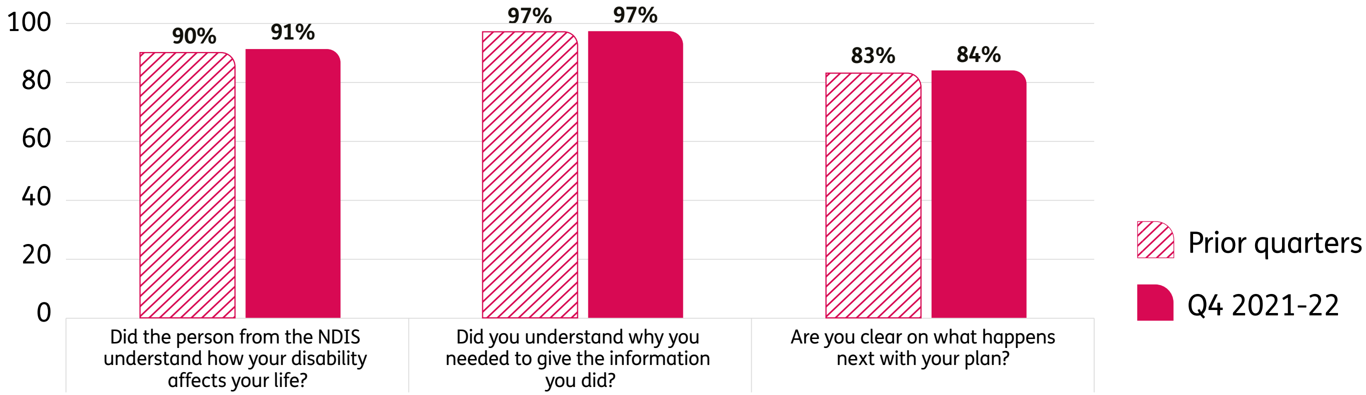
[31] Prior quarters include responses from 1 October 2020.

Participant experience and outcomes

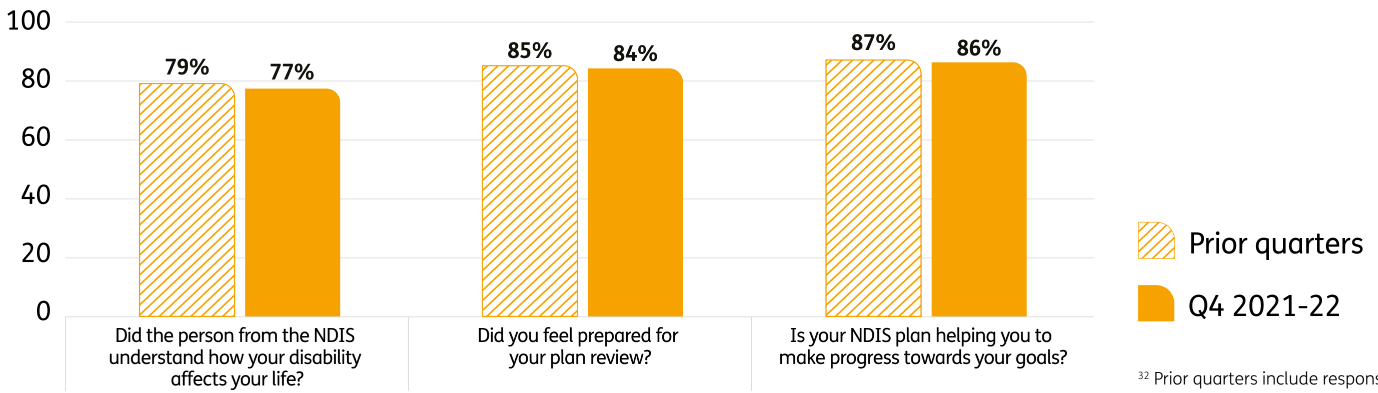
2.3 Participant satisfaction

Satisfaction across the four stages of the pathway[32] (continued)

Stage Three: Planning



Stage Four: Plan Review



[32] Prior quarters include responses from 1 October 2020.

Participant experience and outcomes

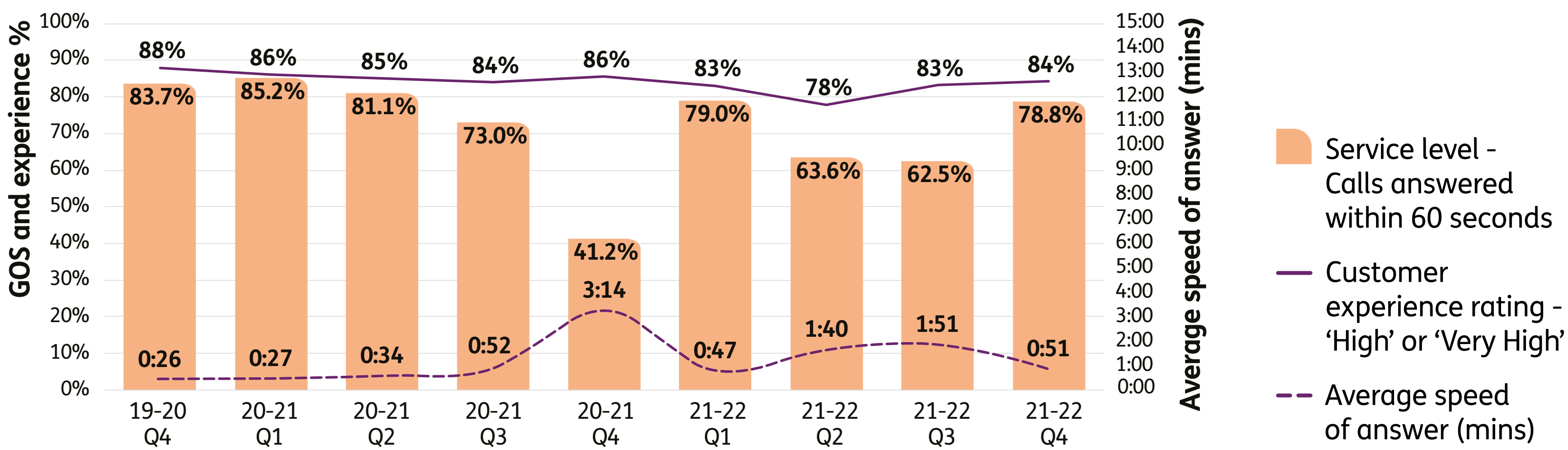
2.4 The NDIS Contact Centre

The NCC performance was strong this quarter, with higher levels of customer satisfaction, improvements in telephone service metrics, and more timely management of email workflows.

The Contact Centre performance during the quarter improved with.

- **78.8%** of **calls were answered within 60 seconds**, up from **62.5%** last quarter.
- Faster **average speed of answer** of **51 seconds**.
- Higher **first call resolution** at **78.1%** compared to the prior quarter's result of **77.1%**
- Strong customer experience trends continued across the quarter, with **84.2%** of post call survey respondents scoring their **experience with the NCC as 'High' or 'Very High'**. This is up from 83.2% last quarter.

Quarterly telephony grade of service, average speed of answer and customer experience results

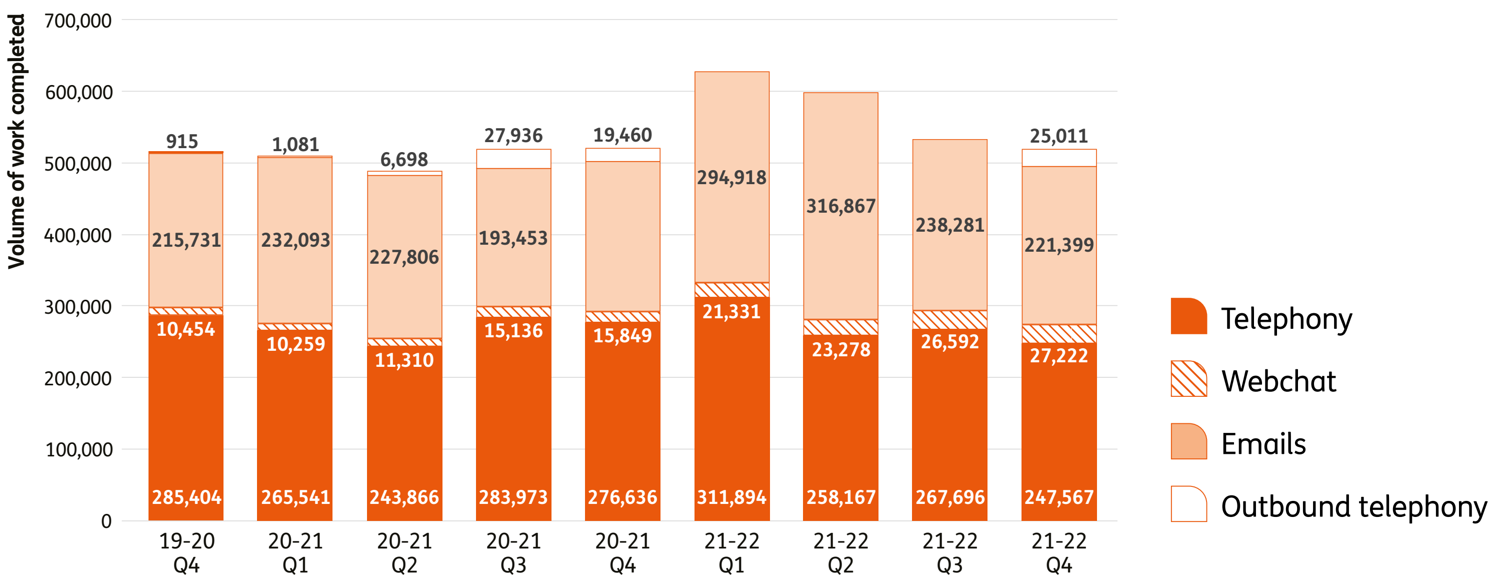


Participant experience and outcomes

2.4 The NDIS Contact Centre

- The NCC's web-chat channel continues to see significant growth with **27,222 web-chats** answered for the quarter
- From Q1 to Q4 2021-22, web-chat volume has doubled, with **86.6% answered within 20 seconds** this quarter
- NCC **email outflow (217k) exceeded inflow (203k) during the quarter**

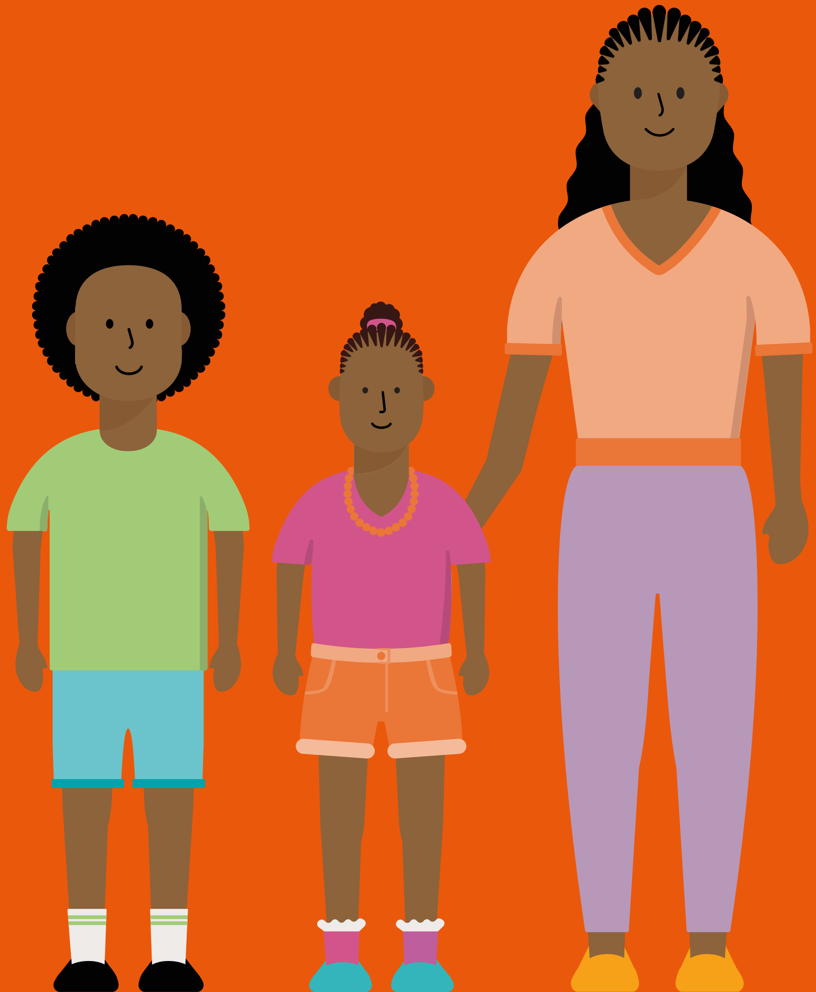
Volume of work items completed by NCC per quarter over the past two years[33]



[33] The outbound telephony figures reported in the chart refer to targeted outbound campaigns conducted by the NCC and does not include regular outbound calls made by the NCC as part of general business processes. Hence, in quarters where outbound telephony figures are not reported, the NCC did not conduct any targeted outbound campaigns.

Part 3:
Participant Service Guarantee and Participant Service Improvement Plan

3



Participant Service Guarantee and Participant Service Improvement Plan

3.1 Participant Service Improvement Plan (SIP)

Progress is being made again the Participant SIP deliverables.

The highlights for this quarter include:

SIP Commitment	What have we delivered?
The call centre will give the right information the first time where possible	The NDIA is committed to meeting and maintaining a target rate of 80 per cent first call resolution, where possible. This quarter, the NCC reached the target on first call resolution for a number of weeks, with slight variances due to staff onboarding.
We want to support and promote children and young people's voice in their own plans; while also working closely with parents and carers	As part of the ECEI Implementation Reset approach, the NDIA has developed operational guidelines for Early Childhood Partners, using language familiar to children, families and carers. In addition, the roll out of improved Early Childhood planning processes has led to reduced work effort for Early Childhood Partners and has increased time efficiencies when delivering early supports for Early Childhood plans (under age 7 years).
We will focus on your plan and goals supporting you to gain employment if that is what you want	The NDIA is committed to improve employment opportunities and outcomes for participants. Through the implementation of the Participant Employment Strategy Action Plan and the concerted efforts of LACs and planners in facilitating conversations about employment, the number of employment-related goals in participants' plans continues to increase.

Participant Service Guarantee and Participant Service Improvement Plan

3.2 Participant Service Guarantee (PSG)

The latest quarter shows consistent service standard experience across the measurable PSG metrics.

The NDIA has commenced measuring performance against the PSG metrics early where possible and these results have been published in prior quarterly reports. However, on 30 March 2022, the **NDIS Amendment (Participant Service Guarantee and Other Measures) Bill 2021 passed** in both houses of Parliament, and received Royal Assent on 1 April 2022.

The legislation focuses on improving participant experience and builds on the recommendations of the 2019 Tune Review. It legislates the PSG and introduces changes that provide greater flexibility for participants and the NDIA to vary plans.

Service type	Description of the service being guaranteed	Service Guarantee	Performance in the June 2022 quarter	Comparison to target of 95%	Change from last quarter
General	Explanation of a previous decision, after a request for explanation is received	28 days	99%	●	↔
Access	Make an access decision, or request for more information, after an access request has been received	21 days	100%	●	↔
Access	Allow sufficient time for prospective participants to provide information, after NDIA has requested further information	90 days	99%	●	↔
Access	Make an access decision, after the final information has been provided	14 days	99%	●	↔
Planning	Commence facilitating the preparation of a plan, after an access decision has been made	21 days	96%	●	↑
Planning	Approve a participant's plan, after an access decision has been made	56 days	90%	▲	↑

● 95% and over ▲ 85%-95% ■ Less than 85% ↑ > 3% points higher ↔ Within 3% points ↓ < 3% points lower

Participant Service Guarantee and Participant Service Improvement Plan

3.2 Participant Service Guarantee (PSG)

Service type	Description of the service being guaranteed	Service Guarantee	Performance in the June 2022 quarter	Comparison to target of 95%	Change from last quarter
Planning	Approve a plan for ECEI participants, after an access decision has been made.	90 days	96%	●	↑
Implementation	Offer to hold a plan implementation meeting, after the plan is approved	As soon as reasonably practical[34]			
Implementation	If the participant accepts the offer, hold a plan implementation meeting	28 days	100%	●	↔
Implementation	Provide a copy of the plan to a participant, after the plan is approved	7 days	Reporting will commence when the new ICT system is in place		
Plan review[35]	Commence facilitating a scheduled plan review, prior to the scheduled review date	56 days	56%*	■	↑
Plan review	Decide whether to undertake a participant requested plan review, after the request is received	21 days	100%	●	↔

* Note: The NDIA's new participant check-in process ensures that every scheduled review begins with a contact from the planner or partner to discuss review options well before any scheduled review date. Plans are extended automatically if they have not been reviewed before expiry so participants have continuity of support. That is, participants do not stop receiving supports.

● 95% and over ▲ 85%-95% ■ Less than 85% ↑ > 3% points higher ↔ Within 3% points ↓ < 3% points lower

[34] The average (mean) timeframe for this PSG metric is 28 days and the median is 5 days.
[35] From 1 July 2022, plan reviews will be referred to as plan reassessments as per the NDIS Amendment Bill. As this data is at 30 June 2022, the terminology has not been updated.

Participant Service Guarantee and Participant Service Improvement Plan

3.2 Participant Service Guarantee (PSG)

Service type	Description of the service being guaranteed	Service Guarantee	Performance in the June 2022 quarter	Comparison to target of 95%	Change from last quarter
Plan review	Complete a participant requested review, after the decision to accept the request is made	28 days	60%†	■	↑
Plan variations	Vary a plan, after the receipt of information that triggers the plan amendment process	28 days	92%	▲	↔
Plan variations[36]	Vary a plan, after receipt of information relating to a complex quote that triggers a plan amendment process	50 days	96%	●	↑
Plan variations	Provide a copy of the plan to a participant, after the plan is amended	7 days	Reporting will commence when the new ICT system is in place		
Reviewable decisions	Complete an internal review of a reviewable decision, after a request is received	60 days	96%	●	↑
Reviewable decisions	Implement an AAT decision to vary a plan, after receiving notification of the AAT decision	28 days	96%	●	↔
Nominee	Cancel participant requested nominee	14 days	99%	●	↔
Nominee	Cancel CEO initiated nominee[37]	14 days	91%	▲	↓

† Note: The average time taken to complete a PRR, after the decision to accept the request has been made was 33 days, so the majority of reviews are completed within a reasonable timeframe.

● 95% and over ▲ 85%-95% ■ Less than 85% ↑ > 3% points higher ↔ Within 3% points ↓ < 3% points lower

[36] Plan variations will be implemented from 1 July 2022 as per the NDIS Amendment Bill. These metrics will be updated in the September 2022 quarterly report.
[37] This metric consists of a small number of cancellation requests from nominees who no longer wish to be a participant's nominee. The drop in performance in Q4 was the result of a delay in processing two nominee cancellation requests, noting the remaining cases were processed well within the 14 day period (the average time to process a cancellation request in Q4 was 2.5 days). This result is expected to return to green next quarter.

Participant Service Guarantee and Participant Service Improvement Plan

3.2 Participant Service Guarantee – Key trends in PSG metrics

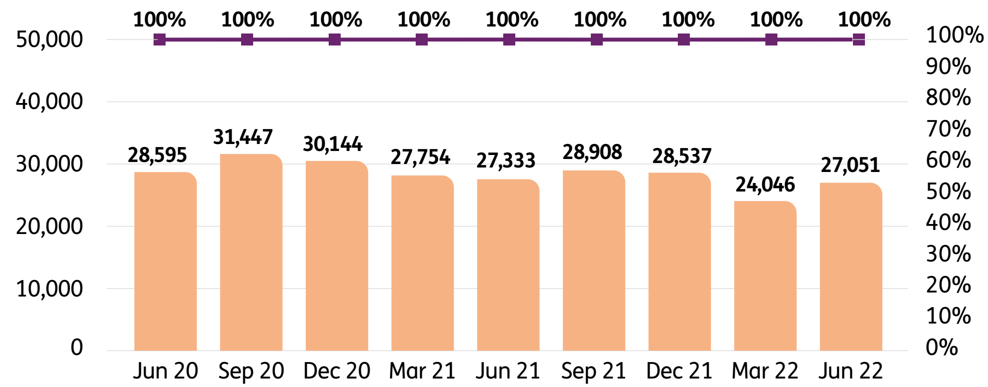
The NDIA has consistently been meeting PSG timeframes for access decisions and first plan approvals (for those aged 0-6) over the last few quarters, and there has been marked improvement compared to 2019. In the latest quarter, there have been further improvements in meeting the target timeframes for planning, plan reviews and reviewable decisions.

