

Early Childhood Intervention Australia Victoria /Tasmania Submission to NDIA Annual Price Review 2023-24

March 2024

Trish McIvor – Project Lead

Early Childhood Intervention Australia Victoria/Tasmania Limited

Introduction

Early Childhood Intervention Australia Victoria/Tasmania (ECIA VIC/TAS) welcomes the opportunity to provide input into the National Disability Insurance Agency's 2023-34 annual price review. This submission will address targeted NDIS pricing arrangements from the perspective of the early childhood intervention sector and our members.

ECIA VIC/TAS is the peak body for early childhood intervention in Victoria and Tasmania. We represent professionals and organisations that provide specialised support and services for infants and young children with disability and developmental delay to promote development, well-being, and community participation. Our vision is for young children of all abilities to fully participate in family and community life. We provide advocacy, information, and professional development across the sector.

ECIA VIC/TAS members implement a best practice approach to early childhood intervention which is outlined in the [National Guidelines for Best Practice in Early Childhood Intervention \(ECIA 2016\)](#). This approach caters for the unique and critical periods of development within the early years. The current NDIS pricing guidelines are at odds with best practice in early intervention for children and their families as it takes an adult-centric approach.

This submission will address pricing arrangements and price limits for therapy supports and cancellation policies within the broader context of delivering best practice early childhood intervention (ECI) under the NDIS early childhood approach.

Therapy Supports

Cost changes to delivering services over the past 12 months

There have been significant cost increases in delivering therapy supports over the past 12 months. In addition to above average price increases in the Australian economy and without any increase or indexing of prices since 2019, organisations are under significant financial pressure. The current price limits for therapy supports have not kept pace with the financial climate and are unsustainable in providing a viable best practice service.

ECIA VIC/TAS members have reported that their operational costs have significantly increased (up to 40%) since the last price increase in 2019. Members have reported that in the past 12 months they have experienced an unsustainable increase in their cost of service supports that have been driven by:

- CPI increases (5.4%)
- Superannuation guarantee increase
- Increased award travel reimbursement
- New Fair Work Commission Secure Jobs Better Future entitlements for 10 days paid family and domestic violence leave per year
- Increased insurance premiums

- Increased WorkCover Industry premiums
- Increasing energy costs
- Customer Relationship Management software (required for billing and claims to the NDIS) increased by 40%
- Compliance requirements and maintaining registration
- Salary costs for allied health and early childhood professionals is placing ongoing financial strain and impacts on recruitment and retention of workers.

Our members have reported that recruiting quality applicants into the field has been a significant challenge due to price limits and cannot compete with community health or private practice. The price limits must increase to keep pace with wage increases and changes to the National Employment Standards that are passed onto awards.

In response to a workforce shortage many organisations have had an increase in recruiting new graduates. This has driven increased costs to provide additional support through professional development, peer mentoring, and clinical supervision. An unchanging hourly rate for therapy services in a high inflation environment combined with increased staff costs will undermine the quality and viability of services.

Unique costs of providing early childhood supports

The NDIS early childhood approach is modelled on evidence-based research of best practice in ECI. The approach supports a family-centred and strengths-based approach, that utilises the child's and family's natural settings to build their capacity and supports greater inclusion. The final report from the NDIS Review recommended ([Action 6.5](#)) that early intervention capacity building supports for children be based on best practice principles and evidence. The best practice approach differs vastly to the clinical model of service delivery and therefore brings a host of unique challenges under the current pricing arrangement. These alongside the multiplex needs of families require a high level of additional support, that is unbillable and unfunded.

Unique costs that are associated with working with families include:

- Responding to families in crisis and disclosures
- Assisting with referrals to support family members (e.g. siblings) who are not NDIS participants
- Involvement in subpoenas and family law court proceedings
- Child protection referrals, attendance at case conferences/care team meetings
- Mandatory reporting requirements - complying with Child Safe Standards, MARAM, and Child Information Sharing Schemes
- Undertaking child risk assessments including home visit risk analysis and sourcing appropriate venues when home visits are not safe.
- Assisting families navigate the complex NDIS pathways

The final report of the Independent NDIS Review found that there was not enough support for children in everyday settings, where they live, play, and learn. It also found little evidence of key workers working with the family and working collaboratively with other therapists and early childhood professionals. This deterioration of best practice service delivery is a direct result of the NDIS funding model. This model does not support a relational-based model of service delivery and has seen families opting for single therapy and

clinic-based service delivery models rather than family-centred coordinated services. To be able to support a best practice approach the NDIS funding model needs to recognise and accommodate how early supports are provided to children in their natural settings through a collaborative approach, using a key worker model of service delivery.

