

Payment rules impact disability programs

‘No gap’ may lead to ‘no service’

The ‘no gap’ principle of the National Disability Insurance Scheme (NDIS) is creating headaches for participants and service providers.

The NDIS was introduced in July 2013 under the previous government as a pilot scheme at four trial sites, and is designed to provide support for people with disability.

The parliamentary committee reviewing its implementation and administration recently visited all four trial sites and held public hearings.

While positive comments about the scheme were aired, it has not all been easy listening, said committee chair Mal Brough (Fisher, Qld).

“We have also been very disturbed by some of the evidence provided,” he said.

One key issue raised with the committee has been unforeseen consequences from the NDIS ‘no gap’ principle.

“This issue has been raised in every single forum that we have had,” committee member Jenny Macklin (Jagajaga, Vic) said.

A foundation principle of the NDIS is that funding allocated to participants should be enough to pay for approved services, without participants needing to dip into their own pocket to make any extra ‘gap’ payment.

While most agree that a no gap policy is the best way to go, carers have told the committee that services are closing down, and it is because their work is undervalued in NDIS set rates.

Wendy Hosking said group services her daughter used to attend have now closed down and she does not have a choice to make an extra payment to ensure they continue.

“The unexpected consequence is that a number of therapists are electing not to do NDIS work,” she said.

Service providers have confirmed that the current payment structure isn’t always working.

John Cranwell of Sasrapid Inc, which provides inclusive pathways into



▶ STRUGGLING: Some companies cannot afford NDIS payment rates

community sport and recreation, said his organisation was struggling to provide services at NDIS rates and that gap payments were essential for a viable business model.

“At the moment, for a service that costs us around \$60, \$40 of that is covered by the government funding and \$20 of that is covered by the family. That actually puts us behind when it becomes NDIS and a gap fee can’t be charged,” he said.

“Families give us a call and say ‘we are now in a plan’ – and then we are losing money,” he said.

Mr Cranwell said that if something didn’t change, the program would soon cease.

“We can’t afford to do it at those prices because of the background cost in terms of pools. They are an expensive item,” he said.

The National Disability Insurance Agency administers the scheme and has told the committee some carers should still be able to make a gap payment to access desired services in certain situations.

However carers such as Ms Hosking said they had repeatedly been told by

service providers that they were not allowed to make a gap payment for a service they wanted.

“Basically, what they are trying to do is stop providers charging more. I see that is a really important point but in this case I want the choice to pay extra,” she said.

Mr Cranwell said Sasrapid Inc was in the process of working with the NDIA to determine whether parents could make a gap payment.


“The NDIA, full credit, have been excellent in helping us out so far. The problem is, they are telling our families not to pay the gap fee,” he said.


Mr Brough has assured the community that the committee will take the issue of gap payments on board.

“Our aim is to report to the parliament as soon after 30 June as possible,” he said. ■

LINKS

 www.aph.gov.au/joint_ndis

 ndis.sen@aph.gov.au

 (02) 6277 3083