Access decisions

Access decision made, or further information requested, after receiving access request

Number of tasks

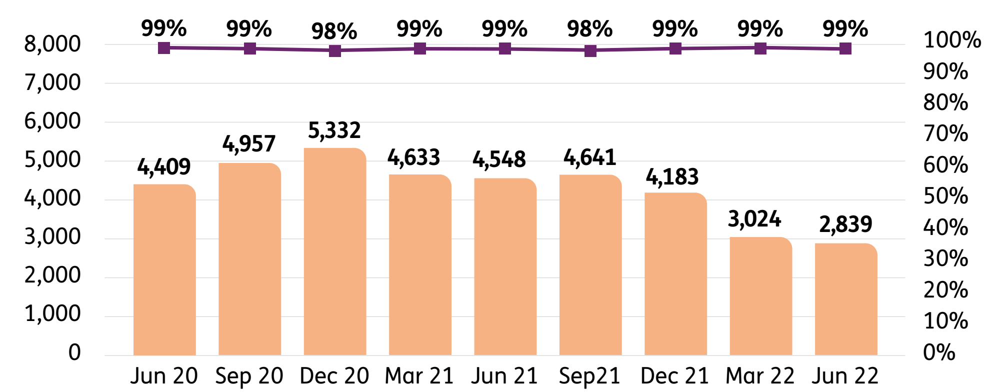
% within timeframe



Make an access decision, after the final information has been provided

Number of tasks

% within timeframe



Participant Service Guarantee and Participant Service Improvement Plan

3.2 Participant Service Guarantee – Key trends in PSG metrics

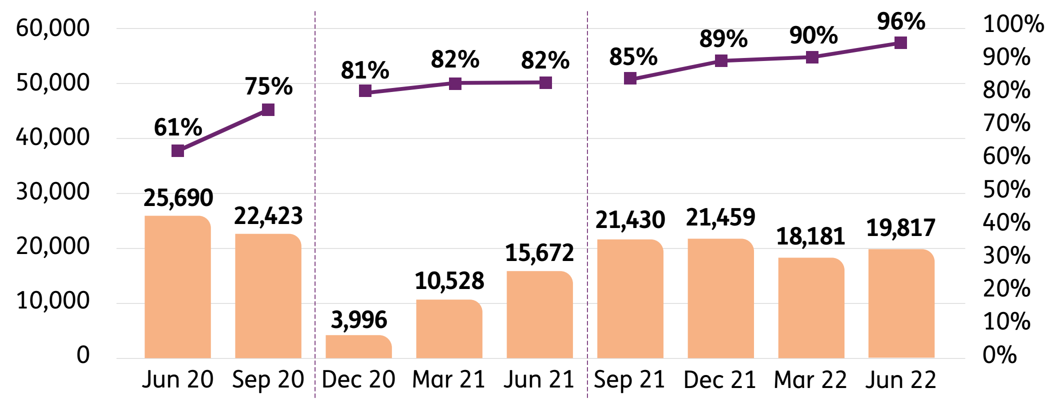
Planning

Plan approval timeframes for participants aged 0-6 have improved over the last year, with 96% approved within the timeframe of 90 days in the June 2022 quarter.

Commence facilitating the preparation of a plan, after an access decision has been made[38]

Number of tasks

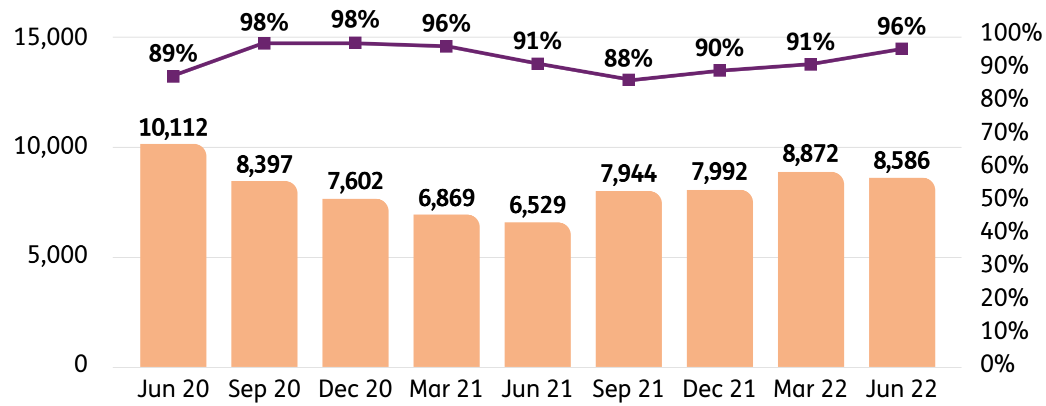
% within timeframe



First plan approved after access decision has been made, 0-6 years

Number of tasks

% within timeframe



[38] New business processes have been implemented from December 2020 and again from July 2021.

Participant Service Guarantee and Participant Service Improvement Plan

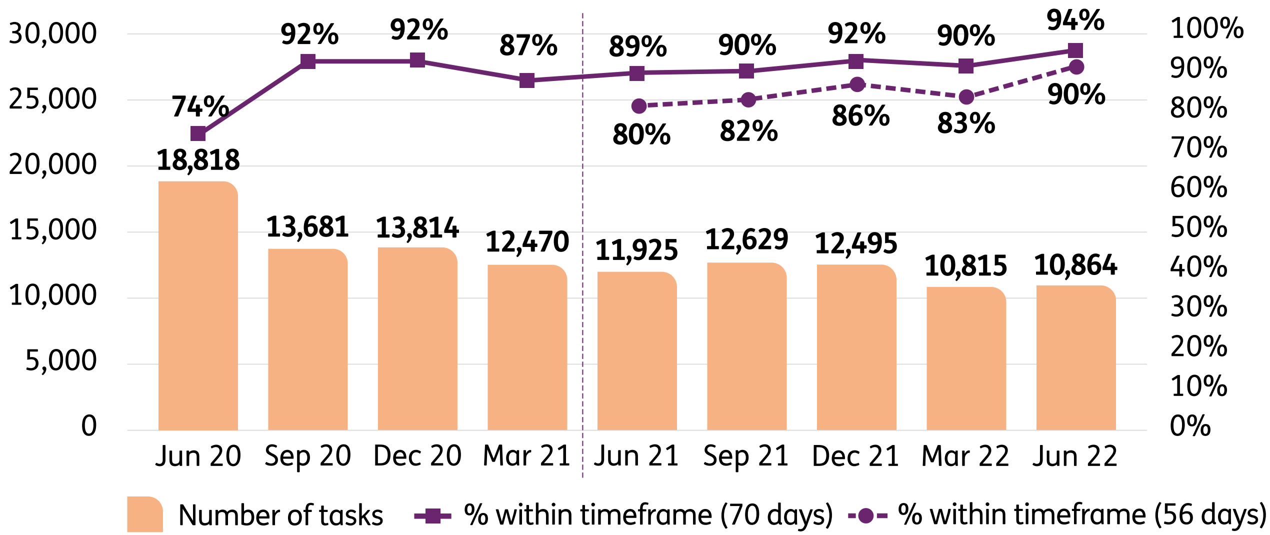
3.2 Participant Service Guarantee – Key trends in PSG metrics

Planning

The target timeframe for plan approvals for those 7 years and above was reduced from 70 days to 56 days from the March 2021 quarter, resulting in consequent reduction in service level met.

However, service levels have improved notably in the June 2022 quarter reaching levels prior to the change in target timeframe, with 90% of plans for those aged 7 and above approved in 56 days.

First plan approved after access decision has been made, 7+ years[39]



[39] The target timeframe for this metric has been reduced from 70 to 56 days in early 2021.

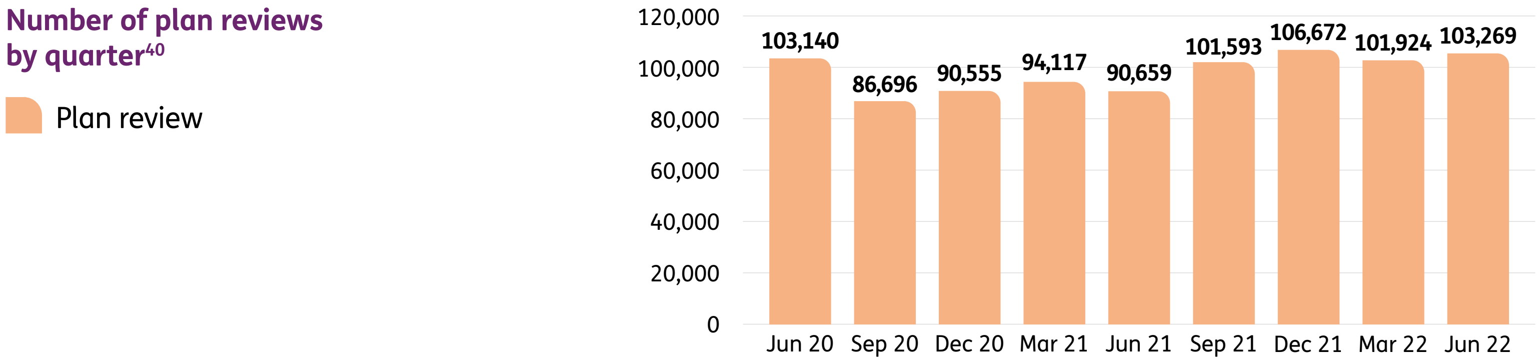
Participant Service Guarantee and Participant Service Improvement Plan

3.2 Participant Service Guarantee – Key trends in PSG metrics

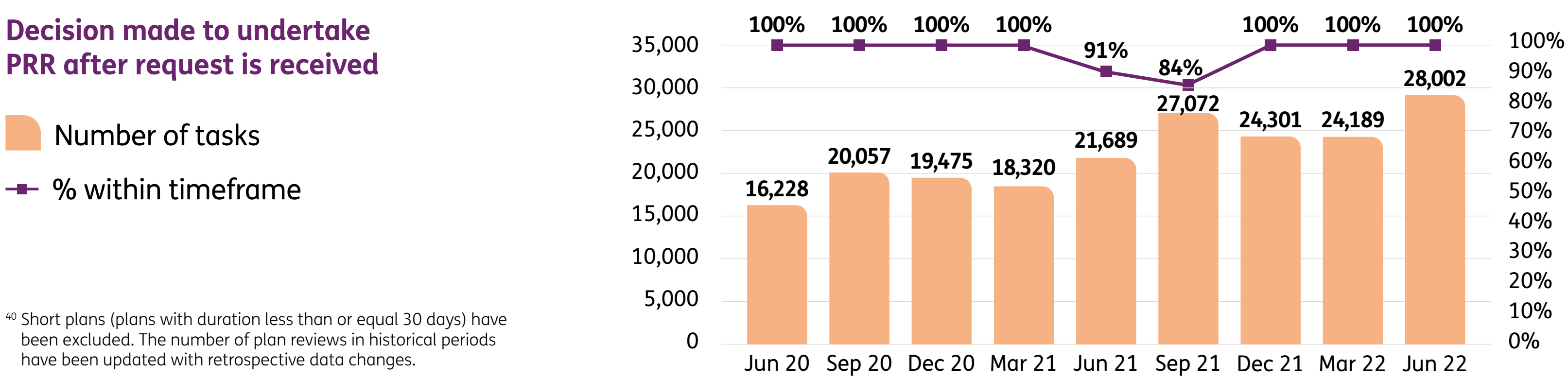
Plan review

There were 103,269 plan reviews conducted in the June 2022 quarter, with the average number of plan reviews conducted over the last four quarters being higher than the average over the preceding four quarters. Decisions about whether or not to conduct a Participant Requested Review (PRR) were made within 21 days 100% of the time in the June 2022 quarter.

Number of plan reviews by quarter[40]



Decision made to undertake PRR after request is received



[40] Short plans (plans with duration less than or equal 30 days) have been excluded. The number of plan reviews in historical periods have been updated with retrospective data changes.

Participant Service Guarantee and Participant Service Improvement Plan

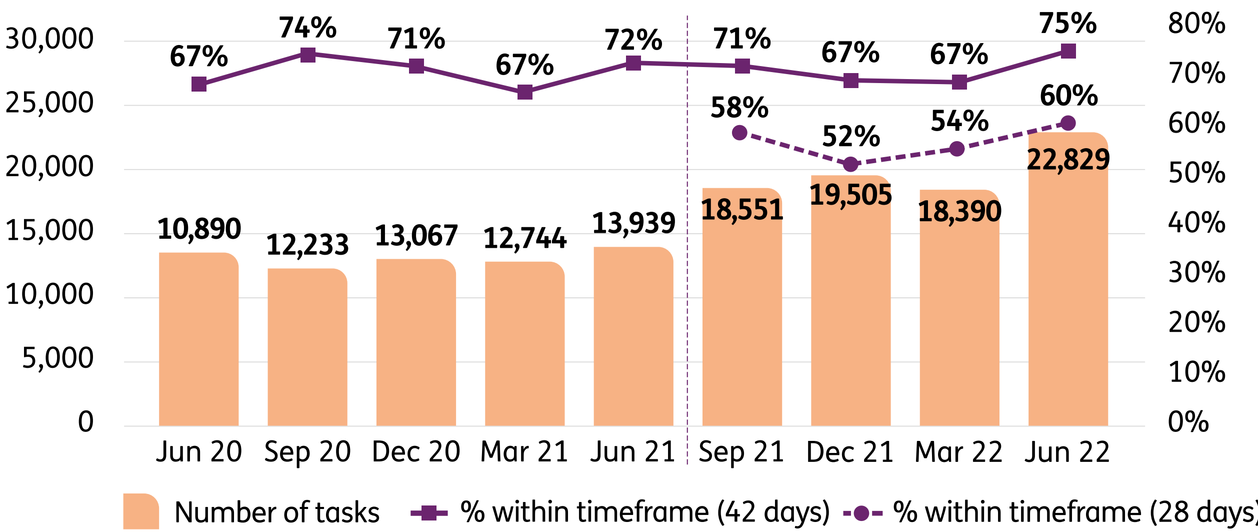
3.2 Participant Service Guarantee – Key trends in PSG metrics

Plan review

The target PRR timeframe was **reduced from 42 days to 28 days** from the September 2021 quarter and there has been a consequent reduction in service level met.

The PRR timeframes have been relatively stable prior to this quarter but increased in the June 2022 quarter to **60%** based on the 28 day target timeframe, and **75%** based on the 42 day target timeframe.

PRR completed after decision made to undertake review[41]



[41] In most cases, the results from September 2021 onwards are based on a 28 day timeframe but the results prior to September 2021 are based on a 42 day timeframe.

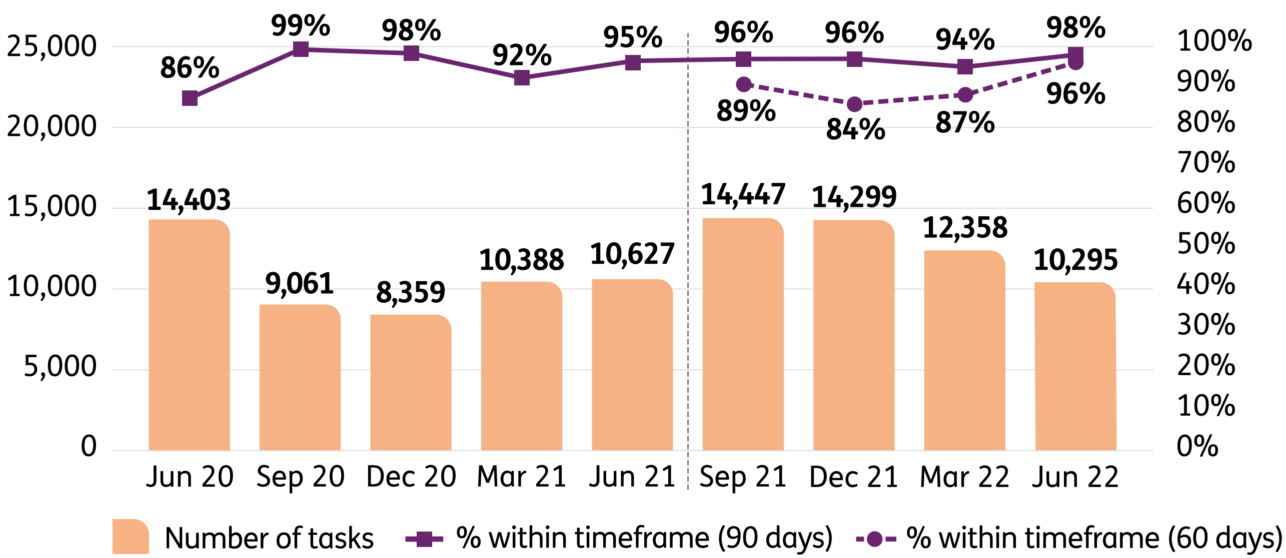
Participant Service Guarantee and Participant Service Improvement Plan

3.2 Participant Service Guarantee – Key trends in PSG metrics

Reviewable decisions

The target timeframe for completing Reviews of Reviewable Decisions (RoRDs) was reduced from 90 days to 60 days from the September 2021 quarter and there has been a consequent reduction in service level met. However, there has been a notable improvement in the June 2022 quarter, with **96%** of RoRDs completed within the target timeframe of 60 days, on par with levels based on the 90 day timeframe.

Complete RoRD after request is received[42]



[42] In most cases, the results from September 2021 onwards are based on a 60 day timeframe but the results prior to September 2021 are based on a 90 day timeframe.

Participant Service Guarantee and Participant Service Improvement Plan

3.2 Participant Service Guarantee – Key trends in PSG metrics

Service standards for the National Contact Centre

Service type	Description of the service being guaranteed	Performance
General	Our NCC will answer 80% of calls within 60 seconds.	**79%** on average throughout the June 2022 quarter.

Service standards for complaints

Service type	Description of the service being guaranteed	Performance
Complaints	Resolve 90% of complaints within 21 days after we receive it. More complex complaints may take longer to address.	**93%** in the June 2022 quarter.

Participant Service Guarantee and Participant Service Improvement Plan

3.2 Participant Service Guarantee – Key trends in PSG metrics

Home and Living decisions

The end-to-end process duration for Home and Living applications tracks the time taken from receipt of a Home and Living application form through to plan implementation.[43]

- In the June 2022 quarter, **7,616** Home and Living applications were closed or implemented[44] and **62%** were finalised within 90 days. This compares with 4,990 applications closed or implemented in the March 2022 quarter.

- At 30 June 2022, **3,973** applications remained in-progress, a net decrease of **786** applications compared with March 2022. **2,964** in progress applications were waiting for a decision from the Home and Living Panel,[45] while a further **1,009**[46] were waiting for supports to be implemented in a Plan.

- Approximately **5%** of the open applications have been in progress for 90 days or more, a notable decrease from 24% as at 31 March 2022. The number of in-progress applications awaiting plan implementation for 90 days or more has decreased from 832 applications in March 2022 to **129** applications as at 30 June 2022.

[43] The time taken for Participants to respond to requests for further information (RFI) has been removed from the duration.
[44] An application is considered closed if an application is cancelled or rejected, a Participant is declined all Home and Living supports, or an application won't progress to implementation (e.g. deceased, Participant chooses not to proceed etc.). An application is considered implemented once a Participant has a new approved Plan.
[45] 556 out of the 2,964 applications the NDIA is waiting on additional information from Participants.
[46] The Operations and Support Division are continuing to investigating open applications to ensure next steps are underway for Participants as part of an ongoing process.

Participant Service Guarantee and Participant Service Improvement Plan

3.2 Participant Service Guarantee – Key trends in PSG metrics

Home and Living decisions

Number of Home and Living Applications by stage in the Plan Implementation process

					Open end of period number		
Cohort	Last period number	New requests in period	Closed in period	On-hold end of period[47]	Awaiting Panel decision	Awaiting Plan Implementation	Total
H&L Applications	5,691	6,412	7,616	514	2,964	1,009	3,973[48]

Number of Home and Living applications by time taken from application to Plan Implementation

	Duration of closed applications in period							Duration of open applications in period						
Days	no data[49]	<14 days	15 to 30 days	31 to 60 days	61 to 90 days	90+ days	**Total**	no data	<14 days	15 to 30 days	31 to 60 days	61 to 90 days	90+ days	**Total**
H&L Applications	862	287	1,072	1,998	1,341	2,056	**7,616**	-	876	1,043	1,295	552	207	**3,973**
%	11%	4%	14%	26%	18%	27%	**100%**	0%	22%	26%	33%	14%	5%	**100%**

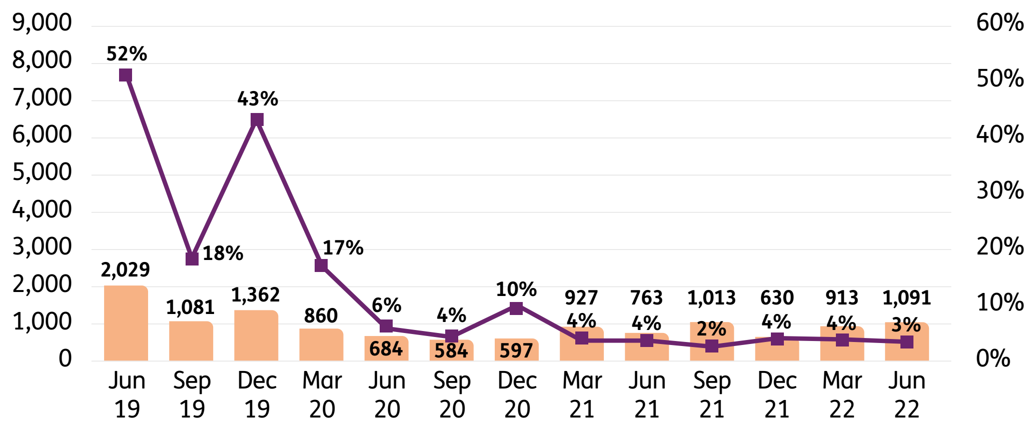
[47] Applications where implementation will only occur at a later date or may not occur. Includes Participants in the CSN / Complex pathway, Participants awaiting a Hospital Discharge, YPIRAC /Aged Care, Voluntary Out of Home Care (VOOHC), Justice Involvement, AAT cases and unresolved s100 / s48 cases.
[48] There are 3,973 open home and living applications relating to 3,960 unique participants.
[49] System limitations present during the quarter meant it was not possible to accurately capture end-dates for all closed applications. System fixes have now been implemented and future quarters won't be impacted.

