

Injury Schemes Seminar

Balancing Outcomes

10-12 November 2013
Sheraton Mirage Gold Coast



Achieving the participation agenda for the NDIS

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NDIS Background

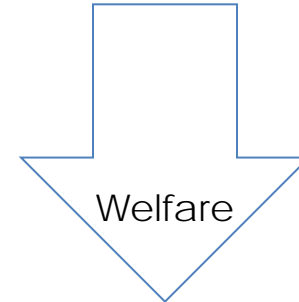
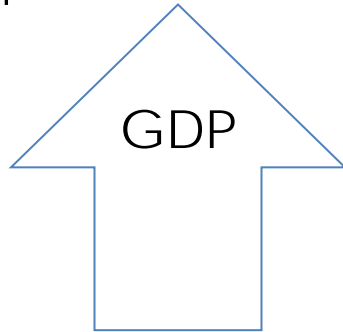
- The NDIS will provide individualised funding to enable people with a disability to access the care and support required to participate in communities, education and training and employment
- It is positioned as the most significant social reform since the launch of Medicare
- Government funding is to double or treble to around \$14b - \$22b per year and will support 410,000 people with a permanent disability and significant need
- NDIS commenced a limited and partial launch in July 2013 in some states (NSW, Vic and Tasmania / SA)
- ACT, Queensland and WA now signed up and full rollout to all states and clients will take until at least 2018
- It is underpinned by the principle of individualised funding and choice and control
- The current sector for delivery of services with a disability is fragmented and will need to fundamentally reform at the same time as significantly increasing capacity
- Failure to grow this new market effectively to service new demand will lead to pricing pressures, market failures and will undermine the participation objectives of the scheme



The economic case for NDIS

- Increased employment participation of people with disability by 370,000 in 2050
- Increased employment participation by unpaid carers - about 80,000 carers entering the workforce or an increase in the number of hours worked
- Reduced pensions and other welfare support

\$32 billion



\$2.7 billion

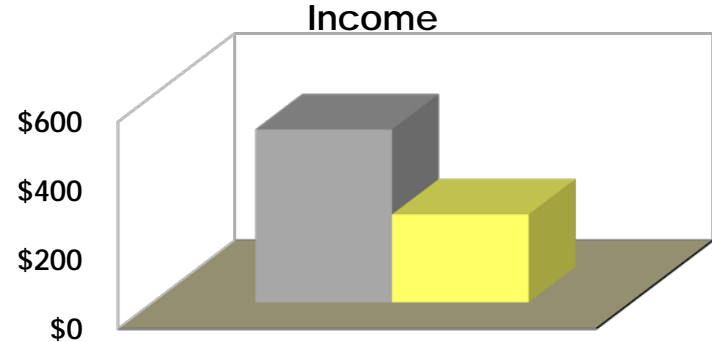
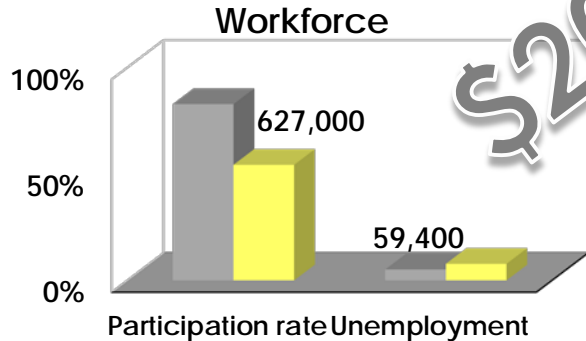
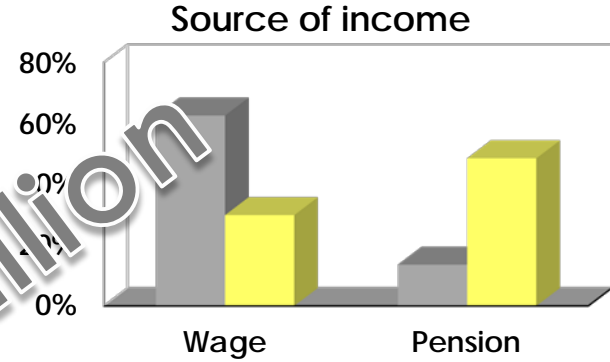
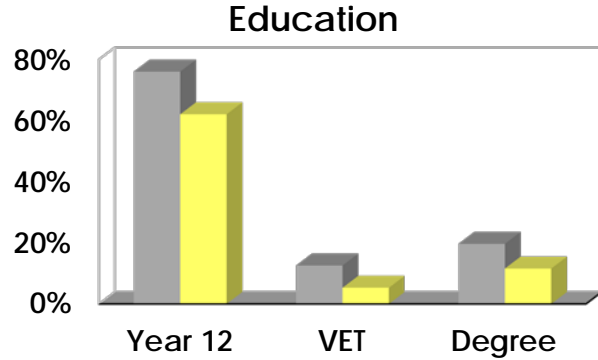


