4 May 2021

On Tuesday 4 May 201, NDIA CEO Martin Hoffman was called to share a statement at the Joint Standing Committee on the NDIS.

Here is a short video to share what he said with participants, their families and carers and the sector.

Transcript for 'An update from our CEO Martin Hoffman'

Martin Hoffman, CEO of the NDIA

Mr Chairman – thank you.

On behalf of the Agency let me begin by saying I understand and acknowledge that the proposals we are discussing here have caused real fear, concern and upset in the disability community. I deeply regret that our genuine attempts at communication and consultation have evidently not to date been sufficient or appropriate. We are actively supporting Minister Reynold's approach over the coming months, as well as working very closely with especially the Independent Advisory Council to improve that situation.

An article appeared in last Friday's Age – from a parent of a participant named Phoebe, a young lady with moderate intellectual disability who is non-verbal. The father, Phil, wrote:

"What is reasonable (and necessary) for Phoebe and our family? Is it reasonable to have a carer take Phoebe out on a Sunday where carers are paid double time (i.e. up to $80 an hour) so she gets a break from us and we can get some respite? Or given that cost, is it reasonable to limit that carer support to weekdays so those valuable taxpayer dollars go further? And if a Sunday is reasonable – how many a year, and for how many hours? The decision made on just this one question can change Phoebe's funding by tens of thousands of dollars. There are hundreds of such decisions to be made in every person's individual NDIS plan."

Phoebe's Sundays is what this is all about.

The NDIS was never meant to be about public servants making hundreds of decisions about the life and supports of participants.

There are three core problems with that.

First and foremost – it is not the best way for participants. Think about what happens now – Phoebe and her parents need to come and talk to a stranger – one of our planners – and explain and justify every aspect of her life and activities. And we will ask – well what will Phoebe be doing on a Sunday, where will she going – justify why that is R&N, show us how that is going to boost her social and economic participation, show us how that is beneficial having regard to evidenced good practice, and so on. A process of explaining and justifying, if not

begging and bargaining.

That’s not choice and control, that’s not dignity.

No person, with or without a disability, should have to justify their Sunday to a public servant.

Secondly – it is just administratively impossible to operate a Scheme like that – making hundreds of individual decisions for hundreds of thousands of participants every year – and to do it accurately, consistently and fairly right across the country, in a timely way, with good customer service.

We have improved service levels very significantly over the last 18 months, evidenced in detail in the Quarterly Reports, due to the incredible efforts of our staff, but to the extent there are still problems, they stem from trying to do something at scale that is fundamentally impossible.

And thirdly – as Phil himself notes – it is really difficult to get a controlled and predictable cost outcome in aggregate for the Scheme based on making decisions like that. We have seen that in

the significant growth in Scheme costs over the last few years, and we have decades of experience from the State-based compensation insurance schemes showing the same thing. Line by line decision-making risks the financial sustainability of the Scheme as required by the Act.

And so what is to be done?

Now that we have completed the massive start-up transition from state and territory programs, we must strengthen our adherence to the original conception of the Scheme.

As John Walsh’s submission to this inquiry outlines, this involves three pillars.

- An overall funding amount that is fair – based on capacity, support needs and life circumstances.
- Fully flexible use of that funding amount to pursue individual goals – with support and information as to how to use it best if needed.
- And thirdly – a consistent, standard and unbiased set of information, free of cost to the participant, that supports fair decisions for access and that overall funding amount. That’s the independent assessment.

Under that sort of Scheme Phil and Phoebe determine their Sunday’s – and decide how to use the funding on different days, and how much support worker time, or therapy of what types, or group classes, or whatever. And yes – that will involve trade-offs and choices. The funding amount is not unlimited or open-ended, and can’t be. But they are Phil and Phoebe’s trade-offs and choices, with support if needed, not my staff’s.

And so independent assessments must be done right, with protections and empathy. And I believe they can be.

Another father wrote to me last week. Wayne and his wife, together with their four-year old daughter Angela, participated in the IA Pilot. He said:

"Yesterday my daughter took part in the trial. The trial went well as we, myself & my wife, were asked a lot of questions. Questions that were reasonable and fair. In no way were the questions intrusive or unreasonable. The Assessor was able to observe Angela playing with her toys and reading her books. The Assessor explained the process in full and was well mannered, the whole process was a joy to be part of.

"We have been in the scheme for 3 years now. In that time my daughter has improved in her speech, coordination and social skills.

"To all concerned, please keep up the good work."

Minister Reynolds has said she will pause on legislation in order to consult on getting IA's right, as part of the getting the Scheme right. We are absolutely focused on that over the coming months.

I and my 10,000 Agency and partner colleagues want to deliver the right Scheme – right for Phoebe, for Angela, for all participants, for all Australians, for all time.

Mr Chairman; my colleagues and I are pleased to address the Committee's questions now.

Thankyou.

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