**The future for the NDIS ­– 28 June 2021**Dr George Taleporos speaks to Martin Hoffman, NDIA CEO about Independent Assessments and Personalised Budgets.

Dr George Taleporos: Hi, everyone, and welcome to today's episode of Reasonable and Necessary, brought to you by The Summer Foundation.

So, today, we're talking about independent assessments and personalised budgets with our very, very special guest, Martin Hoffman, the CEO of the NDIA. Now, before you send me hate mail saying that I'm too soft and should have given him a harder time, well, please understand that I don't think we're going to get anywhere if we can't sit down and have a civilised conversation, and that's what I've tried to do.

We also talked about the very embarrassing fact that there's hardly any disabled people on the NDIA Board. They really need to sort that one out. So, take a look.

Hi Martin, thanks for joining us.

Martin Hoffman: George, it's great to be with you. I've been looking forward to this.

GT: Absolutely, same, same. So, you're the CEO of the NDIA.

MH: I am, I've been doing that since November 2019, so a bit over a year and a half now.

GT: What's it like, being the CEO of such an important part of Australian society now?

MH: It is, and you know, that was, that is the motivation, really, for wanting to do the job and doing the job as best as I can. Look, it's certainly a big job, and it's a tough job, but more importantly, it's an important job, and we really are trying to do something at scale here across Australia that hasn't been done before. We're trying to do sort of 2 things, at the one hand, something really big, you know, half a million participants, a lot of money, and we'll speak about that perhaps a bit later, but right across Australia, from top to bottom, east to west, but then, also, we're trying to do something which is really small, which is about each individual participant, each individual person getting supports for them to live their best possible life, and trying to get that balance between something huge at scale that's efficient, et cetera, while retaining that sense of individual customisation or just individual focus is what the challenge is and what makes it so tough, so important, so interesting, and ultimately rewarding.

GT: How did you end up in the role of running the NDIA? I was looking at your biography, and there didn't seem to be a lot in there about disability in the past. What made you think, I want to work in disability?

MH: Sure, no, I mean, that's quite right, George, my background is not deep within the disability sector per se. I've had a very varied background, a lot of government experience, both state and federal, and that's important because ultimately knowing how to get things done in government is an important part of the job. I've worked in the non-profit sector in medical research, and that, you know, has relevance in part as well, and then I've worked in big and small business, including in technology and service delivery, large scale operations, which is important as well.

So, it was really a combination of bringing all those backgrounds, all that experience to this sector, and as we said, it's one of the most important things that Australia is doing, it's one of the biggest social reforms since Medicare, as people say, and having the opportunity to bring my skills to it to really make that difference, as I said, on the large scale and on the personal scale was something I really wanted to do.

GT:

And it is about making a difference, and the NDIS has made a difference to millions, not millions, sorry, hundreds and thousands.

MH: Well, millions if you count families, yeah.

GT: Yeah, absolutely.

MH: Families and participants, yes.

GT: Absolutely, absolutely. I think that we often underestimate the follow-on effects of supporting people with disability. I'm really glad that you've mentioned that, that it does affect, you know, the whole country, and I think that we need to talk that up more than we than we actually do. So you're, when you think about being in that role, where it has such an important impact on transforming people's lives, does it geta little lonely sometimes?

MH: Oh, look, I think, there's certainly, to be honest, George, there's certainly an emotional load and that sense of responsibility that comes with the job, absolutely, and one of the things I try and do is stay connected in the sense of spending some time of my day, at the very least, every day, reading emails or letters directly from participants, which might be good, might be bad, but just trying to stay connected in that sense, and I think you have to do that or else you do just focus too much on the large scale and forget the personal scale.

But that's hard, yes, and you know, as we'll talk about, it's particularly hard right now, I think, where there is some real concern about the direction of the scheme, the sort of changes and reforms that are being proposed, and that adds to the load, but, you know, I don't complain about that. That's a part of the job.I get a lot of rewards, you know, from doing the job, and, you know, I sort of fully understand that that's the way it works.