Participant Service Guarantee and Participant Service Improvement Plan

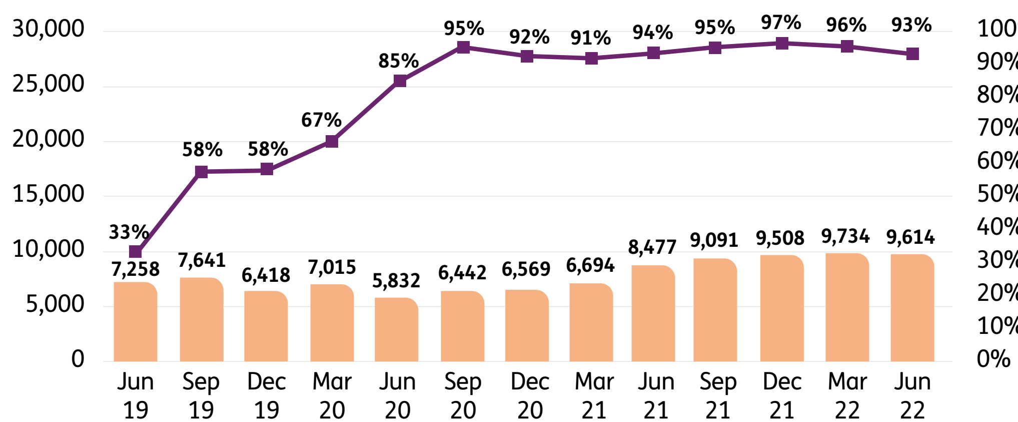
3.2 Participant Service Guarantee – Key trends in PSG metrics

Key trends in complaints, RoRDs, and AAT cases

Open complaints and % that have been open for more than 21 days[50]



Closed complaints and % completed within 21 day timeframe



[50] The numbers of complaints reported for the most recent quarter may still increase to the extent there is a lag in data collection. However, any increase is not expected to have a material impact on the results.

Participant Service Guarantee and Participant Service Improvement Plan

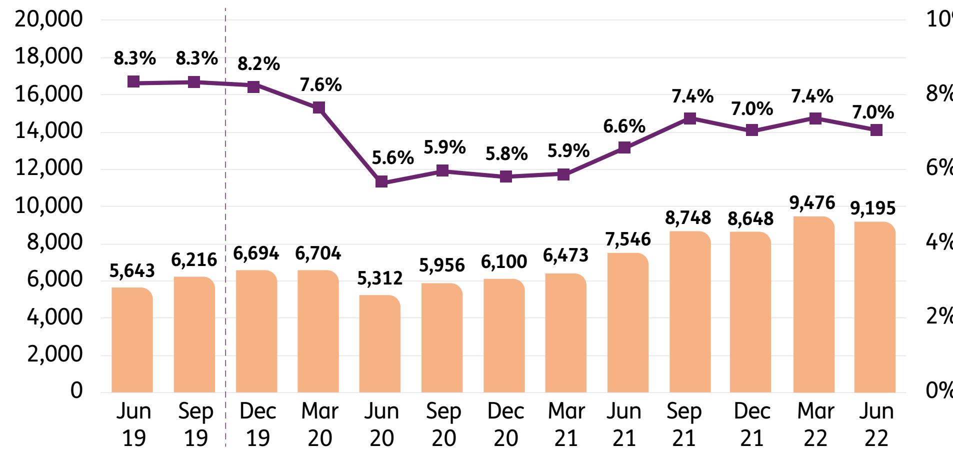
3.2 Participant Service Guarantee – Key trends in PSG metrics

Key trends in complaints, RoRDs, and AAT cases

Number and proportion of participant complaints over time

Participant complaints

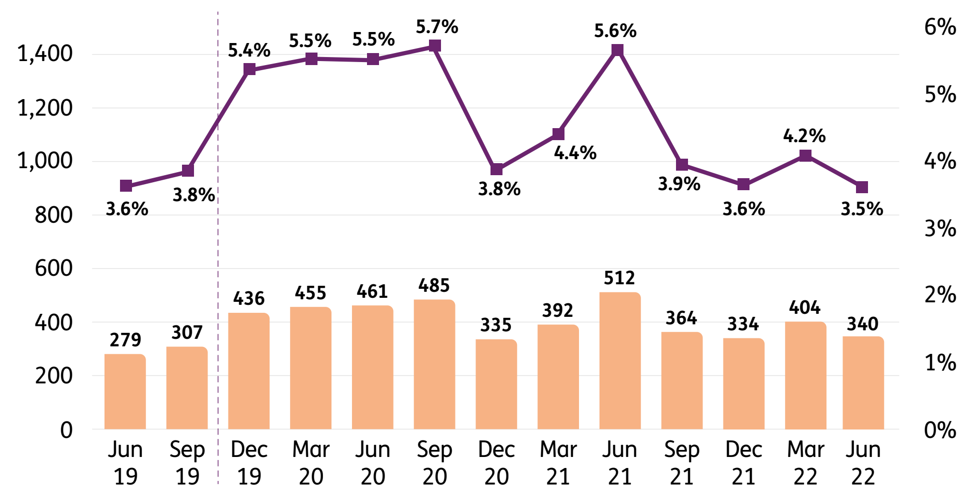
Rate of complaints to active participants



Number and proportion of provider complaints over time[51]

Provider complaints

Rate of complaints to registered providers



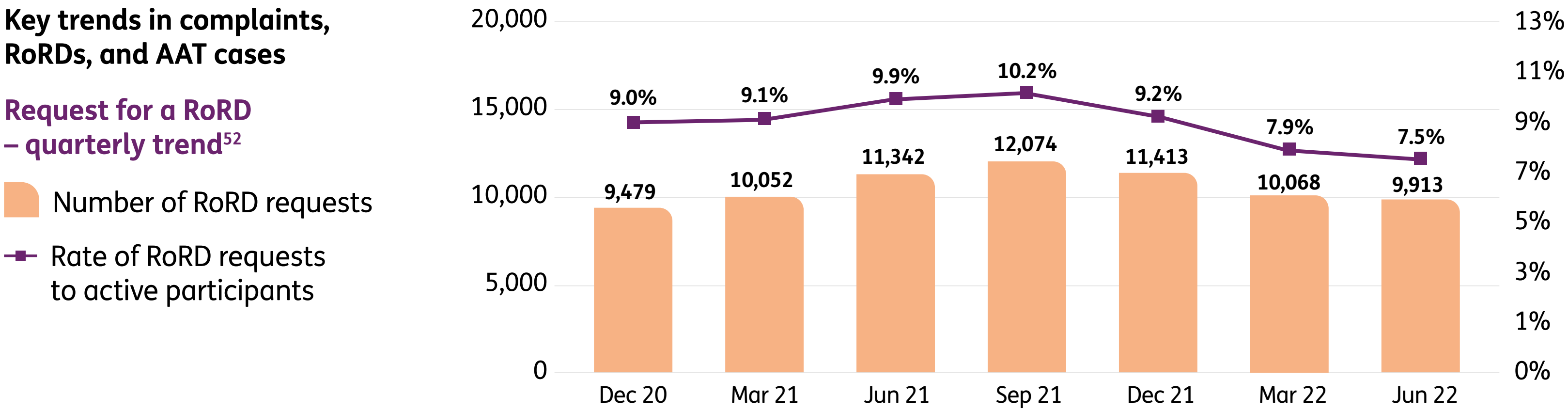
[51] In the 'My Customer Requests' tile launched in October 2019, it is possible to record multiple related parties as the source of a complaint and in some cases both participants and providers or other parties are linked to a single case. Previously, the single source was often recorded as a participant regardless of whether a provider was associated with the complaint. As a result of using the 'My Customer Requests' tile, the number and rate of provider complaints increased in 2019-20 Q2.

Participant Service Guarantee and Participant Service Improvement Plan

3.2 Participant Service Guarantee – Key trends in PSG metrics

Key trends in complaints, RoRDs, and AAT cases

Request for a RoRD – quarterly trend[52]



[52] RoRD is a Review of a Reviewable Decision. The number of RoRD requests have changed compared with the previous report. This is due to additional records which have been retrospectively added/removed from the underlying data. Work to include records entered in the off-system database as well as requests that have been recorded in the NDIA business system continues.

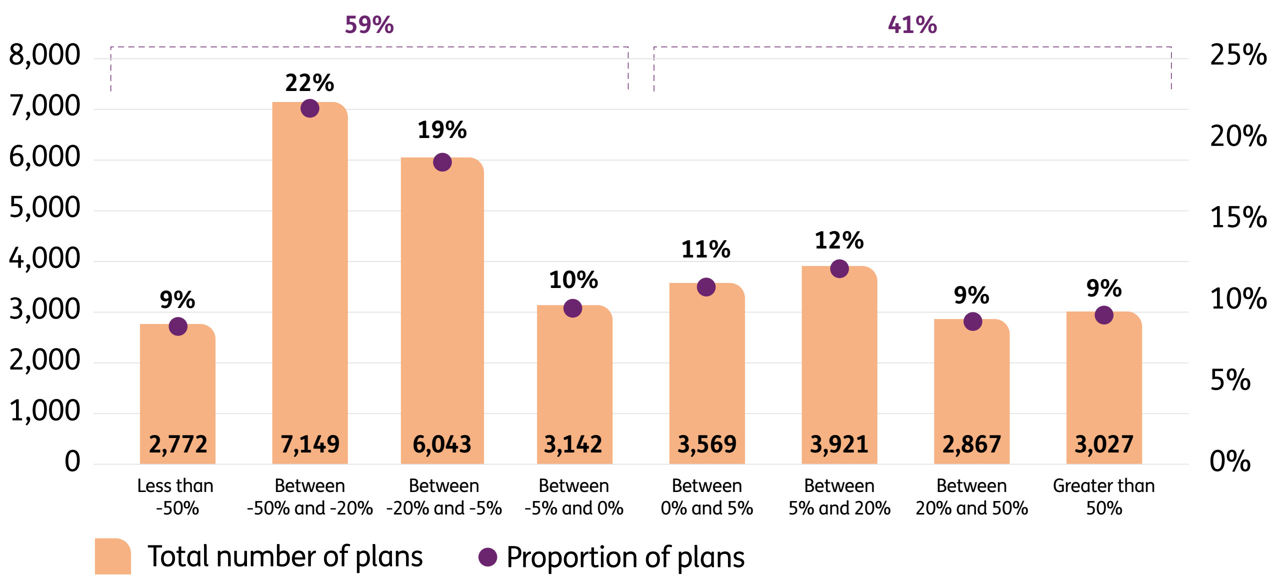
Participant Service Guarantee and Participant Service Improvement Plan

3.2 Participant Service Guarantee – Key trends in PSG metrics

Key trends in complaints, RoRDs, and AAT cases

Of the 43,468 RoRD requests received over the last year, 32,490 (75%) related to plan review decisions, with the remaining relating to first plan approvals and access decisions. In considering changes in the plan budgets for these plans resulting in a RoRD request, 59% had a decrease in plan budgets and 41% had an increase prior to the RoRD request.

Change in plan budgets for plans resulting in a RoRD request received in this financial year (1 July 2021 – 30 June 2022)



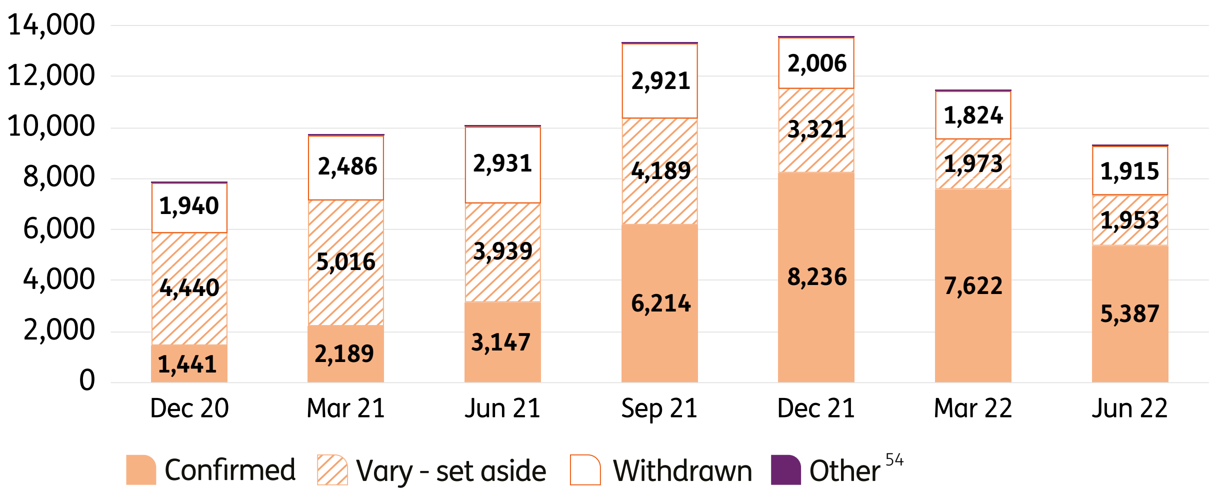
Participant Service Guarantee and Participant Service Improvement Plan

3.2 Participant Service Guarantee – Key trends in PSG metrics

Key trends in complaints, RoRDs, and AAT cases

There were 9,262 RoRDs closed in the June 2022 quarter with 1,915 requests withdrawn.[53] Of the remaining closed RoRDs, 5,387 confirmed the Agency's decision, meaning there was no change from the Agency's decision. Further, there were 1,953 decisions to vary or set aside the decision of the original decision maker. Decisions are often varied or set aside as further evidence is obtained during the review process.

Closed RoRDs by outcome – quarterly trend



[53] The number of closed RoRDs have changed compared with the previous report. This is due to additional records which have been retrospectively added/removed from the underlying data. The data on RoRDs will be enhanced with the implementation of the new ICT business system and will improve reporting on RoRD outcomes in future reports.
[54] Other includes referrals, missing and duplicate requests which are very small numbers (between 1 and 13 each quarter).

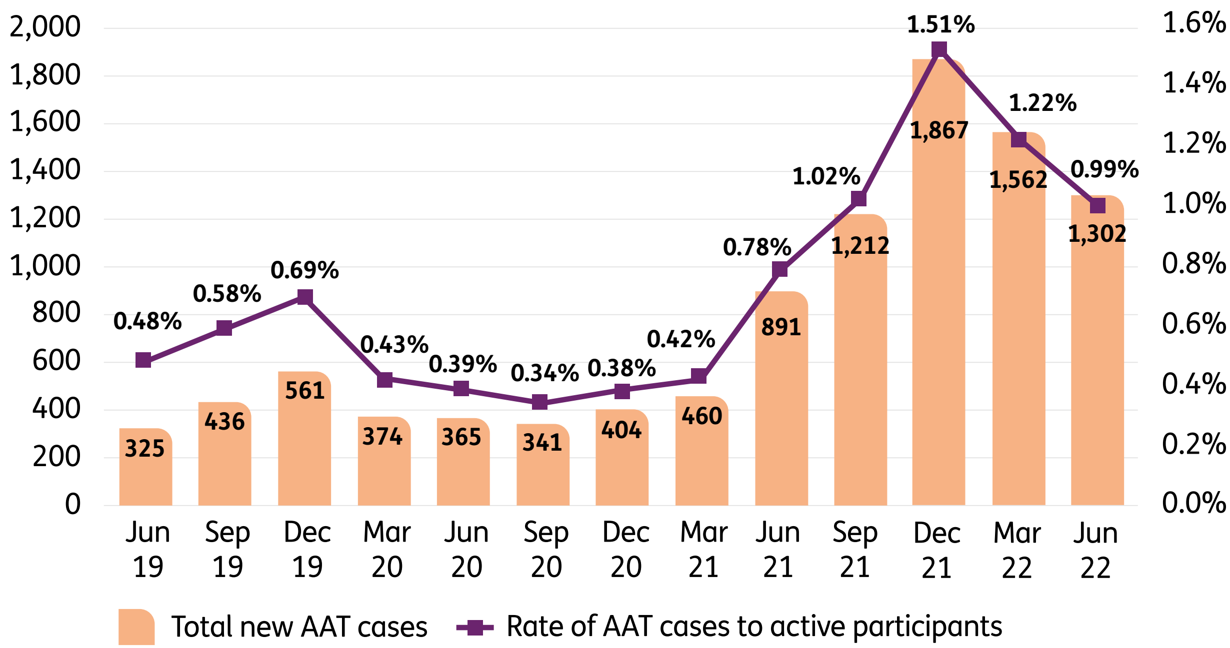
Participant Service Guarantee and Participant Service Improvement Plan

3.2 Participant Service Guarantee – Key trends in PSG metrics

Key trends in complaints, RoRDs, and AAT cases

There were 1,302 new AAT cases in the June 2022 quarter, relating to 1,286 participants. The number of AAT cases (as a proportion of active participants) has decreased steadily over the last two quarters after a significant increase in the year to 31 December 2021. In the June 2022 quarter, the rate decreased to 0.99%, compared to 1.22% in the March 2022 quarter, and 1.51% in the December 2021 quarter.

Number and proportion of new AAT cases over time



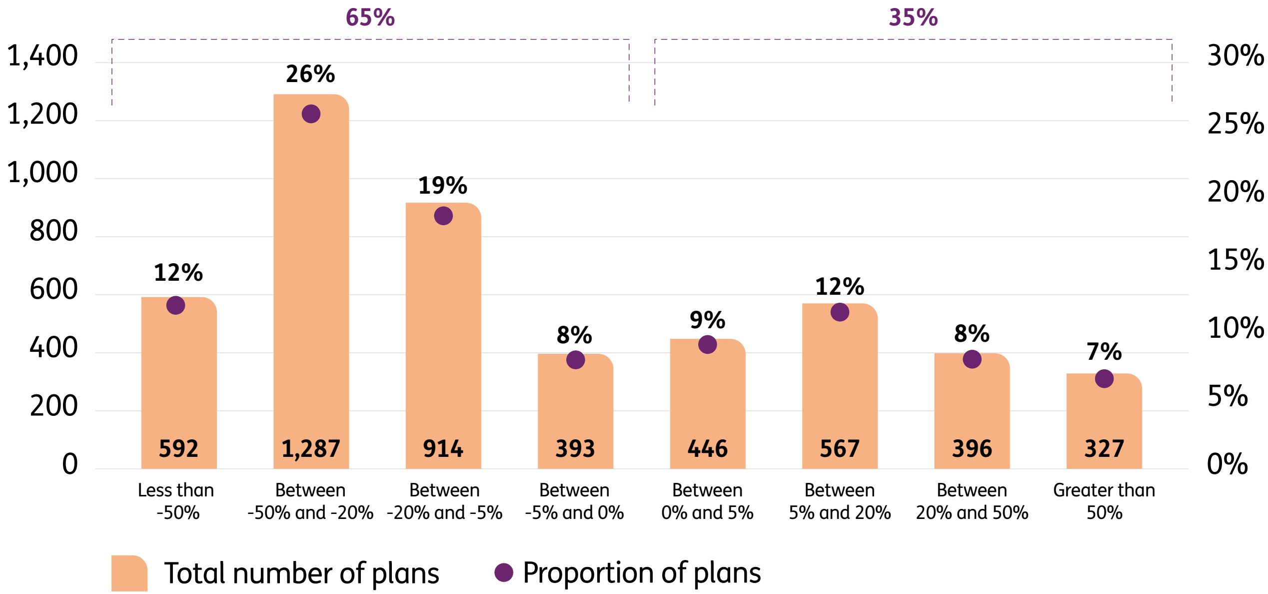
Participant Service Guarantee and Participant Service Improvement Plan

3.2 Participant Service Guarantee – Key trends in PSG metrics

Key trends in complaints, RoRDs, and AAT cases

There were 4,922 plan reviews that led to an AAT case in the last year. In considering changes in the plan budgets for these plans resulting in an AAT case, 65% had a decrease in plan budgets prior to applying to the AAT and 35% had an increase.