Unique costs that are associated with working in a child's natural setting and in collaboration with others that are unbillable and unfunded include:

- Time liaising and sharing information with other professionals (e.g. educators, teachers, EC partners).
- Time associated with scheduling supports and sessions to children in their natural settings.
- Time and costs in attending case management sessions
- Travel costs to children's natural settings where sessions cannot be geographically clustered and sequenced. The current pricing arrangement for provider travel can unfairly disadvantage families and service providers where time spent travelling exceeds the classification of the area and cannot be apportioned between participants
- Travel costs that do not accommodate travel in heavy metro traffic environments
- Time in completing required paperwork for schools, such as the "school council NDIS funded therapy licences"
- Paying rent for rooms to provide therapy in some schools. These schools do not support early intervention taking place in the classroom and often specify that the student is withdrawn from the class to undertake their session

Therapy supports to non-NDIS participants

On average ECIA VIC/TAS members report that 97% of children in their service are on the NDIS, while 3% are non-NDIS participants. The non-NDIS participants are supported under the Victorian Department of Education Continuity of Support (CoS) program.

The DET CoS program currently provides block funding for delivery of therapeutic and early intervention supports to individual children at the unit of \$13,568.34 for the 2023/24 financial year. The CoS pricing is designed to adequately fund supports that account for the complexity of providing supports to children in their natural setting. It has been reported that programs delivered under the CoS program are generally 1 hour in duration plus time for writing of case notes and travel.

Recommendations

The NDIS review has highlighted that supports to children should be evidenced based and provided in the child's natural setting. In view of this and to support best practice in ECI we recommend:

- an uplifting in pricing for early childhood supports to acknowledge the additional costs and inefficiencies in providing supports to children, and to best place providers to deliver on the future NDIS reforms sustainably.
- that the hourly rate is increased to keep pace with wage increases and to offer competitive working environments that build and retain our workforce.
- investing in staff development and support to provide on-boarding, training and supervision requirements to new graduates entering the sector.
- funding reflects the needs of the whole family and in the provision of supports provided by ECI services.

- a funding system that supports a transdisciplinary key worker model.
- consideration to costs incurred in maintaining registration and meeting compliance requirements.
- establish more equitable travel arrangements that supports working with children and families in their natural settings.

Cancellations

Unique issues to cancellations for children and families in ECI.

ECIA VIC/TAS members have reported that high levels of cancellations are due to children or family members becoming ill and often unable to provide adequate notice.

It has been reported that the current cancellation policy does not work well when providing early childhood therapy supports. Short notice cancellations are difficult to fill by another family as they often have competing priorities which limit any ability to respond to a late notice. Although the 7-day short notice cancellation guidelines provide some relief, providers are only able to charge for the actual time of the session, losing income on travel and associated work time. Therefore, service providers would like to be able to charge for all the time associated with a session.

Some services have received feedback from families that the 7-day policy is too long and unrealistic. Service providers make every effort to accommodate families who are required to cancel sessions through catch up sessions, telehealth, and phone options, where possible. Where a participant has an unusual number of cancellations, the service provider seeks to understand why they are occurring and explore solutions in partnership with the family.

Members have also reported that group pricing challenges are compounded when families can give 2 weeks' notice to leave a group. As group costs depend on numbers, the 2 weeks' notice policy impacts on the group costing ratio which will then need to be reapportioned between the participants. The alternative would be for the organisation to lose funding. This is not ideal for families or the organisation.

Conclusion

Investing in the delivery of best practice, early childhood intervention services will ensure the best possible outcomes for children with disability and/or developmental delay and their families. This has been supported by insights from the Independent NDIS Review and the Disability Royal Commission. Investing early has significant health, well-being, educational, social and employment outcomes for children and families, and this in-turn will ease demands on the NDIS in the long term.

The current NDIS funding model does not support best practice in early intervention and has a direct negative impact on quality service provision. The capped pricing on therapy supports, increased cost drivers, workforce issues and the growing complex nature of working alongside vulnerable families are placing unsustainable pressure of ECI providers to continue to provide quality early intervention supports.