GT: Alright, well, let's get into talking about some of those reforms. I'm really interested in, you know, hearing your perspective. I feel like we have spent a lot of time in the last 12 months just yelling at one another in this space, and what I mean by that is, yeah, the sector telling you that you’re not doing you know, the right thing, and then, you know, we had a little bit of radio silence from the NDIA there for a while when it came to what these reforms were actually about, but it does feel like there's been a bit of a shift, and there is a lot of information coming out. But what I would like to really get to ask you is, why are we here, how did we end up in a place where there's so much angst in the community? I mean, I have my own perspectives, and I've written about this, but can you tell us why you think we have got into a bit of a messy place when it comes to the dialogue that's in the community and the NDIA?

MH: Sure, so I think it's fundamentally because the NDIS is so important that people care so much about it. It is central to your life and hundreds of thousands, and millions of families' lives. It was fought for, it was a great dream, that it could happen, going back over a decade now, and so people feel a real sense of its importance, of ownership of it, of concern about it, and when there is discussion about, you know, how it can continue to evolve and change and improve, not surprisingly, that attracts a lot of attention. Now, you know, I've said publicly, and I'll say it again with you here, clearly, the level of concern, you know, fear is something we would never have wanted to see. My team work extraordinarily hard and really care and feel deeply about where things are. You know, many of our staff are people with disability themselves, certainly many, many are carers, parents of people with disability actively involved in the scheme. So, they're not just some sort of faceless bureaucracy, they're really part of their communities, spread right across Australia, and they care about the way the scheme goes as well.

So, although we've been, from our perspective, very genuinely trying to talk about why and what we're doing, clearly that hasn't been received well enough, and as I've said, I deeply regret that. All we can do is keep trying to do our best and trying to do things in a different way, and I think, as you acknowledged, over the last couple of months with Minister Reynolds, we may have been starting to do just that.

GT: Yeah, I've seen a little shift in the dialogue, and, you know, we saw the technical data that came out recently on personalised budgets, and here was more information in there, which was really helpful. One thing that I think people want to know is how are these personalised budgets going to work in a way that won't disadvantage people? And what I mean by that is there's concern that through the process of a very short assessment by, you know, people that don't necessarily know the person, that there'll be an allocation of funding that might not reflect that person's needs. You know, we heard Professor Bonyhady refer to the suggested, the proposed changes as a form of robo-planning. What do you have to say when you hear people refer to what your plan is as robo-planning?

MH: Well, look, on that term, that's not a term that I'd use at all, and I don't think it's right, and I don't think it's helpful. Let me talk about what we're actually trying to do here because let's not forget as well that many people would say that the current way planning works is not working particularly well either, and I would agree with that. Let's think about what's happening now. We are, increasingly, building an ever more complex rule book of what we will fund and what we won't fund, and when we'll fund it and when we won't, and, you know, can you have carers on Sundays or not, and how many hours, and what will those carers do, and do we fund dance lessons or not, and do we fund singing lessons or not, do we fund Thermomix appliances or not? And so on and so on, and each of those decisions is something being made by one of my staff, and so each plan has come down to hundreds of decisions, yes/no decisions, evermore complex rules being decided by a public servant. And that's not choice and control. It's not the way the scheme was meant to be. It's not personal budgeting or turning the funding around from going to the provider to going to the participant. It's making planning into begging and bargaining on a line-by-line basis, and us trying to make decisions, as I said, about hundreds of different issues that people want or think they need, et cetera, or need in a way that's very hard to do efficiently, quickly, consistently across Australia, and so on, so what we're really trying to do here is 3 things.

We're trying to have a scheme that gives the right amount of money overall to each participant, so that's our fundamental task as an insurance agency, to decide and agree the right amount of money for each participant. And then, having set that, to allow the participant to, to the greatest extent possible, make their own decisions about how they use it because they are the experts in their own lives, to let them and their family or their carers make those decisions, so a much less extensive rule book on what we will and won't fund because we've got the overall amount right to start with.

Then the third thing,

GT: I really, oh, sorry.