Change in plan budgets for plans resulting in an AAT case received in this financial year (1 July 2021 – 30 June 2022)



Participant Service Guarantee and Participant Service Improvement Plan

3.2 Participant Service Guarantee – Key trends in PSG metrics

There have been 7,600 AAT cases closed since the commencement of the NDIS. Of those cases, 7,379 were resolved before a (substantive) hearing, with the remaining 221 progressing to (substantive) hearing and receiving a decision on a substantive legal issue. Of the cases no longer before the AAT, approximately 59% were resolved by agreement, 35% were withdrawn by the applicant or dismissed by the AAT and less than 3% proceeded to a (substantive) hearing.[55]

AAT cases by open/closed and decision

	Number of cases	Number of unique active participants[56]
AAT Cases	**12,008**	**11,024**
Open AAT Cases	4,408	4,382
Closed AAT Cases	7,600	6,988
Resolved before hearing	7,379	6,797
Gone to hearing and received a substantive decision	221	191

[55] Less than 4 per cent of cases were related to applications for an extension of time which were declined by AAT or were not opposed by the Agency, matters over which AAT has no jurisdiction and reasons that were unspecified.

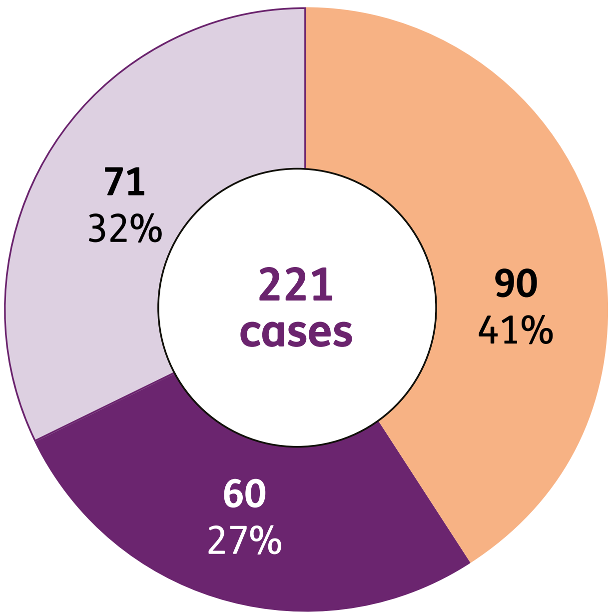
[56] As participants may have both open and closed cases, the unique active participants will not sum to the total.

Participant Service Guarantee and Participant Service Improvement Plan

3.2 Participant Service Guarantee – Key trends in PSG metrics

Key trends in complaints, RoRDs, and AAT cases

AAT cases that have gone to hearing and received a substantive decision[57]



Affirmed – This means the NDIA's original decision was not changed.

Varied – This means the original decision was changed or altered in some way.

Set aside - This means the AAT agreed or partially agreed that the original decision was incorrect. The AAT either replaced the NDIA's original decision to some extent or sent the matter back to the Agency to make a new decision in accordance with specific instructions or recommendations. Where changes to the plan were made by the AAT, this did not necessarily relate to the whole plan.

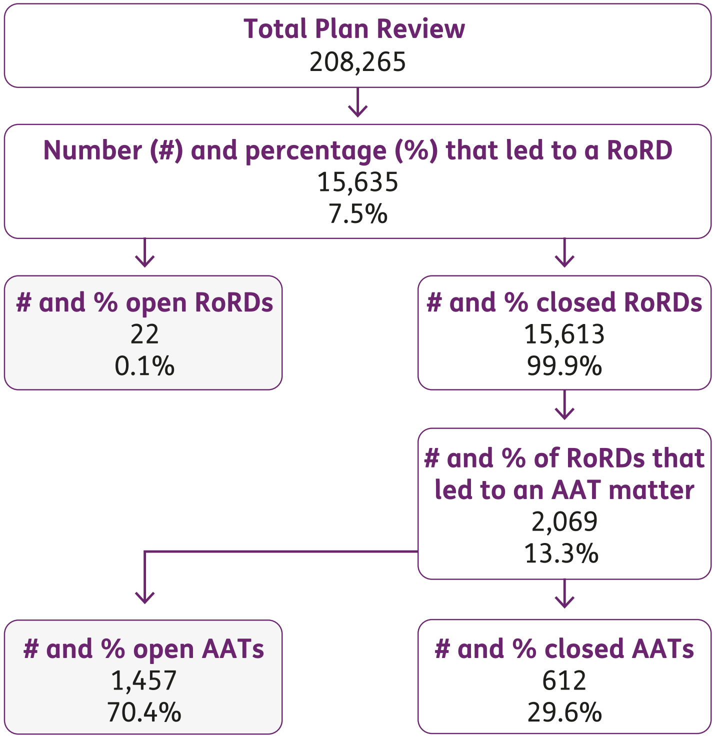
[57] The Tribunal will affirm the decision under review if it finds that the NDIA has made the correct decision, or vary the decision under review if it finds the NDIA's decision should be altered in some way. The Tribunal will set aside the decision under review if it finds that the NDIA has made a wholly or partially incorrect decision. In this case they can replace the NDIA's decision, or send the case back to the NDIA with considerations to be taken when making a new decision.

3.2 Participant Service Guarantee – Key trends in PSG metrics

Pathway from plan reviews to RoRDs and AAT

The below figure shows the pathway from plan reviews to RoRD requests and AAT cases for plan reviews conducted between 1 July 2021 and 31 December 2021, tracking the number and proportion that resulted in a RoRD request, and then those that resulted in an AAT case at 30 June 2022.

Pathway from plan review to RoRDs and AAT between 1 July 2021 and 31 December 2021 at 30 June 2022



Part 4:
Providers and the growing market

4

Providers and the growing market

The provider market continues to grow.

4.1 Support categories

The largest support categories are core support for daily activities, core support for social and community participation, and capacity building for daily activities.

$27.6bn in support was provided in 2021-22.[58] The largest support categories being:

– Core daily activities (**55%** of the total payments),

– Core social and community participation (**19%** of total payments), and

– Capacity-building daily activities (therapy services) (**13%** of total payments).

Core daily activities includes participants in SIL, **$6.9bn** of the **$15.1bn** payments on core daily activities in 2021-22 was for payments for participants in SIL.

Total payments from 1 July 2021 to 30 June 2022

Support Category	Total payments (in $m) Jul-21 to Jun-22	% total payments
Core - daily activities	15,084	54.6%
Core - community	5,122	18.5%
Core - consumables & transport	1,264	4.6%
Capacity building - daily activities[59]	3,500	12.7%
Capacity building - other	1,814	6.6%
Capital	836	3.0%
Total[60]	**27,627**	**100.0%**

[58] This represents total payments in 2021-22 on a cash basis (including payments made under in-kind arrangements). On an accrual basis, total payments in 2021-22 were $28.7 billion. This is a draft figure, with the final figure due to be reported in the upcoming NDIA 2021-22 Annual Report.
[59] Includes therapy services.
[60] Total includes $7m of payments with no support category

Providers and the growing market

4.1 Support categories

Over the last 2 years, payments have grown by **51%** (from **$5.0bn** in June 2020 to **$7.5bn** in June 2022 quarter). Payments for each of the support categories has grown substantially, most notably for core social and community participation.

Total payments (in $m and %) per quarter – all participants

Support Category	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Core - daily activities	2,912	3,057	3,022	3,267	3,733	3,506	3,627	3,884	4,066
Core - community	723	832	934	1,028	1,177	1,163	1,246	1,266	1,447
Core - consumables & transport	247	280	255	291	293	319	304	309	331
Capacity building - daily activities	562	654	683	678	829	854	873	805	968
Capacity building - other	315	346	363	368	418	443	447	434	490
Capital	229	230	209	186	183	200	208	190	238
Total	**4,988**	**5,399**	**5,467**	**5,818**	**6,634**	**6,488**	**6,707**	**6,890**	**7,542**

Support Category	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Core - daily activities	58%	57%	55%	56%	56%	54%	54%	56%	54%
Core - community	14%	15%	17%	18%	18%	18%	19%	18%	19%
Core - consumables & transport	5%	5%	5%	5%	4%	5%	5%	4%	4%
Capacity building - daily activities	11%	12%	12%	12%	12%	13%	13%	12%	13%
Capacity building - other	6%	6%	7%	6%	6%	7%	7%	6%	7%
Capital	5%	4%	4%	3%	3%	3%	3%	3%	3%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Providers and the growing market

4.1 Support categories

Payments for participants receiving SIL supports have also grown over the last two years from $1.9bn in the June 2020 quarter to **$2.3bn** in the June 2022 quarter. The SIL component (core daily activities) of the plan represents approximately **80% of total payments**.

Total payments (in $m and %) per quarter – participants in SIL

Support Category	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Core - daily activities	1,561	1,578	1,514	1,633	1,632	1,649	1,634	1,813	1,824
Core - community	186	189	206	222	257	245	262	264	304
Core - consumables & transport	21	23	22	24	24	27	26	27	28
Capacity building - daily activities	32	34	35	37	43	44	47	43	51
Capacity building - other	53	56	57	55	64	67	67	66	78
Capital	51	49	45	45	45	45	53	50	56
Total	**1,904**	**1,930**	**1,880**	**2,017**	**2,066**	**2,080**	**2,090**	**2,264**	**2,342**

Support Category	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Core - daily activities	82%	82%	81%	81%	79%	79%	78%	80%	78%
Core - community	10%	10%	11%	11%	12%	12%	13%	12%	13%
Core - consumables & transport	1%	1%	1%	1%	1%	1%	1%	1%	1%
Capacity building - daily activities	2%	2%	2%	2%	2%	2%	2%	2%	2%
Capacity building - other	3%	3%	3%	3%	3%	3%	3%	3%	3%
Capital	3%	3%	2%	2%	2%	2%	3%	2%	2%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Providers and the growing market

4.2 Plan management types

There has been a significant shift in plan management, with an increasing number of participants choosing to use a plan manager rather than have the Agency manage their plan.

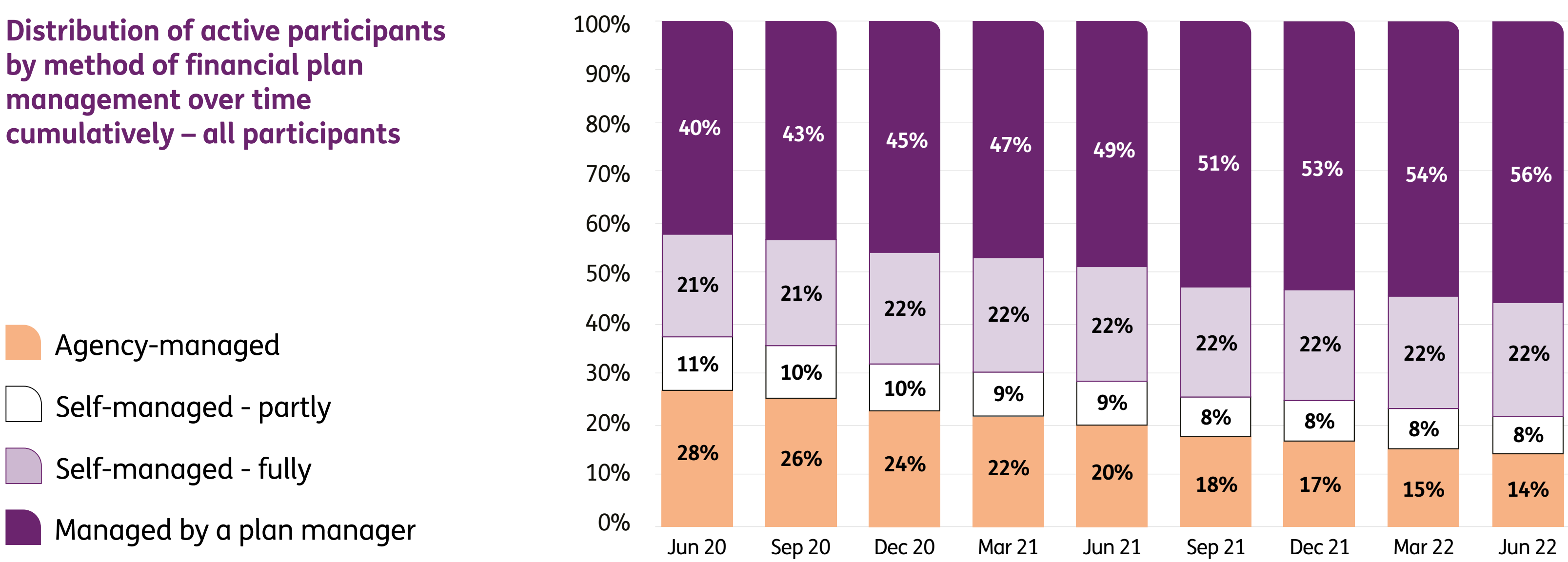
Over the past two years, the proportion of participants who:

– **self-manage all or part of** their plan has been stable at about **30%**

– use a **plan manager** has increased from **40%** to **56%**

– have a fully **Agency-managed** plan has decreased from **28%** to **14%**.

Distribution of active participants by method of financial plan management over time cumulatively – all participants



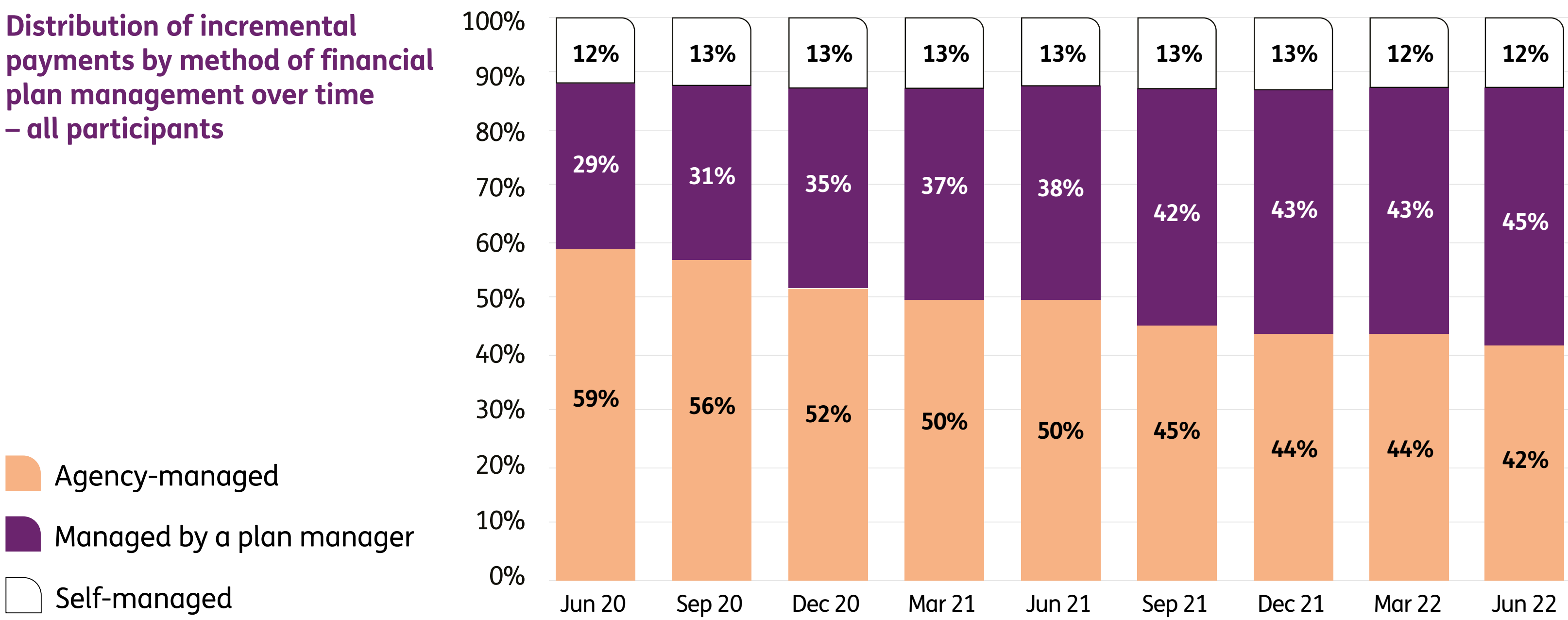
Providers and the growing market

4.2 Plan management types

There have also been changes in payments over the past two years across these three plan management types:

- **self-management** has been between from **12%** to **13%**
- payments managed by a **plan manager** have increased from **29%** to **45%**
- **Agency-managed** payments decreased from **59%** to **42%**.

Distribution of incremental payments by method of financial plan management over time – all participants



Providers and the growing market

4.2 Plan management types

In the fourth quarter of 2021-22, of the **$7.5bn** in payments:

- **$0.9bn** was self-managed (**12%**)
- **$3.4bn** was managed by a planner (**45%**)
- **$3.2bn** was Agency-managed (**42%**)[61]

The proportion of payments self-managed, managed by a plan manager, and Agency-managed differs by support category. In the fourth quarter of 2021-22:

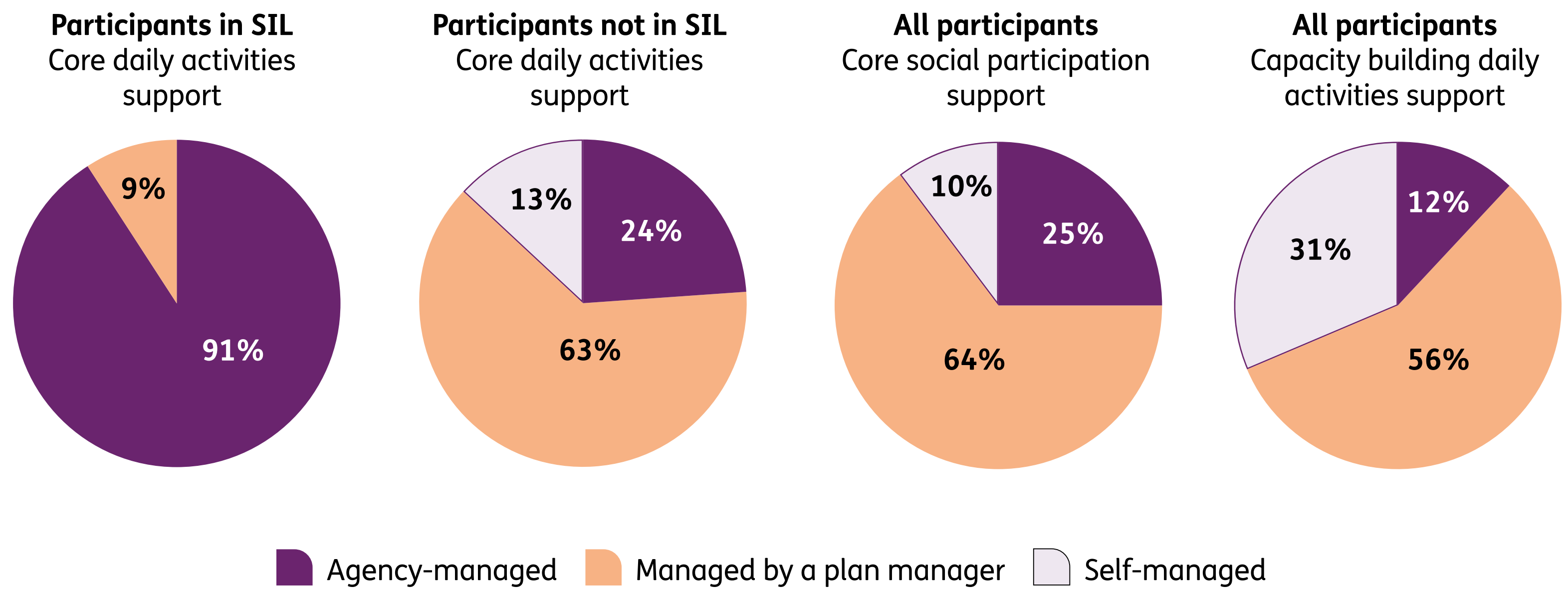
- payments for **participants in SIL receiving core daily activities support** were **$1.8bn**. Of this, $2m was self-managed (**less than 1%**), $167m was managed by a plan manager (**9%**), and $1.7bn was Agency-managed (**91%**).
- payments for **participants not in SIL receiving core daily activities support** were **$2.2bn**. Of this, $294m was self-managed (**13%**), $1.4bn was managed by a plan manager (**63%**), and $542m was Agency-managed (**24%**).
- payments for **participants receiving core social participation support** were **$1.4bn**. Of this, $151m was self-managed (**10%**), $929m was managed by a plan manager (**64%**), and $368m was Agency-managed (**25%**).
- payments for **participants receiving capacity building daily activities support (therapy supports)** were **$968m**. Of this, $303m was self-managed (**31%**), $546m was managed by a plan manager (**56%**), and $119m was Agency-managed (**12%**).