MH: The third thing is, in order to do those 2 things, an overall right amount of money, flexible use of that money, we have to have consistent, reliable, free-to-the-participant information to make those decisions,

and that's where independent assessments come in. So, that's the sort of scheme we want to deliver. I think that's a much better scheme, more in keeping with the objects and the principles and the ethos of the scheme from 10 years ago than the very complex line-by-line thing we've got now.

GT: Well, we're definitely on the same page when it comes to flexibility and choice and control. I think people are very, you know, would welcome the I guess, flexibility and choice with respect to their plan. I also think that people would, you know, welcome a planning process that, you know, doesn't involve them

having to prove the need for every single item. I think that the current system is cumbersome. I think where people sort of get concerned, though, is with independent assessments, and, you know, I sometimes wonder why we use the term independent assessments because I'm not sure if they're necessarily independent, but can you maybe help us to explain, help us to understand why you chose the term independent assessments?

MH: Well, really, the term goes back to what the Productivity Commission wrote in 2011, where they made reference to exactly that, and they quite straight forwardly said in that report that the information that those decisions should be made on should be obviously accurate and reliable but needed to be independent of the participant and their current treating professionals who may have an ongoing relationship with them. So, that's the concept.

What's in a name? You know, I'm certainly not hung up on calling them independent assessments. As I said, what I really want is a scheme that's based upon reliable, consistent, free-to-the-participant information that we can make those funding decisions on so that people, participants, can get on with their lives with a minimal amount of sort of NDIA bureaucracy.

GT: Yeah, yeah, which is a good thing. No one wants that, because I'd been through the independent assessment process, and, you know, what sort of struck me was, you know, that this person that was doing the assessment, you know, was essentially being paid by the NDIA, so I'm like, are they really independent? That's kind of like, you know, a bit of an issue, and the other element for me was like, they didn't know me from a bar of soap, and the complexity of my needs are very hard to, you know, capture via, you know, a stranger, who hasn't had the history of knowing me. So, I just feel like there is a real benefit from having practitioners involved that know that person and that can really give the agency a clear understanding of what that person's needs are, and I think that might get lost in the changes. What do you think of that?

MH: Well as I said, I just go back to systems all over the world, including in Australia, where you're having to make a decision about, you know, to be upfront about it, to make a decision about the allocation of funds, use tools and information supplied by somebody separate to the person who is receiving them. That's what the Productivity Commission said. It's the way a range of other compensation and insurance schemes work today across Australia and around the world.

Now, what matters then is do we get the amount of money right, and then, well, that's really when planning starts, and that's when people who do know your circumstances or a participant's circumstances really come into their strength because we then start talking about, or you start talking about how best to use that money for your own particular goals, your own particular life aspirations, your particular needs, et cetera, but we've got to have a consistent, reliable, standard way of making that resource allocation decision, that funding decision, when it comes down to it across half a million people now.

GT: Yeah, absolutely, it needs to be fair and consistent. Do you think there could be a role for practitioners who know the person in informing the assessment process?

MH: Well, one of the things we're doing right now, and is through the pilot, which you mentioned, is looking at exactly these sorts of questions. The way we've done it for the pilot, as the minister has said, won't be the way, if we go through legislation, that it's done in the future. We'll be learning from the pilot, learning from the consultation, learning from the input from the sector, from our Independent Advisory Council, from the State and Territory Disability Advisory Councils, from the disability representative organisations, the bodies who all have ideas about how an IA process can be improved. And certainly one of the questions is, how do we best use, or how might we use, you know, pre-existing information that already exists about the person as well as, you know, who might do part or all of the assessment tools?

In the end of the day, as I said, I'm not hung up on the name, I'm not hung up on the IA process. I want the scheme with those 3 pillars of an overall funding amount, flexible use of it, and reliable, consistent information to make good decisions about what that funding amount is, and quite open to refining the way we're doing it or the way we would do it to get that information.

GT: Yeah, and I think the 3 pillars are absolutely, yeah, on point, and I'm glad that that's, you know, how the agency has landed, he concern has always been around the how we get there, right, so the independent assessment process being undertaken by strangers who don't know the person, and that this results in, you know, an allocation of funding, which, from what I understand, you know, the assessment itself, if it goes wrong, it can't be appealed. Is that right?