[61] Includes cash and in-kind payments.

Providers and the growing market

4.2 Plan management types

Payments for the largest support categories by plan management type for Q4 2021-22



Providers and the growing market

4.2 Plan management types

Total payments in Q4 2021-22 by plan management type (%)

	Agency-managed	With a plan manager	Self-managed	Total
Core support				
Daily activities - SIL	91%	9%	0%	100%
Daily activities - non-SIL	24%	63%	13%	100%
Social & community participation	25%	64%	10%	100%
Consumables	10%	57%	32%	100%
Transport[62]	53%	3%	44%	100%
Total core support	**46%**	**44%**	**10%**	**100%**
Capacity building				
Daily activities	12%	56%	31%	100%
Support coordination	72%	26%	2%	100%
Other capacity building support	35%	57%	8%	100%
Total capacity building support	**25%**	**52%**	**23%**	**100%**
Capital				
Specialist disability accommodation (SDA)	100%	0%	0%	100%
Assistive Technology	43%	41%	16%	100%
Home Modifications	37%	45%	19%	100%
Total capital	**53%**	**33%**	**13%**	**100%**
Total	**42%**	**45%**	**12%**	**100%**

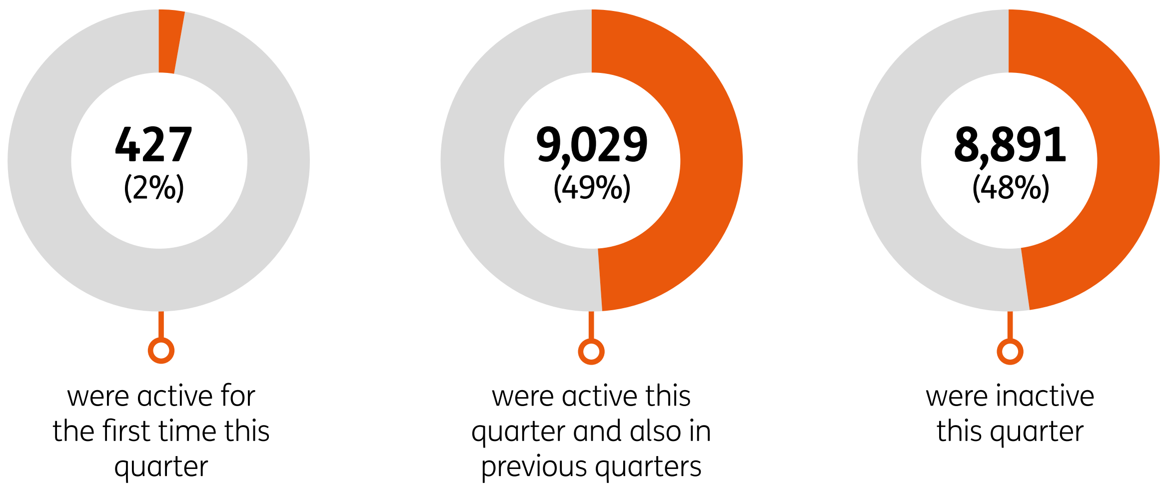
[62] The proportion of plan managed Transport payments of 3% is lower than other support categories because the fortnightly cash transport payments are paid directly to participants' bank accounts, irrespective of their management type, and are therefore considered a self-managed payment.

Providers and the growing market

4.3 Providers supporting Agency-managed participants

While there has been a shift to participants using plan managers, there has also been an increase in the number of providers supporting Agency-managed participants.

Since the start of the Scheme, **18,347** providers have supported Agency-managed participants.[63] Of these:



[63] Self-managed participants and participants with a plan manager can use unregistered providers, and hence the total number of providers supporting participants will be higher than 18,347. Further, some of the 8,891 inactive providers in the quarter will be supporting participants with a plan manager or who self-manage.

Providers and the growing market

4.3 Providers supporting Agency-managed participants

Largest ten providers by total payments in Q4 2021-22 (Agency-managed)[64]

ABN	Legal name	Total Payment Amount $m	Total Payments received from Plan Managers for Plan Managed supports	Total payments
15101252171	Life Without Barriers	$93m	$13m	$106m
31001813403[65]	House With No Steps / Aruma Services / Aruma Foundation / Aruma Services Victoria	$74m	$19m	$93m
73628264460[66]	Home@Scope Pty Ltd / Scope (Aust) Ltd	$62m	$10m	$71m
87302064152	The Northcott Society	$33m	$7m	$39m
45000062288	Cerebral Palsy Alliance	$32m	$4m	$37m
80009670704	Endeavour Foundation	$31m	$9m	$41m
49133306902	Achieve Australia Limited	$24m	$2m	$26m
27009942269	Cpl-Choice, Passion, Life	$23m	$10m	$32m
37020000711[67]	Minda Incorporated, Minda Housing	$23m	$5m	$28m
35002507655	Disability Services Australia	$22m	$2m	$24m
Total for largest 10 providers		**$417m**	**$80m**	**$497m**

[64] Providers supporting Agency-managed participants, noting 91 per cent of SIL payments in the last quarter were to providers supporting Agency-managed participants.
[65] In addition, the following additional ABNs for this provider are also included in this analysis - 59032986751 and 86628265387.
[66] In addition, the following additional ABN for this provider are also included in this analysis - 63004280871.
[67] In addition, the following additional ABN for this provider are also included in this analysis - 49622248908.

Providers and the growing market

4.4 Plan managers

The number of plan managers in the Scheme continues to grow as more participants choose to use plan managers.

Payments to plan manager was **$3.4bn** in the June 2022 quarter. Of this $3.4bn, **$112m** was for the plan management services, and the remainder of $3.3bn was for plan managers to pay service providers on behalf of participants.

Participants supported by plan managers can use registered or unregistered providers. This quarter, **61%** of the total plan managed payments (not including plan management fees) were **paid to registered providers**, and **39%** of plan managed payments were paid **to unregistered providers**.

The percentages differ by support category:

- Of the $167 million in payments for **daily activities for participants in SIL**, **80%** went to registered providers and **20%** went to unregistered providers
- Of the $1.4 billion in payments for **daily activities for participants not in SIL**, **52%** went to registered providers and **48%** went to unregistered providers
- Of the $929 million in payments for **social and community participation**, **65%** went to registered providers and **35%** went to unregistered providers
- Of the $546 million in payments for **capacity building daily activities (therapy services)**, **63%** went to registered providers and **37%** went to unregistered providers

4.4 Plan managers

Split of payments by support category and provider registration in Q4 2021-22 – participants with plan managers (%)

	Registered providers	Unregistered providers	Total
Core support			
Daily activities - SIL	80%	20%	100%
Daily activities - non-SIL	52%	48%	100%
Social and community participation	65%	35%	100%
Consumables and transport	66%	34%	100%
Total core support	**59%**	**41%**	**100%**
Capacity building			
Daily activities	63%	37%	100%
Support coordination	64%	36%	100%
Other capacity building support	65%	35%	100%
Total capacity building support	**63%**	**37%**	**100%**
Capital supports	**83%**	**17%**	**100%**
Total	**61%**	**39%**	**100%**

Providers and the growing market

4.4 Plan managers

Number of providers servicing participants through a plan manager in Q4 2021-22

Payment band in quarter	Number of providers - plan managed		Proportion of total payments in quarter	
	NDIS registered[68]	Unregistered	NDIS registered	Not registered
1. Less than $1k	1,124	43,035	0%	1%
2. $1k to $10k	3,732	53,688	1%	15%
3. $10k to $100k	5,195	24,598	9%	46%
4. $100k to $1m	2,968	1,592	45%	29%
5. More than $1m	405	32	45%	8%
Total	**13,424**	**122,945**	**$2,004m**	**$1,307m**
Percentage	**10%**	**90%**	**61%**	**39%**

[68] The registration status of the provider has been based on the status at 30 June 2022.

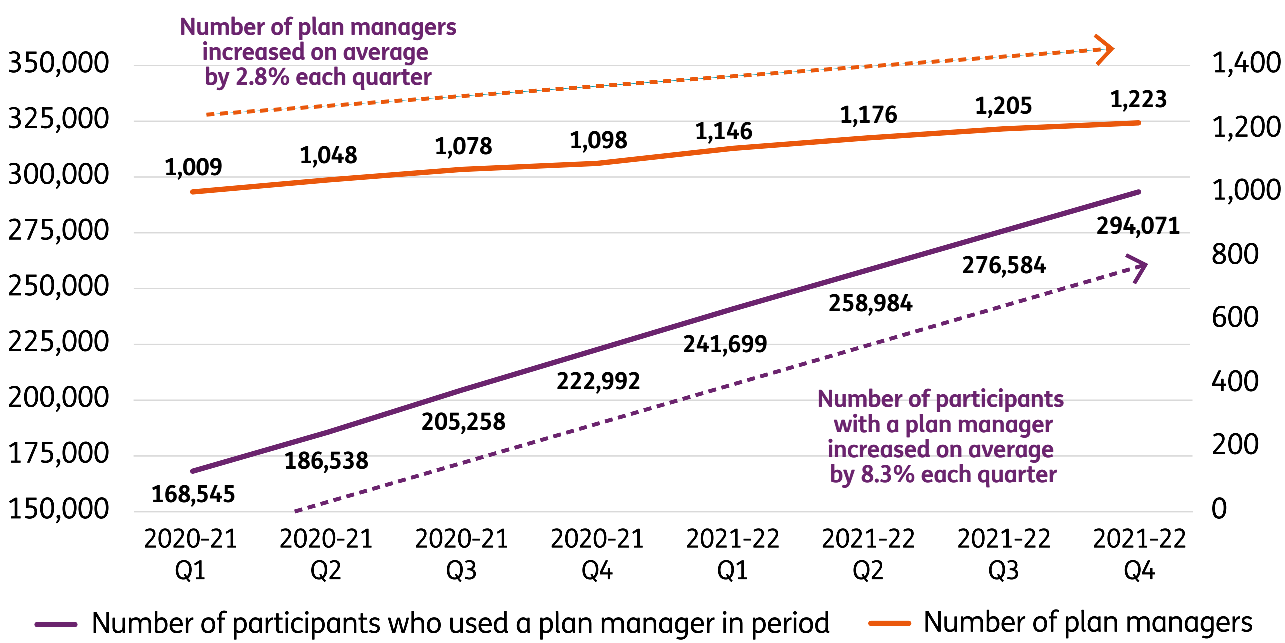
Providers and the growing market

4.4 Plan managers

Over the past eight quarters, the number of plan managers has increased from 1,009 to 1,223, a quarterly average increase of 2.8%. Over the same time period, the number of participants being supported by plan managers has increased from 168,545 to 294,071 – a quarterly average increase of 8.3%.

This indicates that while new plan managers are entering the market and increasing the number of plan managers from which participants can choose from, many plan managers are also expanding as the ratio of participants to providers has increased.

Participants and providers with a plan manager by quarter – all participants



Providers and the growing market

4.4 Plan managers

Payments by provider registration for the largest ten plan managers by payments in Q4 2021-22 (% and $m)

ABN	Legal Name	Registered providers	Unregistered providers	Plan management	Total
52617963676	My Plan Manager.com.au Pty Ltd	60%	37%	4%	$333m
54609868993	Plan Management Partners Pty Ltd	60%	36%	3%	$249m
24619787692	National Disability Support Partners Pty	65%	31%	4%	$162m
62149233634	Integrated Care Pty Ltd	60%	36%	4%	$104m
16621969337	Peak Plan Management Pty Ltd	65%	31%	4%	$98m
92622499898	Leap In! Australia Ltd	52%	44%	4%	$91m
69624874219	Maple Plan Pty Ltd	58%	39%	3%	$83m
22729829472	Moira Limited	64%	33%	3%	$81m
18620281209	Instacare Pty Ltd	57%	39%	3%	$74m
73624994565	Connect Plan Management Pty Ltd	58%	40%	3%	$63m
Total largest 10 plan managers					**$1,337m**

Providers and the growing market

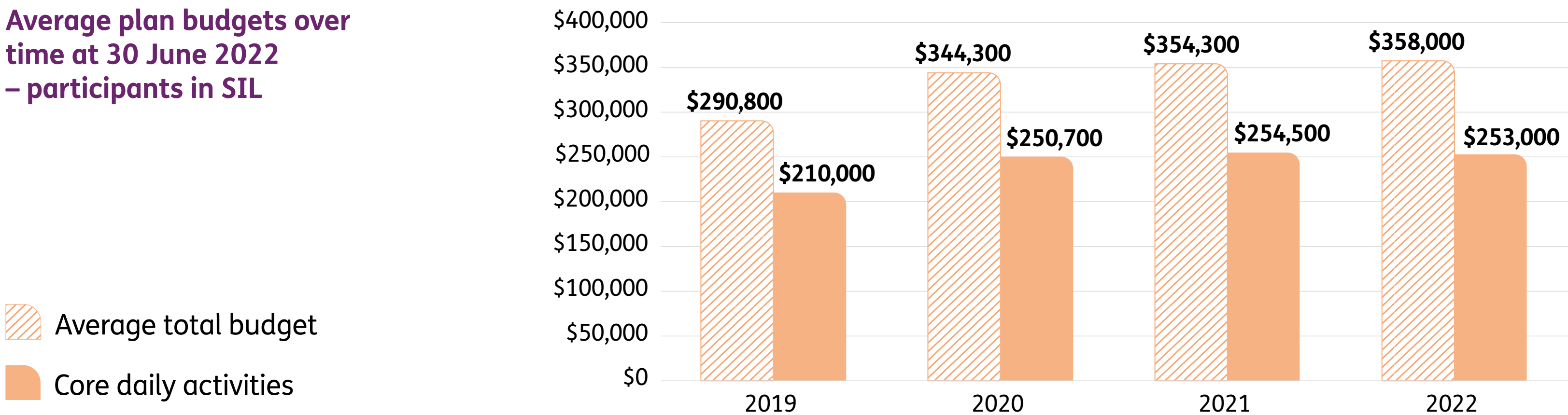
4.5 Supported Independent Living (SIL)

$1.8 billion of SIL supports was provided in the fourth quarter of 2021-22.

Number of participants and payments for years ending 30 June - participants in SIL[69]

Year	2019	2020	2021	2022	% increase (per annum)
Active participants	21,052	24,119	24,542	26,950	**9%**
Total payments ($m)	4,102	6,702	7,893	8,776	**29%**
Average payment ($)	243,300	296,800	324,400	340,900	**12%**
Total payments – core daily activities ($m)	3,334	5,423	6,357	6,920	**28%**
Average payment - core daily activities ($)	197,800	240,100	261,300	268,800	**11%**

Average plan budgets over time at 30 June 2022 – participants in SIL



[69] Due to operational changes since July 2020, there has been an issue with identifying SIL in plans as they are being completed. A temporary and manual solution was implemented to estimate the number of active participants who should be identified as having SIL in their plans but do not appear as such on the Agency's system. From May 2022, an automated and more accurate method has been applied in identifying participants in SIL leading to a restatement in the number of participants in SIL from July 2020 to April 2022. Given the basis for identifying participants in SIL has changed since July 2020, the comparison between 2020 and 2021 is not entirely on a like for like basis.

Providers and the growing market

4.5 Supported Independent Living (SIL)

Largest ten providers and core daily activities payments – participants in SIL[70]

		Core daily activities payments ($m)		
Provider ABN*	**Provider name**	**2020**	**2021**	**2022**
15101252171	Life Without Barriers	186	234	281
31001813403[71]	House With No Steps / Aruma Services / Aruma Foundation / Aruma Services Victoria	199	241	259
73628264460[72]	Home@Scope Pty Ltd / Scope (Aust) Ltd	62	75	242
87302064152	The Northcott Society	130	119	123
45000062288	Cerebral Palsy Alliance	95	114	114
80009670704	Endeavour Foundation	102	96	88
27009942269	CPL - Choice, Passion, Life	68	67	74
49133306902	Achieve Australia Limited	76	77	73
29001260153	The Disability Trust	62	72	71
37020000711[73]	Minda Incorporated / Minda Housing Limited	72	76	71
Total largest 10 providers		**1,053**	**1,170**	**1,396**

*Although these large providers have been identified based on an individual ABN, where it is known that they form part of a related group of entities, the statistics have been modified to include the entirety of those entities.

The top three providers listed in particular have had growth in participants that relate to former Victorian in-kind participants. These arrangements were "cashed out" in 2020-21 and hence these transferred to non-government providers.

[70] This analysis does not include in-kind payments. However, analysis of in-kind shows that two State governments have received in-kind offsets in the 2021-22 year that are comparable to the top 10 cash providers as follows: (1) Queensland $146m and (2) South Australia $128m.
[71] In addition, the following additional ABNs for this provider are also included in this analysis - 59032986751 and 86628265387.
[72] In addition, the following additional ABN for this provider is included in this analysis - 63004280871.
[73] In addition, the following additional ABN for this provider is included in this analysis - 49622248908.

Providers and the growing market

4.6 Specialist Disability Accommodation (SDA)

The total number of enrolled SDA dwellings continues to increase.

Number of participants, plan budgets and payments for years ending 30 June – participants with SDA supports

Year	2019	2020	2021	2022	% increase (per annum)
Active participants	13,309	14,982	16,033	19,358	**13%**
Total SDA supports ($m)	144	176	204	271	**23%**
Average SDA supports ($)	10,839	11,741	12,694	14,024	**9%**
Total SDA payments ($m)[74]	56	102	140	186	**49%**
Average SDA payments ($)	5,085	7,205	8,996	10,523	**27%**

[74] SDA provider payments have not been handled in a timely fashion due to issues with service bookings. This has resulted in a large backlog of payments. To address the problem, the NDIA is introducing a new SDA line item from 1 July 2022 to ensure providers have an easier way to claim for services delivered to participants. The NDIA has also addressed historic outstanding SDA payments by making off-system payments to providers directly. The $186m total SDA payments made in 2022 includes off-system payments of $10.5 million made in June 2022.

Providers and the growing market

4.6 Specialist Disability Accommodation (SDA)

Largest ten providers and SDA payments – participants in SDA[75,76]

		SDA support item claiming in year ending 30 June		
Provider ABN*	**Provider name**	**2020**	**2021**	**2022**
64617052383[77]	Home4life Limited/ Compass Housing Services Co Ltd	$4m	$13m	$13m
97824335975[78]	The Trustee for Summer Housing SDA Trust / The Trustee for Summer Housing Pavilions / The Trustee for Summer Housing Impact SD	$1m	$7m	$12m
85236978396	The Trustee For The Disability Housing Trust	$5m	$3m	$7m
69118571547	Disability Housing Limited	$2m	$2m	$5m
65152013913	Ability SDA Pty Ltd	$1m	$4m	$4m
33931811019	Julia Farr Housing Ass Inc	$2m	$3m	$4m
66647041988	Hume Community Housing Association Co Ltd	$3m	$3m	$3m
40007008853	Singleton Equity Housing Ltd.	$0m	$1m	$3m
16127713731	Evolve Housing Limited	$2m	$2m	$2m
27621705235	Empowered Liveability Pty Ltd	$0m	$1m	$2m
Total largest 10 providers		**$20m**	**$39m**	**$57m**

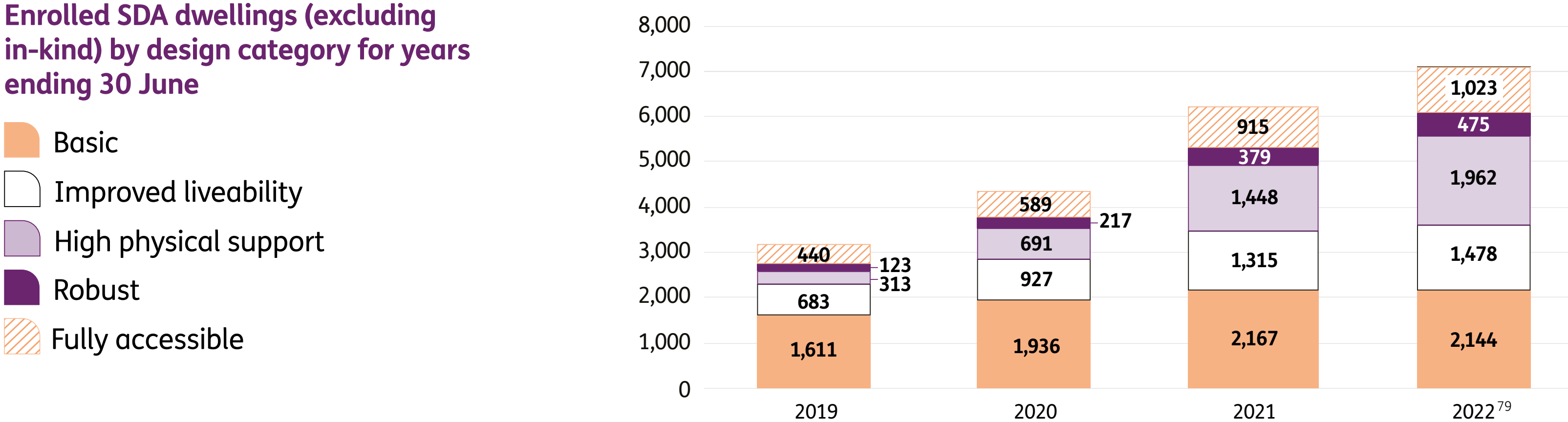
*Although these large providers have been identified based on an individual ABN, where it is known that they form part of a related group of entities, the statistics have been modified to include the entirety of those entities.

75 The analysis does not include in-kind payments, but does account for $10.5m in off-system SDA payments made in June 2022.
76 The analysis excludes government owned providers. In particular, the Department of Health and Human Services (Victoria) claimed $20m in cash in the 2021-22 year.
77 In addition, the following additional ABN for this provider is included in this analysis – 84002862213.
78 In addition, the following additional ABNs for this provider are also included in this analysis – 21684858548 and 75699253279.

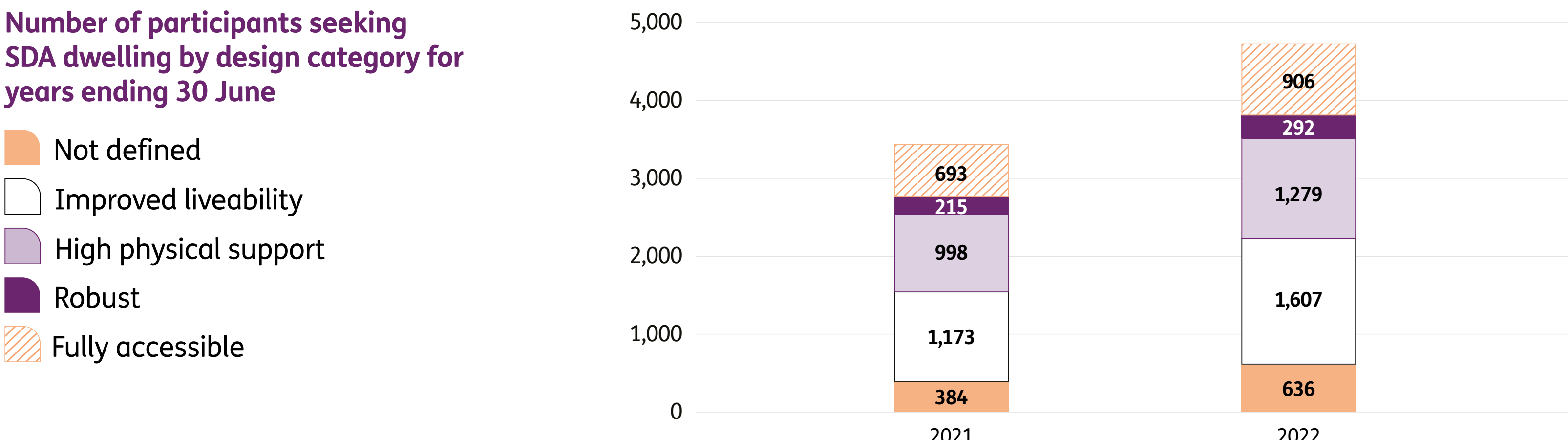
Providers and the growing market

4.6 Specialist Disability Accommodation (SDA)

Enrolled SDA dwellings (excluding in-kind) by design category for years ending 30 June



Number of participants seeking SDA dwelling by design category for years ending 30 June



[79] At 30 June 2022, there were an additional four dwellings with a multiple design category.

Providers and the growing market

4.7 Choice and control, utilisation and market concentration

Comprehensive data on market effectiveness is being used to improve participant outcomes across all regions through identifying thin markets.

Overall, out of 80 service districts in the analysis:

Choice and Control

- 52 (**65%**) were **within 5 percentage points** of the national average
- 2 (**3%**) was **more than 10 percentage points above** the national average
- 3 (**4%**) were **more than 10 percentage points below** the national average

Utilisation

- 61 (**76%**) service districts are **within 5 percentage points** of the national average[80]
- 0 service districts **more than 10 percentage points above** the national average
- 5 (**6%**) service districts **more than 10 percentage points below** the national average

Market concentration

For the 6 months to 31 March 2022 to providers of Agency-managed participants:

- 7 (**9%**) service districts where 85% or more of payments go to the largest 10 providers
- 18 (**23%**) service districts where less than 45% of payments went to the 10 largest providers

Understanding the extent of variation in performance in these indicators across geographical regions assists with identifying “hot spots”.

Between June 2021 and June 2022, the utilisation performance metric improved whereas the provider concentration metric deteriorated marginally. The choice and control performance metric remained stable.

[80] Utilisation has been adjusted to account for the differences in the proportion of participants in each service district receiving SIL, along with the time participants have been in the Scheme.

Part 5:
Financial sustainability

5

Financial Sustainability

A financially sustainable Scheme achieves participant outcomes across their lifetimes, and is affordable now and into the future.

5.1 Participant and cost projections

On 8 October 2021, the NDIA Board released both the AFSR, and the Peer Review Report

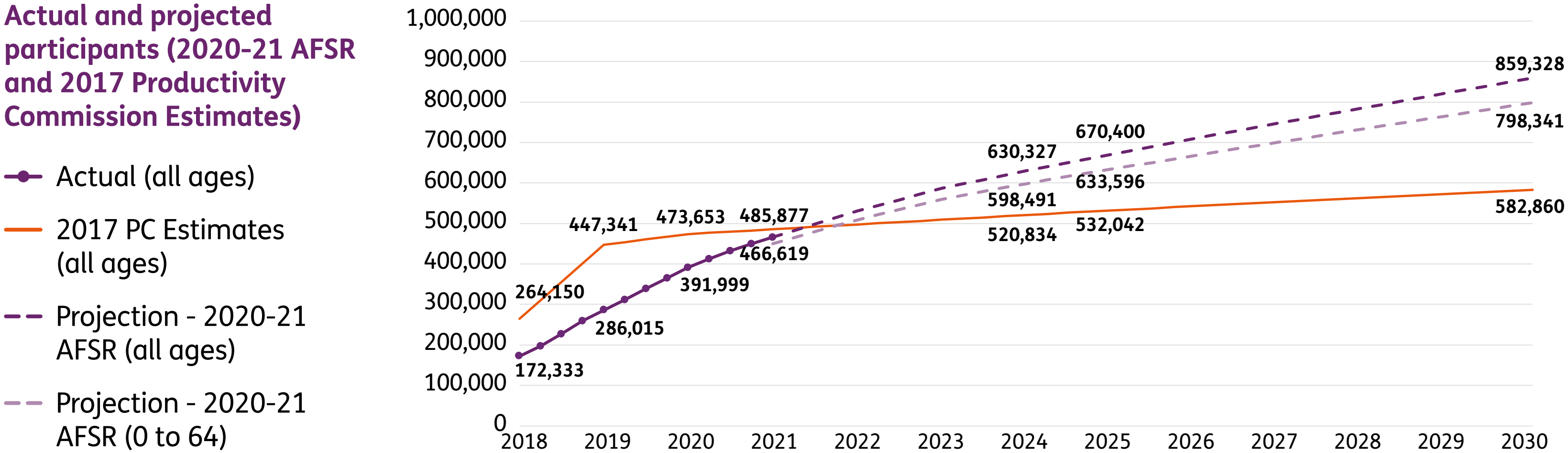
It is produced using data at 30 June each year and a summary of each year's AFSR is included in the NDIA Annual Report. The AFSR Projects that:

– There will be **670,400 participants** in the Scheme at the end of June 2025 (of which **633,600** are <65 years)

– There will be **859,300 participants** in the Scheme at the end of June 2030 (of which **798,300** are <65 years).

These figures are significantly higher than estimated by the Productivity Commission in 2017.

Actual and projected participants (2020-21 AFSR and 2017 Productivity Commission Estimates)



Financial Sustainability

5.1 Participant and cost projections

- Total participant costs are estimated to be **$29.2 billion** in 2021-22, growing to **$41.4 billion** in 2024-25, and **$59.3 billion** in 2029-30 (on an accrual basis).

Projected participant costs (cash and accrual basis)

Participant costs ($m)	2021-22	2022-23	2023-24	2024-25	2029-30
Participant costs (cash basis)					
Participant costs (0-64)	26,994	30,965	34,345	37,067	51,471
Participant costs (65+)	1,837	2,464	3,114	3,748	7,012
Total participant costs (cash basis)	**28,831**	**33,429**	**37,459**	**40,814**	**58,483**
Participant costs (accrual basis)					
Participant costs (0-64)	27,359	31,386	34,812	37,569	52,169
Participant costs (65+)	1,864	2,501	3,161	3,803	7,115
Total participant costs (accrual basis)	**29,223**	**33,886**	**37,973**	**41,373**	**59,284**

Total participant costs (on an accrual basis) in 2021-22 were $28.7 billion[81], which is **1.9%** lower than estimated.

Work is underway on the 30 June 2022 AFSR which will update the projection using data to 30 June 2022 (and additional year of data compared with the previous projection).

It is important to note, that the factors that drove the 2021-22 cost to be lower than projected (such as COVID lockdowns), are not necessarily reasons for the projection using 30 June 2022 data to be lower than forecast last year.

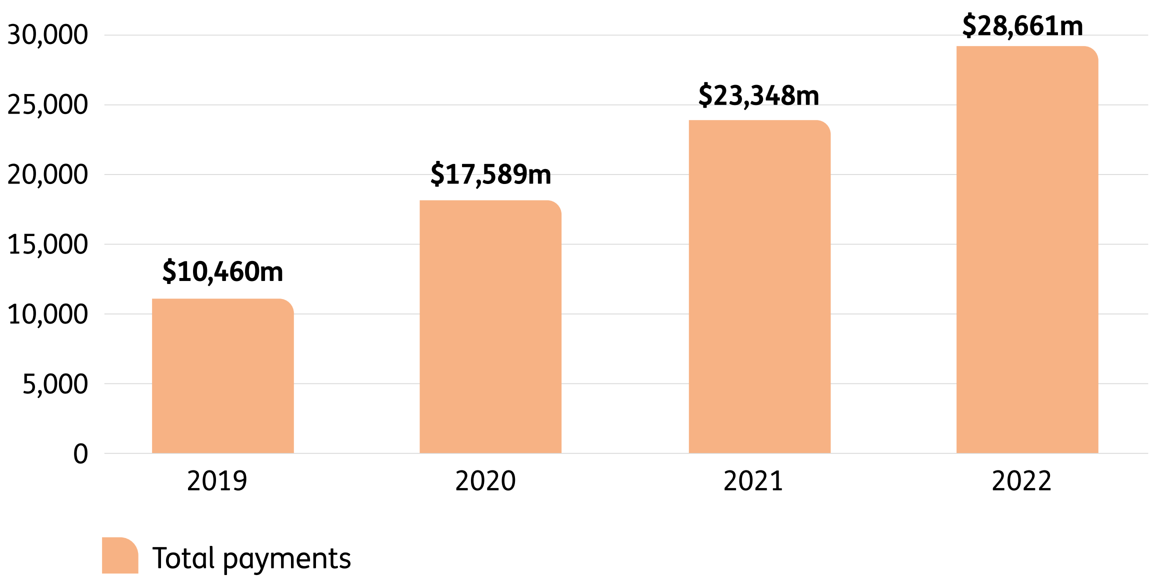
[81] This is a draft figure, with the final figure due to be reported in the upcoming NDIA 2021-22 Annual Report.

5.2 Total payments

Total payments have grown significantly over the last three years in line with a growing Scheme.

The rate of increase has slowed in recent years, reflecting a relatively steadier rate of new entrants to the Scheme since it became available across Australia.

Total payments ($m) for years ending 30 June[82]



[82] Total payments are based on an accrual basis, sourced from the NDIA Annual Reports. The $28,661m in 2021-22 is a draft figure, with the final figure due to be reported in the upcoming NDIA 2021-22 Annual Report.

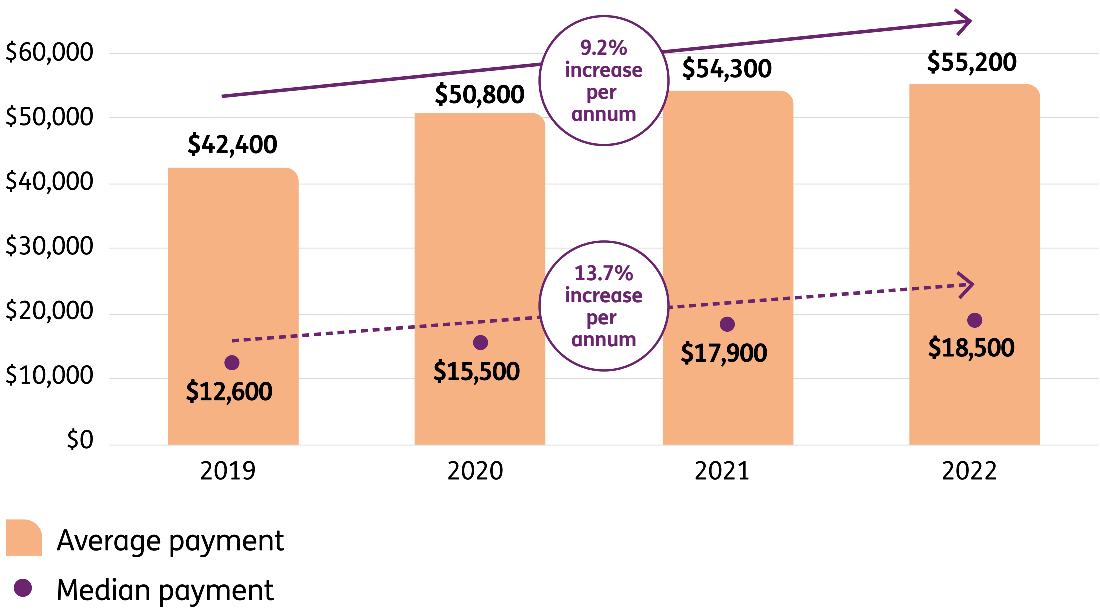
Financial Sustainability

5.3 Average and median payment trends

Average and median payments per participant have increased by 9.2% and 13.5% respectively over the last three years.

In the NDIS, the average payment is higher than the median payment because there is a skewed distribution with a small number of participants receiving very high cost supports, and a large number receiving low cost supports.

Average and median payments for years ending 30 June - all participants



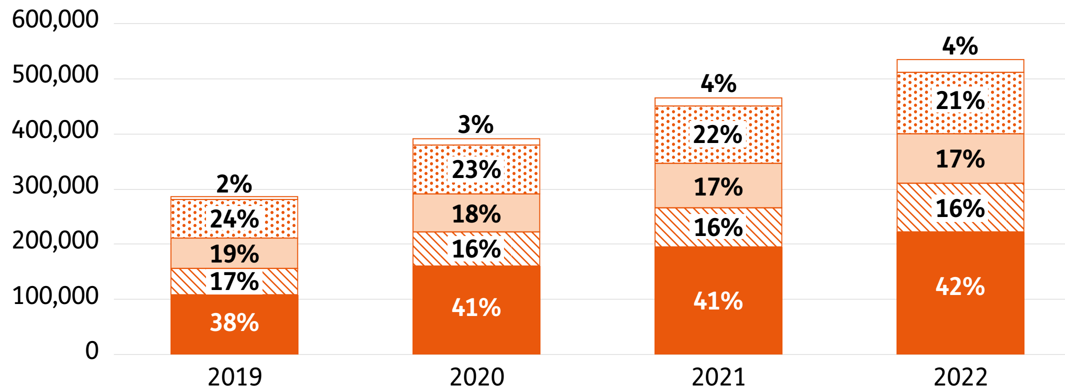
Financial Sustainability

5.3 Average and median payment trends

Over the past four years, the proportion of children in the Scheme has increased, and the proportion of participants in SIL in the Scheme has decreased. Specifically, the proportion of children in the Scheme aged 0 -14 years has increased from 38% at 30 June 2019 to 42% at 30 June 2022. Older participants on average have higher average plan budgets and higher average payments so the impact of this changing mix is significant.

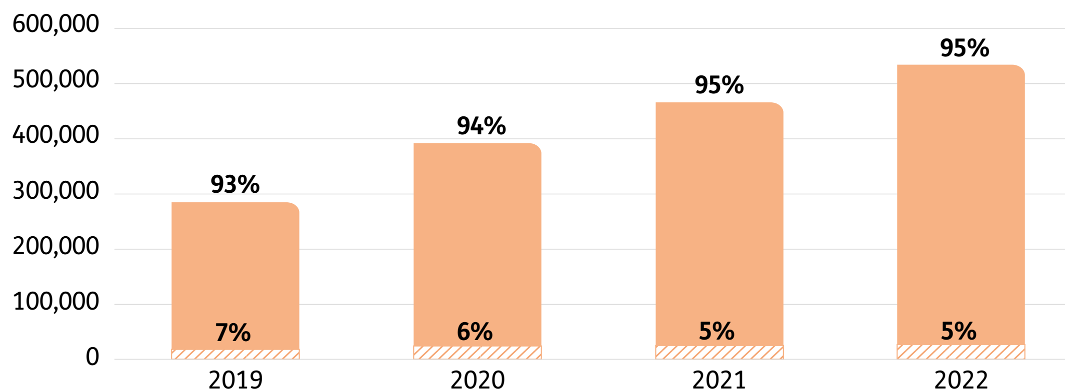
Proportion of participants by age band for years ending 30 June (%) – all participants

0 to 14
15 to 24
25 to 44
45 to 64
65+



Proportion of participants in and not in SIL for years ending 30 June (%) – all participants

SIL
Non-Sil



Financial Sustainability

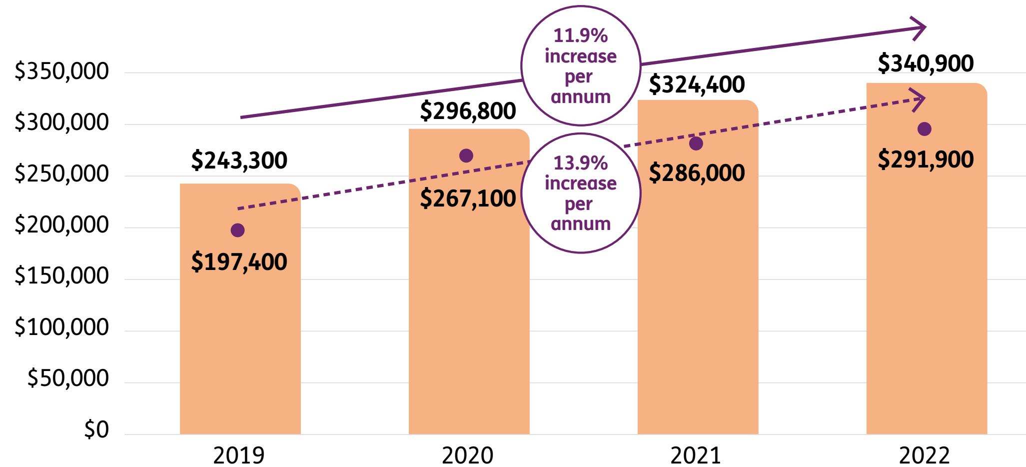
5.3 Average and median payment trends

Participants in SIL and not in SIL

Average and median payments for years ending 30 June – participants in SIL

Average payment

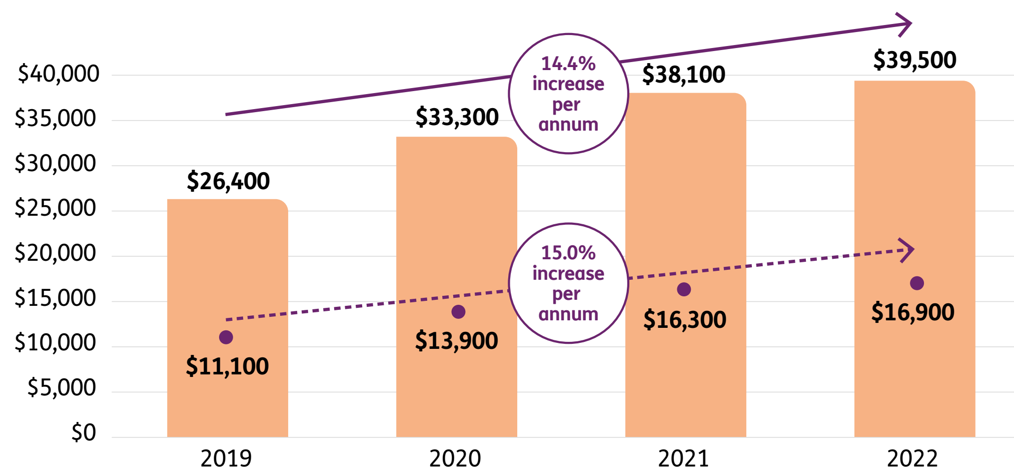
Median payment



Average and median payments for years ending 30 June – participants not in SIL

Average payment

Median payment

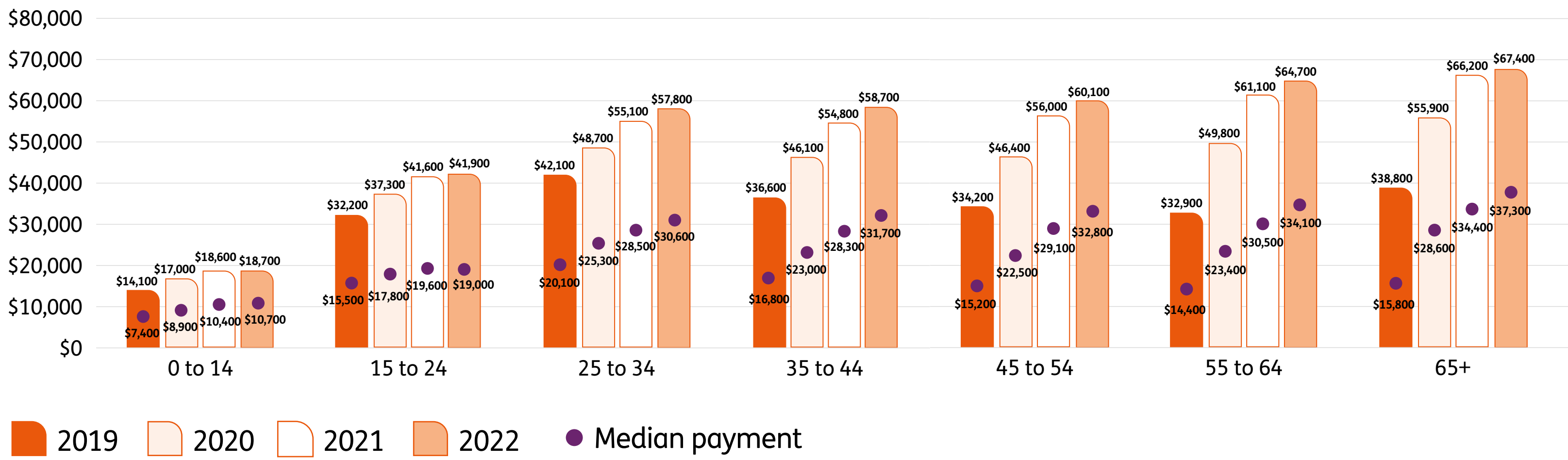


Financial Sustainability

5.3 Average and median payment trends

With more younger participants entering the Scheme over time, the overall average and median payments will therefore be lower, partly offsetting the increases otherwise observed. Generally increases were largest between 2019 and 2020, compared with more recent years.