MH: No, I mean, this is a really important point, George, and thanks for raising it. So, 2 points to make here. Firstly, where that information is used for an access decision or for the planning decision, you know, the budget decision, that decision, the planning decision, is absolutely still reviewable and appealable if the person thinks it's wrong. Absolutely. Where we get, now, that's the first point. Where the decision, where the IA is used for a decision about planning, that planning decision is absolutely still reviewable and appealable. The second point is really about, well, even before you get to the planning decision, how do we make sure the IA itself is giving good information, is giving that reliable and consistent information that I said, you know, we really, really need, and that's where I think, again, out of the pilot, out of the consultation, we do need to think about ways to have checks and safeguards that that information is accurate, is giving a fair picture of the person, of their needs, of their capabilities, and then we go and use it for the decisions that we need to make.

So, yes, we need to make sure there is a chance to get the information right at the start, and some form of review, some form of check or safeguard on that, and that's something, you know, we're working on with the pilot and with the consultation.

And then, secondly, when it comes to an actual government decision about access or about planning and funding, those decisions have got to be, and will be, and are reviewable, and then, if necessary, appealable as well.

GT: I think that's a good thing, that the funding allocation will be appealable. What does concern me, for example, is, you know, there could be an assessor who's really, you know, not appropriately applying the assessment and, you know, does not deliver the kind of assessment that that person, you know, deserves. That process, I feel like there needs to be a way for that person to say, you know, this happened and I need that fixed, or I need this assessment to be done again, because that assessment will be on that person's file, you know, for the entirety of their lives, so that is a concern.

MH: So, I think, again, as I've said, we've got to make sure that there are checks and safeguards to get that quality, consistent, reliable information I spoke about, and there are a range of ways we can do that, including in terms of the training and control and oversight of the people doing the assessment. I think, don't forget we've got a system now where we get a whole range of information, often inconsistent, often from, you know, a range of different people, and that information is being used today, of course, to make funding and planning decisions, and we know that there is, at times, a lack of quality in those decisions, a lot of variation and inconsistency, and so, having a consistent, standard set of information to make those decisions is intended to improve just that point that you're making, George.

GT: And how will we make sure that these assessors are appropriately qualified for the person that they're assessing?

MH: Well, they've got to be qualified as, you know, a clinically trained allied health professional, with all the professional standards that come with those sorts of roles. They've got to have had enough clinical experience, and they've got to then go through the required training and repeat training in terms of the NDIA and the scheme and, you know, everything that goes with that, including various cultural and cohort awareness.

I think, also, we've got to make sure that, in fact, what I was going to say was that out of the pilot, and we'll be releasing, you know, a very detailed evaluation of the independent assessment pilot that's been running over the last six months very shortly, and one of the findings from that is that the actual assessors doing those assessments have rated very, very highly in terms of their professionalism across the board.

And so, you know, there's some variation there, of course, and there've been some individual cases spoken about but across the hundreds and hundreds of surveys that have been done, the professionalism of the assessors has come through very strongly, and you'd expect that because they're being done by qualified, accredited allied health professionals.

GT: So, when that person has, at first, a budget, how will their goals influence the plan? I'm thinking that, I mean, I've read your technical paper, and it says that goals won't have any influence on the budget allocation, but I'm thinking that if someone's goal is to, you know, move out of a group home, for example, they might need a particular funding allocation that will enable them to do that, and I think that's really important. What do you think in terms of the need to fund people to achieve what they want to achieve?

MH: Sure, so this is also a very important, you know, area. The starting point is that goals don't drive the amount of funding, and that's true today, and it has been true from the start. Funding enables the pursuit of goals, but you don't get more money by putting more goals in the plan, or you shouldn't, because that just becomes, you know, where's the end to that? So, that's always been the case, and that'll continue to be the case. More goals, bigger goals doesn't mean more funding as compared to somebody in the same circumstances.

But you're absolutely right, where you're in those sort of life transitions and moving out of a group home or moving out of your parents' home or employment, that sort of, or moving from school to not being at school and hopefully being employed in some way, those life transition stages, absolutely, and your goals around that absolutely lead to funding implications, absolutely lead to changes in funding, and so that has been the case today, and that doesn't change. But what we do make clear, as has been the case from the start, is that just putting more goals in the plan shouldn't and can't lead to automatically more funding.

That's not the way the Act works today, and it won't be the way the Act works going forward.

GT: Yeah, and that, I appreciate that you would understand I wasn't implying that that should be the way it works.

MH: No, no, exactly.

GT: We're just thinking more about people's personal circumstances and how they, you know, for example, you know, like if you, you know, end up having a disability and, you know, you wanted to continue living with your family, you know, that would require a certain kind of support package that might not reflect what someone would need if they live with, you know, 3 other people in shared living. I guess that's what I was, what I was implying.

MH: Yeah, so those personal circumstances and life transition moments, particularly around housing, around education, around work, are absolutely drivers to the funding levels, and they have to be.

GT: I think that's been really helpful in just understanding a bit more of what you were what your thinking is, and I really hope that the pilot will be an opportunity to unpack this a bit more and understand what's working and what's not working. Well, once you have a budget, will there be, you said that the person can decide how they spend their funding. Do you envisage any restrictions on how they can spend their funding?

MH: Yeah, I mean, I think that's one of the things we're still working through and still consulting on and wanting input on. Clearly, if funding has been given for a very specific purpose, like Supported Disability Accommodation, SDA, or like an expensive piece of assistive technology, it needs to be spent on that and not on something else. So, you know, there's got to be those sorts of controls of those sorts of fixed amounts. Within that, after that, it shouldn't be spent on things which are ordinary costs of living, because the scheme is not set up to be an income supplement, it's set up to provide supports necessary for disability.

Now, as we all know, today, the dividing line between what's an ordinary cost of living and what's a disability-related support is hard, and that's why we get an ever bigger rule book trying to work that out and I want to get away from that. So, that means, for me, there are a lot less rules about what it can be used for, and a lot less proof of what it is, because if the amount of money is right, the person's going to use it on supports that they need and to develop their capacity, et cetera. They're the expert in their life. They'll make those decisions. We can give support and guidance and assistance, if necessary, either from agency staff, the LAC staff or support coordinators, but we have to get away from a lot of this proving that each support satisfies Section 34, reasonable and necessary.

Gt; So, from what you're saying it is a bit of a watch this space?

MH: Well, I think there'll be a lot more flexibility. Really, the only one that I'm particularly concerned about meeting is this, you know, does it become an ordinary cost of living issue? But if we've got the amount of money right, then, you know, people will make the right decisions as they need.

GT: I think that the self-management guide, which was put out a couple of years ago has some really good principles, you know.

MH: Yeah.

GT: And one of those is that it's not an ordinary cost, and also that it's not something that's really funded

through another part of the government, and I think that that's, yeah, that could be easily, you know, applied to everyone.

MH: Exactly. And self-management's a really important part of the scheme. It goes with that whole ethos of giving as much control and choice as possible to the participant. So, self management's an incredibly important part of the scheme and, you know, needs to continue in just that way, and as you said, some of the principles around that, you know, give a good guide to the way a personal budget will be used by anybody, regardless of plan management type.

GT: So, Martin, before we finish up, there'll be a lot of people with disabilities and families listening to this,

and, you know, there's a lot of concern and angst in the community. What would you say to people who are really concerned that, how would you help us feel like this is going to head in the right direction?

MH: Sure, no, thanks, George, it's an important point. You know, all I can do is keep communicating, you know, like this, and in many different ways, keep trying to assure people that the NDIA is made up of almost 10,000, or over 10,000 people all over Australia. Many of them, as I said, are participants themselves, or certainly family, parents of participants. They care deeply about the scheme. I care deeply about the scheme and what it means for individuals and for Australia, that small scale, large scale point.

We really do want to have a scheme that is true to that original conception of changing the life trajectory, the life opportunities of participants in this scheme, and that's really what we're trying to do, as I said, with those 3 things that I've spoken about a number of times.

We'll get the information, and the way we get that information, call it IAs, call it whatever, we'll get that part right, and the commitment to the scheme from the agency, from the board, from the government is there.