Average and median payments for years ending 30 June by age group - participants not in SIL

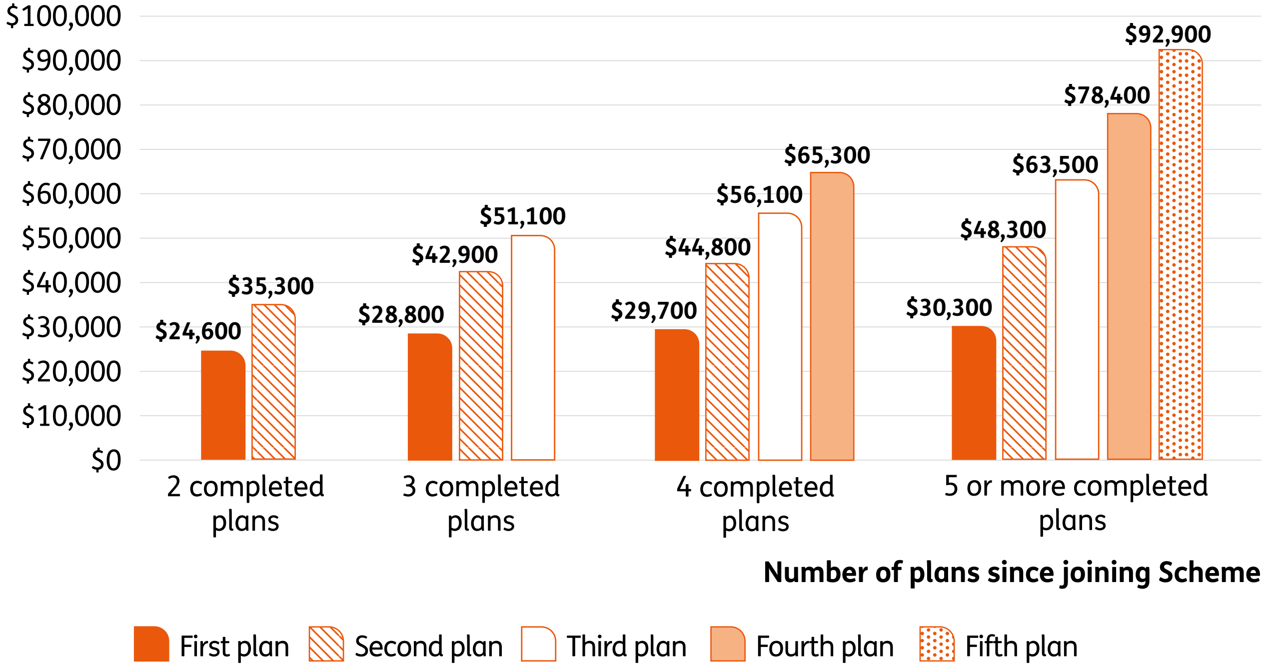


Financial Sustainability

5.3 Average and median payment trends

Average payments per participant have increased over time for all participant cohorts having different number of plans since joining the Scheme. Noting however, the rate of increase in average payments to participants is the greatest between the first and second plans, with the rate decreasing over time.

Average payments per participant over time



Financial Sustainability

5.4 Average plan budget trends

Average plan budgets have also increased over time for the same cohort of participants.

Average plan budgets have also increased over time for both participants in SIL and not in SIL. However, due to the changing mix of participants in the Scheme and while the overall average payments increased over the last three years, slight decreases have been observed over the last two years. Specifically, over the three year period to 30 June 2022:

- Average plan budgets have increased by **1.3%** per annum for all participants
- Average plan budgets have increased by **7.2%** per annum for participants in SIL
- Average plan budgets have increased by **3.5%** per annum for participants not in SIL

The slight decreases in the last two years are driven by:

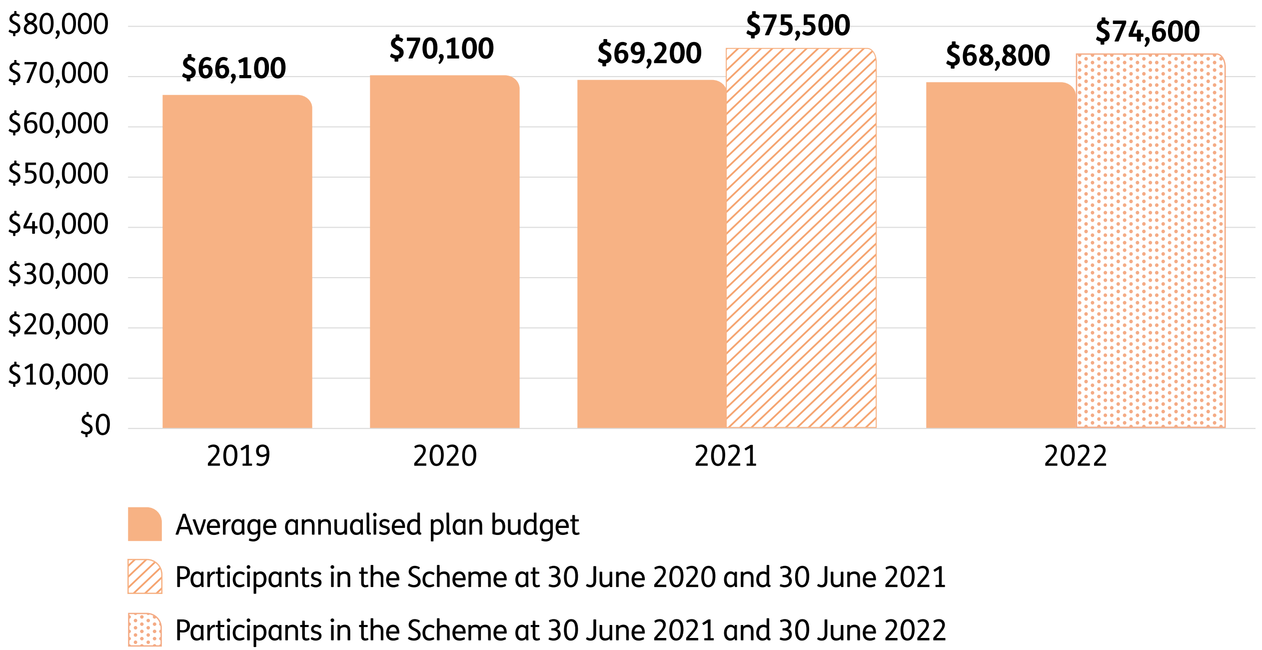
- **New participants** that entered the Scheme between 1 July 2020 – 30 June 2022 **having lower plan budgets** on average. Specifically, the slightly lower average plan budgets were driven by high proportions of participants under 18 years entering the Scheme.
- **Participants having lower support needs on average**, as participants from the State/Territory disability systems with higher support needs (such as those in SIL) transferred into the Scheme earlier.

Importantly, there was no reduction in the average plan budgets of participants continuing in the Scheme. For example, for participants who were in the Scheme at 30 June 2021 and at 30 June 2022, the average plan budget **increased** from $69,200 to $74,600 (7.8%).

Financial Sustainability

5.4 Average plan budget trends

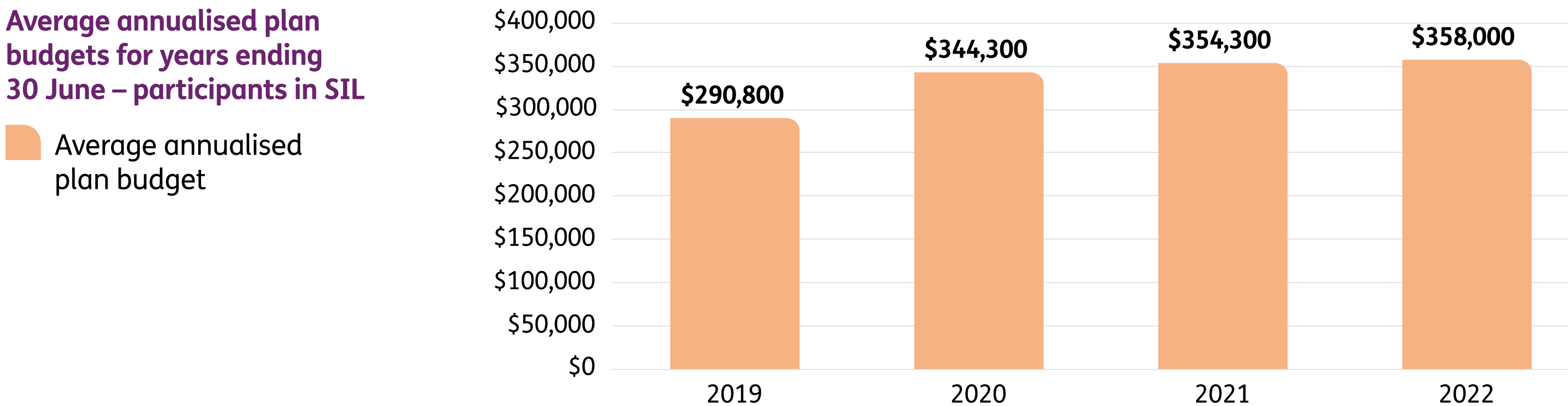
Average annualised plan budgets for years ending 30 June – all participants



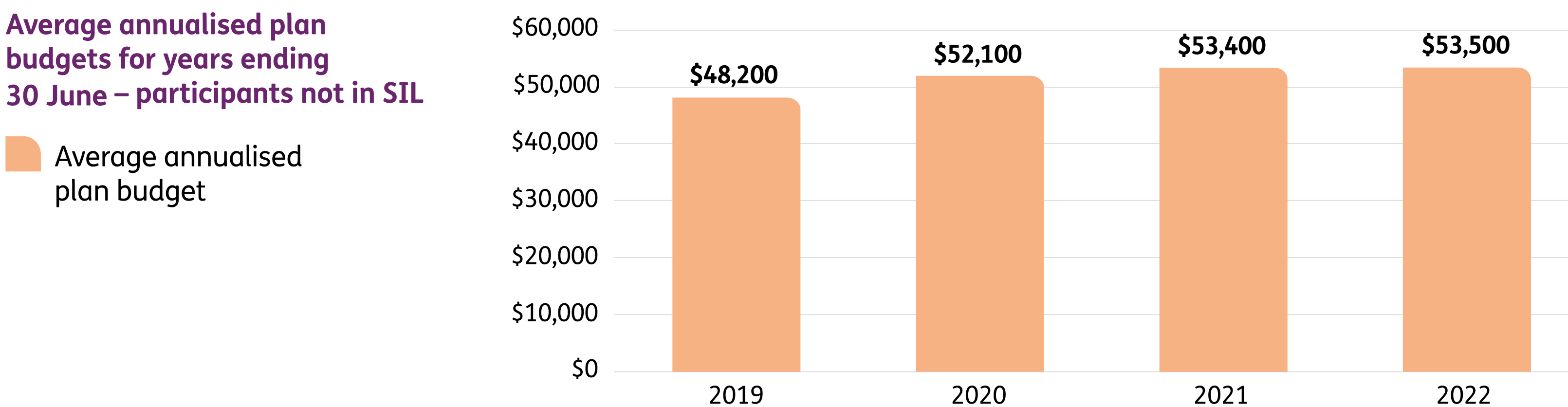
Financial Sustainability

5.4 Average plan budget trends

Average annualised plan budgets for years ending 30 June – participants in SIL



Average annualised plan budgets for years ending 30 June – participants not in SIL

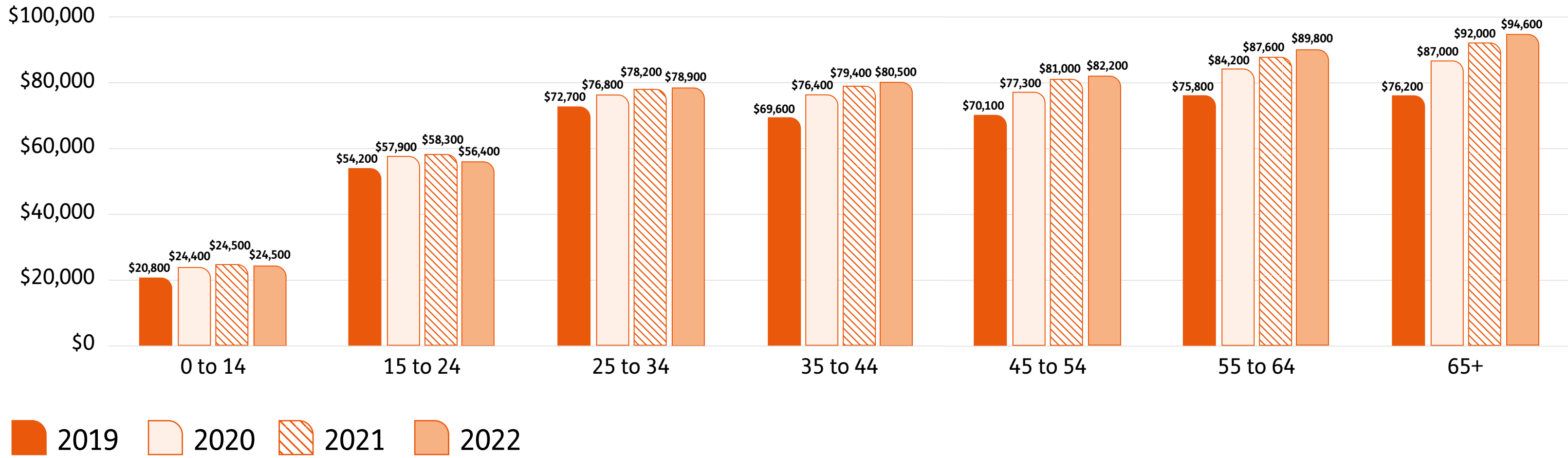


Financial Sustainability

5.4 Average plan budget trends

For participants not in SIL, average plan budgets have increased over time for all age groups.

Average annualised plan budgets for years ending 30 June by age group – participants not in SIL

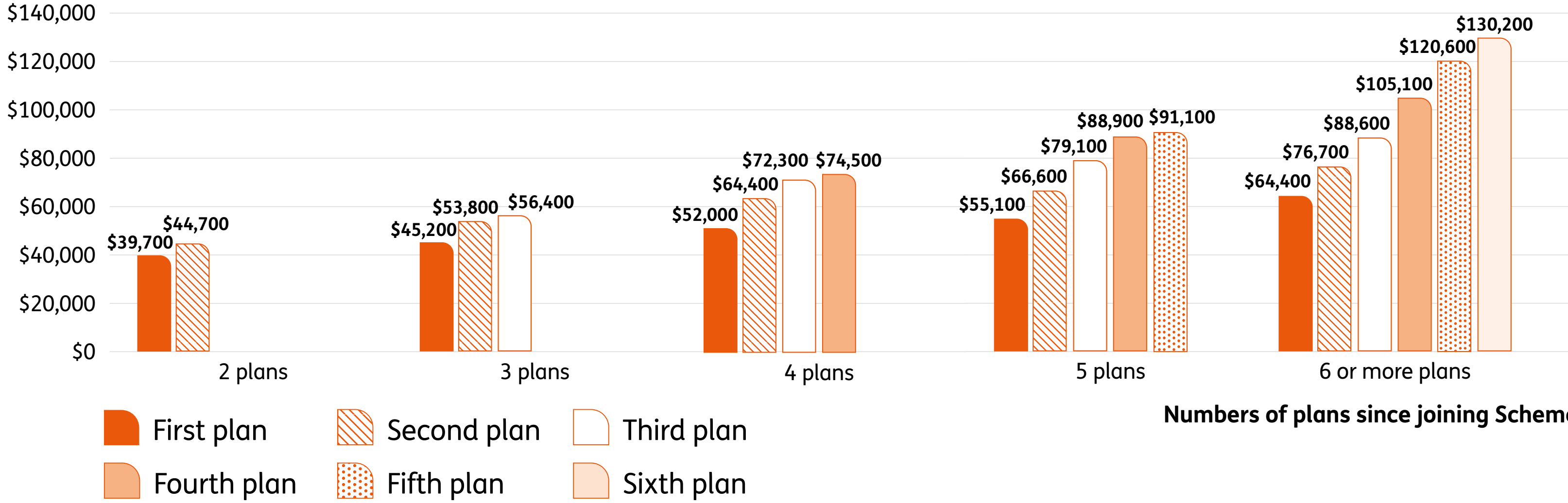


Financial Sustainability

5.4 Average plan budget trends

As the mix of participants has changed over time, understanding trends in average plan budgets for the same group of participants over time is important. In considering participants by the number of plans they have had since joining the Scheme, and tracking the average plan budgets for the same cohort of participants over time, it is evident that the average plan budgets have increased for all participant cohorts per plan.

Average annualised plan budgets for participants over time



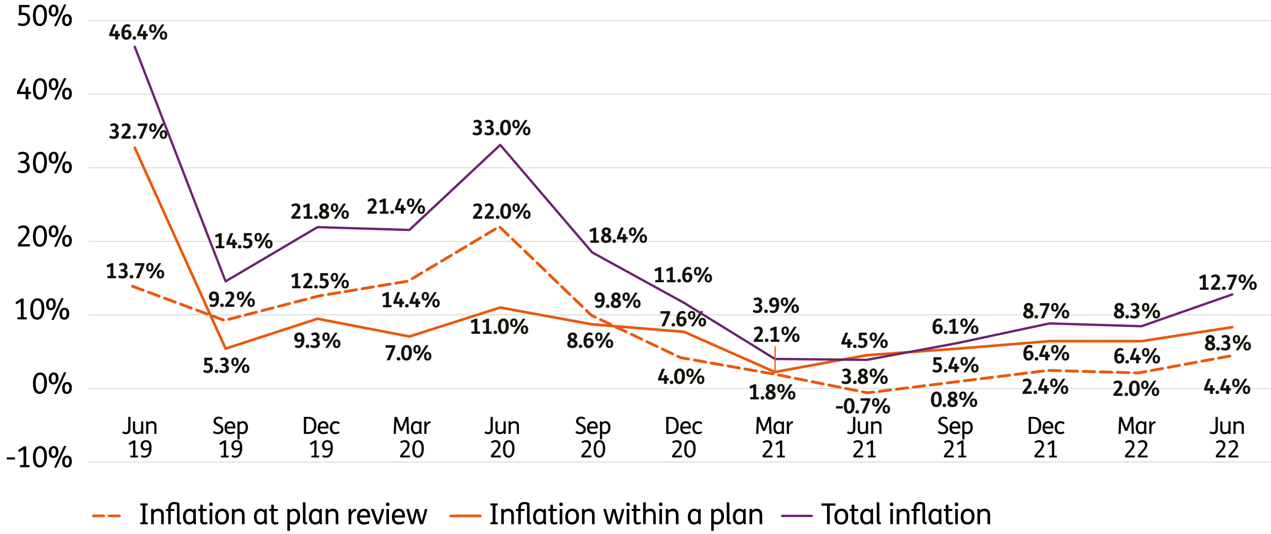
Financial Sustainability

5.4 Average plan budget trends

When a plan review is conducted, information about a participant's goals, situation and support needs are considered. A participant's needs and situation may change over time, which means their NDIS funding is likely to change over that time.