We do have to make sure this scheme is affordable. I don't want to shy away and not mention that. I want to be, you know, transparent and upfront. We're going to spend, we've spent a lot of money this year, we're going to spend even more money next year, 26 and a half billion dollars at least, and the numbers go up after that. But they need to go up in a way that is controllable and predictable, and at the moment, or over the last 3 years, growing at 12 and a half per cent per year, per person is simply not affordable. We can't have a scheme that is growing ongoing faster than the economy, faster than the population, faster than tax receipts, faster than the ability of the parliament to the country to afford it.

So, having a controllable cost increase curve is what we need to do, and I'm quite honest and open about that. We need to have cost increases that are predictable, that are controllable, that are in line with the projections that the states made, and their funding goes up at 4%, I think, this year. So, that is an issue we're working on, but it's in that context, getting a controllable, predictable growth curve so that the scheme is affordable for the long term. If we can do that, we can also make sure that people can use their funds in a much better way than it's been to date. We can get out of having public servants every year making line-by-line decisions about what can and can't be funded, and we can focus on the scheme delivering the outcomes that were wanted in terms of participation in the community, employment, engagement, and a different life opportunity than was the case before.

GT: I might ask one more question there.

MH: Fair enough.

GT: We've still got time. Yeah, maybe there's 2 of these. How many people with disabilities are on the NDIA Board?

MH: Yeah, so, honest answer that is I'm not 100% sure, and that sounds silly. What I mean is there is no one on the board at the moment with a visible, I'm going to call it a visible disability. There are certainly members of the board who are deeply engaged as carers and have lived experience in that sense. We also have a number of vacancies on the board, and right now, the government and the minister, who are responsible for the board, are looking to makappointments very shortly, and I'm quite sure that having, replacing previous members who were people with disability will be one of the criteria in getting a balanced board. And so, as I said, there'll be announcements, I understand,by the government on new board members shortly, and then, of course, we've also got, under the Act, the Independent Advisory Council, which is set up very deliberately o have a formal role in advice to the board, and, of course, it has to be comprised of people with disability or with direct caring experience as well.

GT: It's really interesting to me, you know, I've been working in this sector for a long time, and I always find it interesting to see how poorly people with disabilities are represented on boards and on decision-making bodies, and I often think, you know, if there was, you know, a national women's insurance agency and you had no women on it, everyone would be, you know, there'd be an outcry on that, but, yeah, we seem to have a long way to go. And in the disability sector, we say, "Nothing about us without us," and I think that needs to apply in, you know, in boards and governance.

MH: Sure, no, and I would agree with you completely there. As I said, we've currently got vacancies on the board, and the government's actively considering the appointments of new directors now, and I know that's one of the factors that has to be got right.

GT: Absolutely.

MH: As I said, it's not the agency's or even the current board members' decision, than it is a matter for government to make, they appoint the board under the Act.

GT: Absolutely. I've really enjoyed the conversation, Martin. I feel like we really need to make sure that we do continue to talk and that we understand each other and that we understand that, you know, what's planned by the agency, and that people with disabilities can hear directly from you about what you're thinking, and I think this has been an opportunity to do that, so I really appreciate your time, Martin.

MH: No, thanks, George, I've enjoyed it too and agree with you there. Myself and the whole team are working incredibly hard, trying to do our best in this, trying to get the scheme, as I've spoken about today, got to do it with the community, we know that. We're going to keep trying to do that as best we can. We've got a way forward. There's still a long way to go. You know, not everybody will necessarily agree with everything, but we've got to keep trying, and in doing that, as you've just said, keep the lines of communication open. So, I'll be very happy to, you know, come back and do another one of these if you want to have me.

GT: I'd love to have you. Thanks for your time, Martin.

MH: Okay, that's great. Thanks, George. Bye now.

GT: Bye. That's all we have time for on today's episode of Reasonable and Necessary, brought to you by the Summer Foundation. To be notified of future episodes, don't forget to hit the Subscribe button and the Notification bell. Thanks for watching, and until next time, stay well and reasonable.