In the June 2022 quarter, total plan inflation was 12.7 per cent per annum. This compares with plan inflation of 8.3 per cent per annum in March 2022, and 8.7 per cent per annum in December 2021. Notwithstanding the increase observed in the June 2022 quarter, this is considerably lower than plan inflation in early quarters which regularly exceeded 20 per cent per annum.

Percentage change in plan budgets for active participants[84]



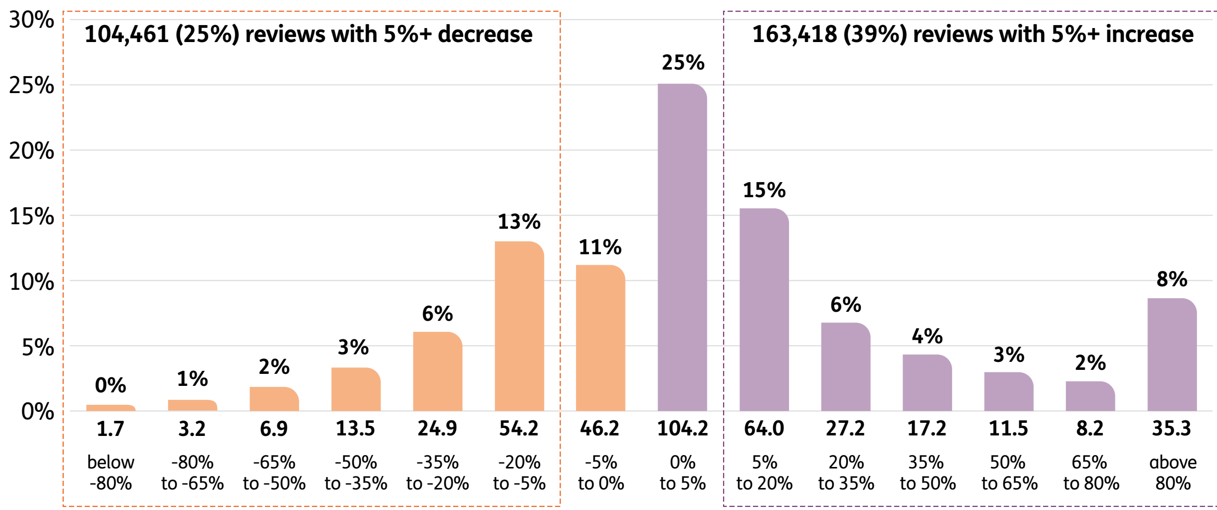
[84] A minor change in methodology was applied to the exclusion of zero dollar plans in the inflation calculation. This change has resulted in small one-off changes in some of the historical inflation rates.

5.4 Average plan budget trends

Plans increasing and decreasing is consistent with an early investment insurance approach. When looking at experience in this financial year (from 1 July 2021 to 30 June 2022), taking account of total plan inflation, plans were more likely to increase rather than decrease. Specifically:

- **39%** of plans increased at review by more than 5%
- **25%** decreased by more than 5%
- **36%** remained within 5%

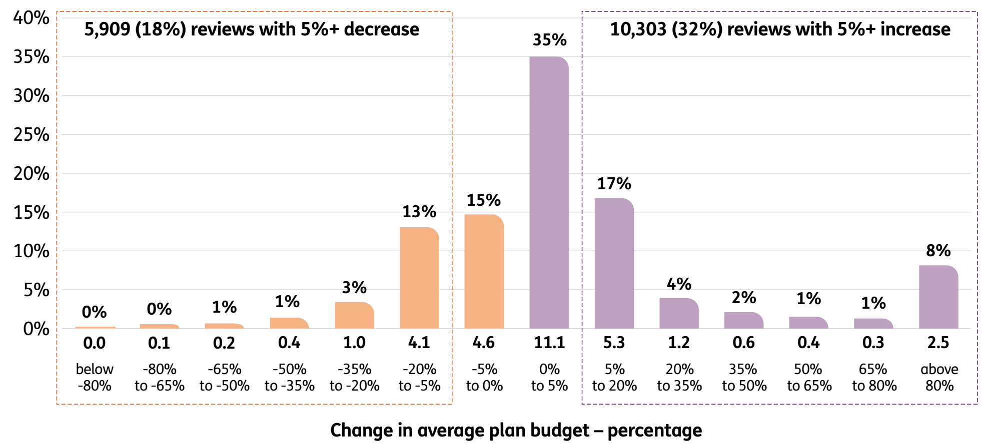
Distribution of the percentage change in plan budgets for plans reviewed in this financial year (1 July 2021 to 30 June 2022) – all participants[85]



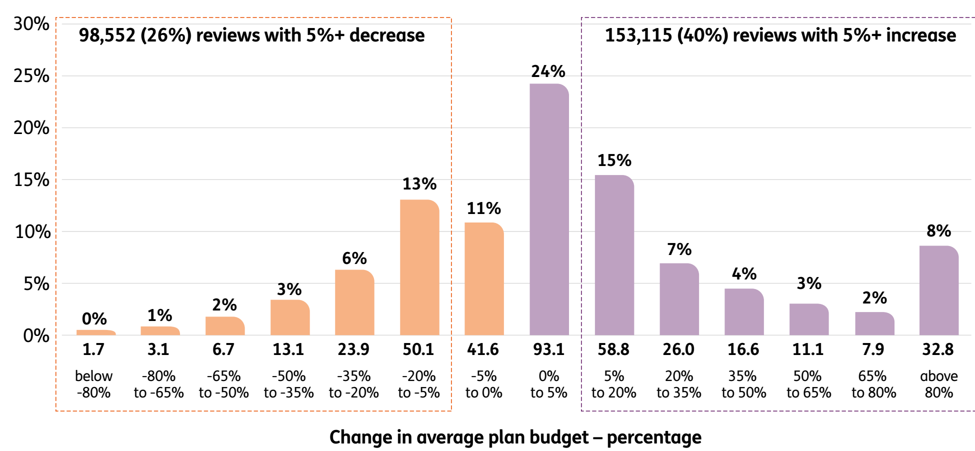
85 The number of plan reviews (in thousands) in each inflation percentage band is shown at the bottom of each bar in the chart. The corresponding percentage of plan reviews in each band is shown at the top of each bar in the chart.

5.4 Average plan budget trends

Distribution of the percentage change in plan budgets for plans reviewed in this financial year (1 July 2021 to 30 June 2022) – participants in SIL[86,87]



Distribution of the percentage change in plan budgets for plans reviewed in this financial year (1 July 2021 to 30 June 2022) – participants not in SIL[88]



86 Due to operational changes since July 2020, there has been an issue with identifying SIL in plans as they are being completed. A temporary and manual solution was implemented to estimate the number of active participants who should be identified as having SIL in their plans but do not appear as such on the Agency's system. From May 2022, an automated and more accurate method has been applied in identifying SIL participants leading to a restatement in the number of SIL participants from July 2020 to April 2022. This has resulted in a one-off change in the historical SIL and non-SIL inflation rates.

87 The number of plan reviews (in thousands) in each inflation percentage band is shown at the bottom of each bar in the chart. The corresponding percentage of plan reviews in each band is shown at the top of each bar in the chart.

88 ibid.

Financial Sustainability

5.4 Average plan budget trends

In the two financial years 2019-20 and 2020-21, plans were also more likely to increase rather than decrease.

In 2020-21:

- **42%** of plans increased at review by more than 5%
- **29%** decreased by more than 5%
- **29%** remained within 5%

In 2019-20:

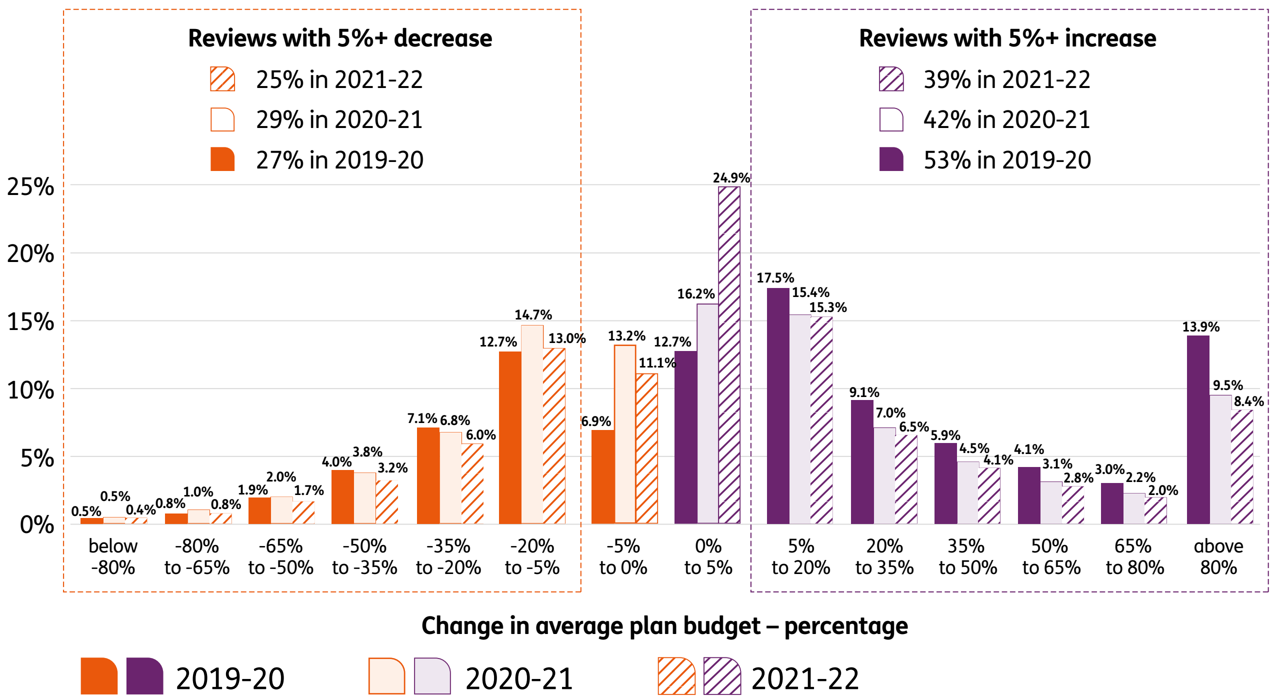
- **53%** of plans increased at review by more than 5%
- **27%** decreased by more than 5%
- **20%** remained within 5%

Financial Sustainability

5.4 Average plan budget trends

The following chart shows the distribution of the percentage change in plan budgets for plans reviewed over the three years to 30 June 2022, taking account of total plan inflation.

Distribution of the percentage change in plan budgets for plans reviewed over the three years to 30 June 2022 – all participants



Financial Sustainability

5.5 Operating expenses

Operating expenses per participant have reduced over the last four years.

NDIA operating expenses have increased from:

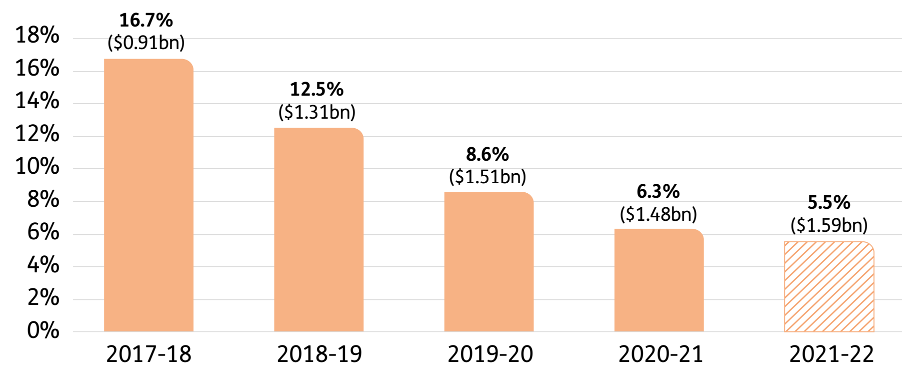
– **$906 million** in 2017-18, to
– **$1,586 million** in 2020-21

As a percentage of the dollars spent on participants, operating expenses have decreased from:

– **16.7%** in 2017-18, to
– **5.5%** in 2021-22.

The Productivity Commission in their 2017 Study report[90] suggests a range of 7 to 10% as an appropriate amount for NDIA operating costs.

Operating expenses as a percentage of participant costs[89]



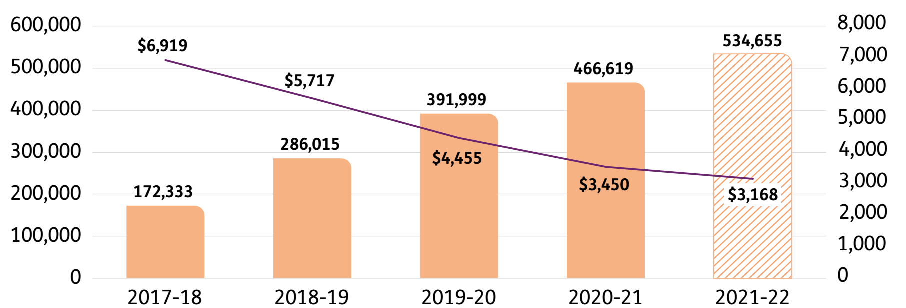
Over time, the NDIA has increased efficiency. The annualised operating cost per participant has reduced by **54%** since 2017-18, from:

– **$6,919** in 2017-18, to
– **$3,168** in 2021-22.

Active participants at year end

Operating expenses per participant

Operating expense per participant[91]



[89] Total operating expenses are based on an accrual basis, the $1.59 billion in 2021-22 is a draft figure, with the final figure due to be reported in the upcoming NDIA 2021-22 Annual Report.
[90] https://www.pc.gov.au/inquiries/completed/ndis-costs#report
[91] Average number of participants is taking a simple average of the two periods (opening and closing) on active participants. Cost per participant uses these average participant numbers divided by Total Operating Expenses. for the 2022-23 Budget)

Part 6:
Staff, advisory groups and the NDIS community

6

Staff, advisory groups and the NDIS community

Participant and sector engagement activities continue to be a focus.

6.1 A high performing NDIA

Staff and partners capability development continues.

As at 30 June 2022, there was **12,596** total in the NDIS workforce.

Of the 12,596 staff:

- **5,070** APS employees
- **1,893** labour-hire workers and contractors
- **5,633** people employed by the NDIA's PiTC and Contact Centre partners.

Key highlights this quarter:

- The NDIA continues to invest in the capacity and capability of its workforce, with a strong focus on front-line planner recruitment. There are currently two large-scale planner recruitment processes nearing completion, with approximately 100 additional staff expected to commence across July and August 2022.
- The NDIA achieved an improved response rate for the APS Census in comparison to 2021, with 85% or 5,220 people completing the survey. This is two percentage points higher than the APS average response rate (across all Agencies and Departments).
- The NDIA finalised the development of a three-year strategy and action plan referred as the Disability Inclusion Plan 2022-25 (the Plan). The Plan aims to extend the number and diversity of people with disability and improve the experience working at the NDIA.

6.2 Valued input from the Independent Advisory Council

The IAC continues to provide valued advice to the NDIA Board and management.

This quarter, Council endorsed the advice 'Equity in the NDIS: improving access and outcomes for diverse communities' and have started drafting of the advice on Behaviour Support. Work on the advice for participants who are ageing is expected to begin in Quarter 1 2022-23.

The Council continues to actively collaborate with the NDIA on a variety of Corporate Plan priorities and the Council's own plan of work, including:

- Legislation changes
- Research and evaluation
- Remote and very remote strategy refresh
- First Nations and CALD strategy refresh

This quarter, they have focused on understanding the link between participant funding and outcomes through the Investment Effectiveness Program, in collaboration with DSS, as well as the co-design evaluation. Council Members are also involved in the NDIA's Co-design Steering Committees for:

- Information gathering for Access and Planning
- Home and Living
- Support for decision making
- Participant safety

Staff, advisory groups and the NDIS community

6.3 Public data sharing and the latest release of information

The NDIA continues to release timely data and analysis to stakeholders

On 31 May 2022, the NDIA released:

- Q3 2021-22 downloadable data, refreshed downloadable data[92] and the explore data[93] visualisation tool on the data.ndis.gov.au with information up to end of 31 March 2022.
- Several "deep dive" reports and analyses have also been released in previous quarters.

The list of reports and analyses released and available at data.ndis.gov.au:

- **Participant Group reports and analyses**
- **Outcomes and goals**
- **The NDIS Market (Market Monitoring) Dashboards with market summaries, datasets for LGAs and NDIS service districts**

[92] https://data.ndis.gov.au/data-downloads
[93] https://data.ndis.gov.au/explore-data

6.4 Cyber Security and Fraud

NDIA Cyber Security is working proactively to identify the most likely and significant threats to enable the informed implementation of risk mitigation.

The NDIA continues to be directly and indirectly impacted by cyber threats from internal and external sources. The NDIA, in conjunction with other partner organisations, manages its risk profile which continues to be targeted by Foreign Intelligence Services and criminal enterprises to gain access to valuable participant data and information.

These threats to the NDIA manifest themselves through the use of malware, ransomware, phishing and social engineering to extort funds, expose sensitive information and deny people of online services. Also, NDIA internal threats present themselves through the misuse of access and information with the intent of causing political and social embarrassment, or supporting criminal enterprise.

The NDIA has embarked on a multi-year technology change agenda including:

- a significant uplift of cyber threat detection and prevention capabilities.
- improving its ability to detect and respond to threats to the NDIA systems and data through the Security Operations Centre and through new tool sets.
- the NDIA Cyber Risk management program currently underway, seeking to implement improved ICT practices and procedures.

In addition, continual communication and liaison with partners, and regular internal training with staff is essential to maintain awareness of cyber threats.

Staff, advisory groups and the NDIS community

6.5 Fraud and Compliance

The NDIA continues to proactively monitor and respond to incorrect or unusual claims made by registered providers. Since the establishment of the Compliance Response Team in July 2021, the NDIA has significantly increased its targeted compliance activities, including:

- A focus on Plan Management Agents overcharging participants financial administration fees. This resulted in 66% of reviewed Plan Management Agents having cancelled payments where they have overcharged participants.
- The increased focus and proactive approach to compliance for 2021-22 has resulted in providers cancelling more than 38,700 incorrect or non-compliant payments worth almost $44.8 million.

As at 30 June 2022, there were **35 fraud matters under investigation** and a further **8 matters under preliminary evaluation for investigation**. Of these, 14 matters are before the courts under prosecution, with a total alleged fraud value of $13.4 million. Key investigation activities, this quarter included:

- Six individuals charged in relation to Operation Pyxis – an NDIS Taskforce investigation into an organised criminal group who allegedly defrauded the NDIS of more than $2 million.
- A person, returning from overseas was arrested and charged for allegedly defrauding the Scheme of more than $300,000 after claiming for services not delivered.
- Another person, also returning from overseas was arrested and charged for allegedly defrauding the Scheme of more than $1 million after claiming for services not delivered.

Staff, advisory groups and the NDIS community

6.6 NDIA's new Information and Communication Technology (ICT) business system

The NDIA is building a new ICT business system to improve the end to end participant journey and planning process.

The NDIA is designing and building a new ICT business system (PACE). PACE is a fit-for-purpose business system and will be ready to replace the NDIA's current CRM, portal and payment systems.

The PACE system will enable the NDIA to **deliver on many of the commitments in the SIP and ongoing implementation of Tune Review recommendations**. PACE is being designed to **make it easier for NDIA staff and partners to do their job**, giving them more time to deliver a quality experience for participants. **Staff with a wide range of accessibility needs** have been involved in the design, build and test of PACE and we are working with our global ICT supplier (Salesforce) to improve the accessibility of their system.

Improvements will be delivered over the next two years and will include:

- **More options** for how a participant's plan can be changed to meet their needs, without lengthy processes
- **New ways of capturing goals** and **clearer referral processes** to mainstream and community supports
- **Streamlined access processes**, with prospective participants being supported by LAC and Early Childhood PiTC
- **Integration between the NDIA's systems and Participant Portals**, meaning participants can manage more of their own information and monitor progress on their requests
- **Automated work-routing** for all work, meaning that tasks are more efficiently completed
- **New validation of payment requests**, including participant verification steps
- **Monitoring across the entire ICT system**, supporting the NDIA to proactively identify and check-in when it appears a participant may need support

www.ndis.gov.au