But...

- In 1993 the rates of employment was 55% and in 2009 it was 54% (over the same period it had grown from 77% to 83% in people without a disability)
- In 2010, Australia's employment rate for people with disability was ranked 21st out of 29 members of the Organisation for Economic Cooperation and Development (OECD)
- In 2009, the labour force participation rate of people without disability aged 15–64 years was 82.8% compared to 54.3% for all people with disability, 31.3% for people with profound or severe disability, 53.7% for primary carers and 68.7% for all carers
- Sweden, which is rated number 1 by the OECD achieves a 62.3% rate of employment, compared to Australia's 39.8%



Current situation



■ General population

■ People with a disability

\$20.4 billion



Life on the Superhighway





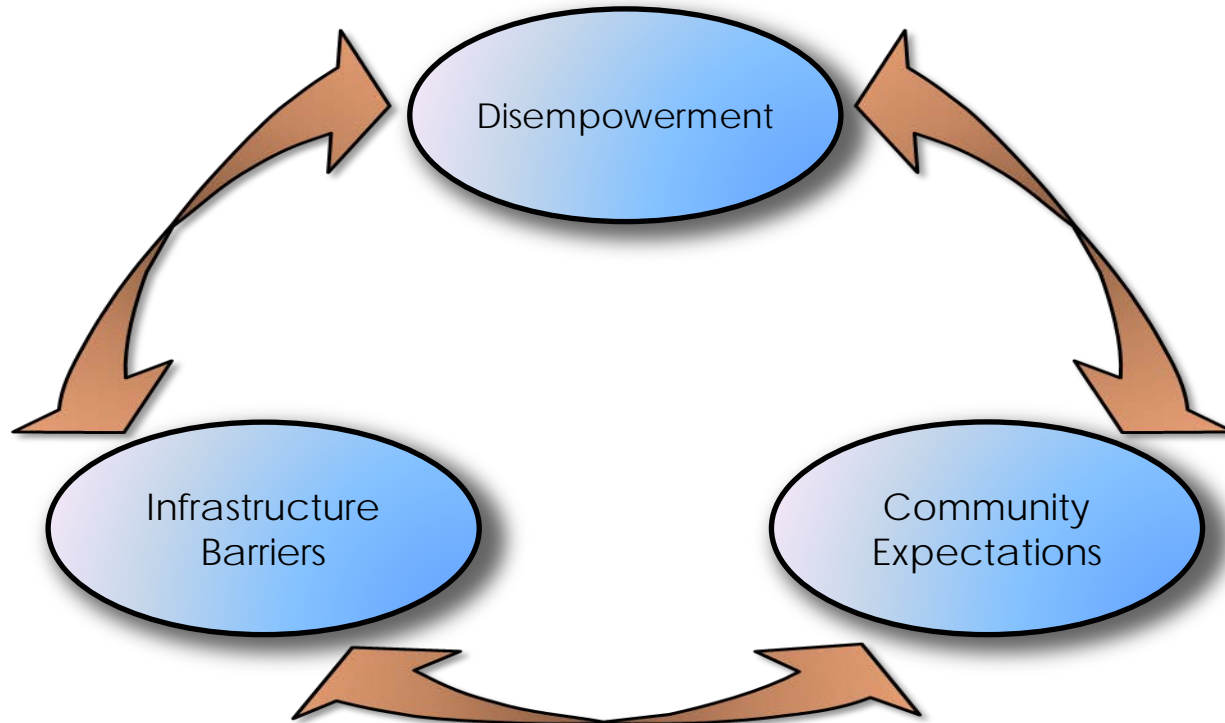
Life on the Superhighway

Backroads



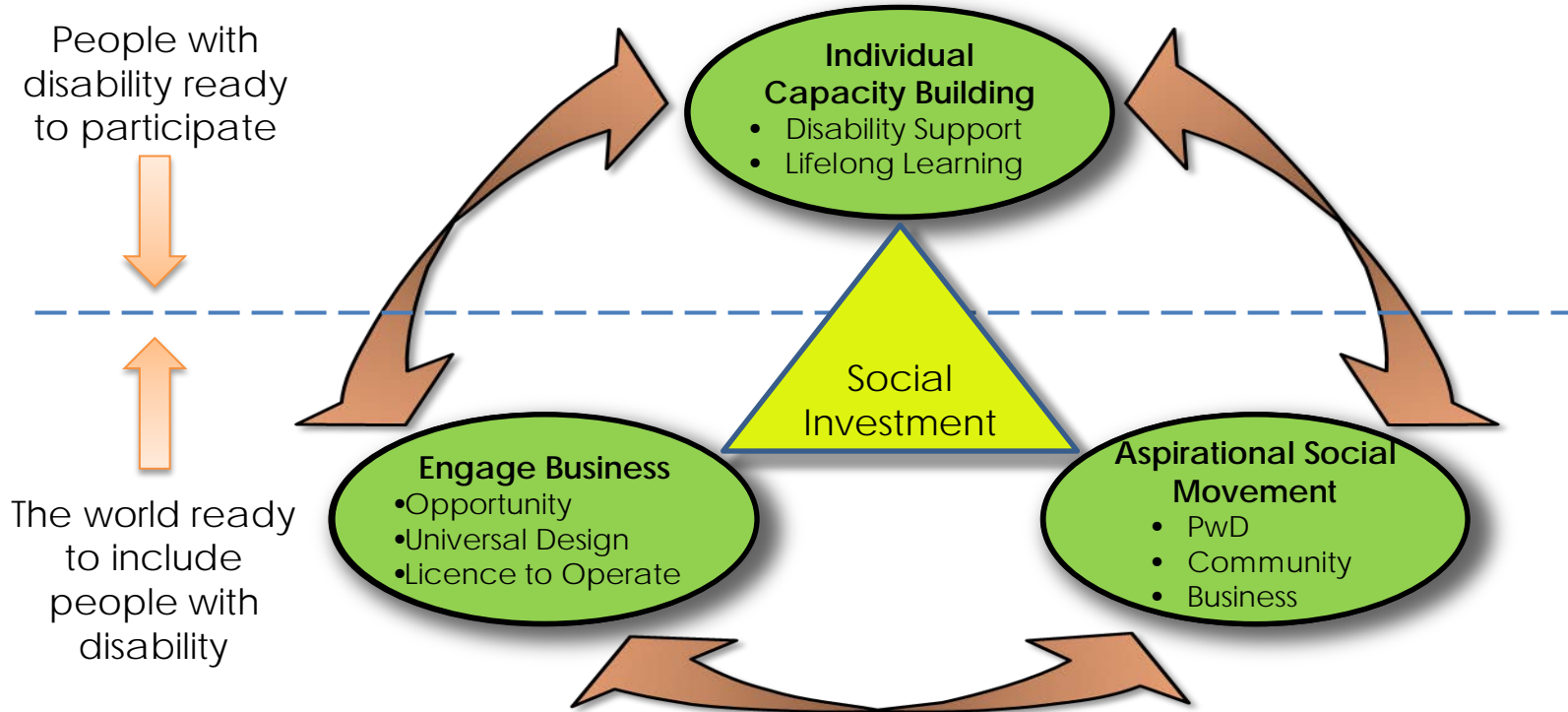


Barriers to Participation



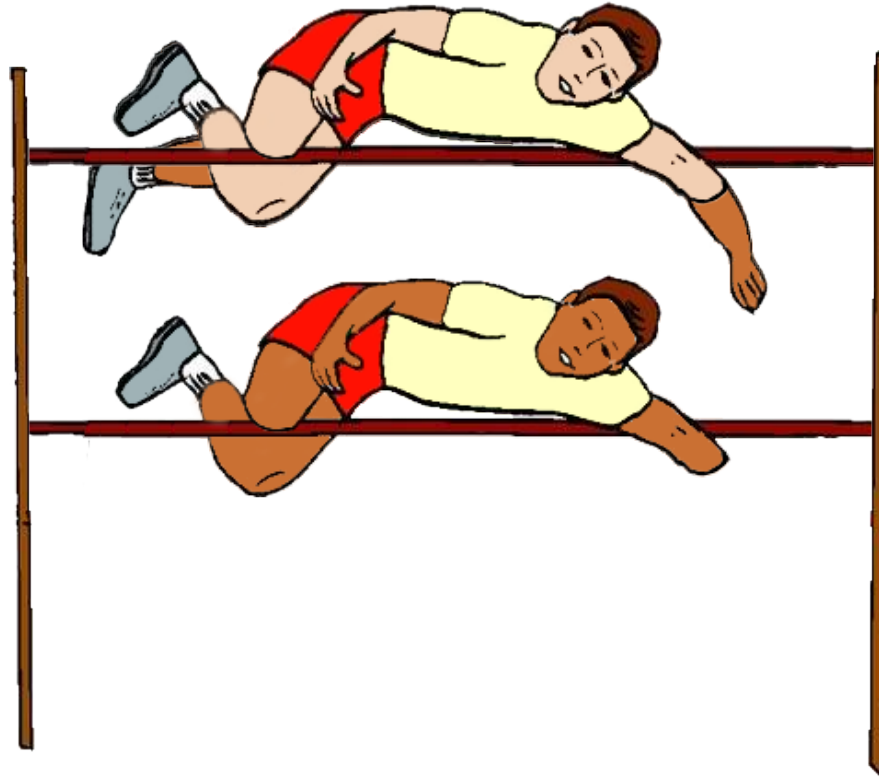


The Whole of Life Approach



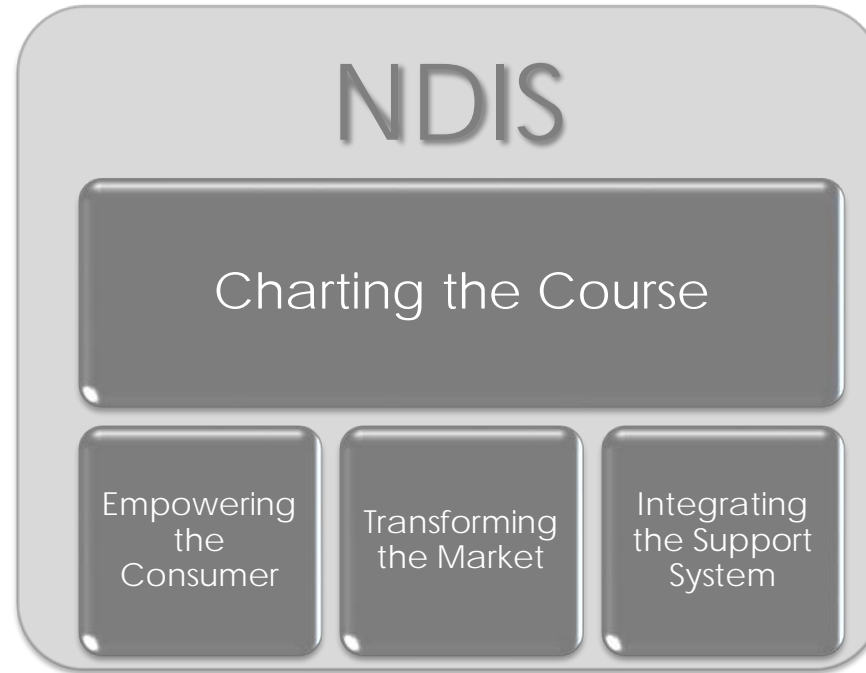


Raising the bar



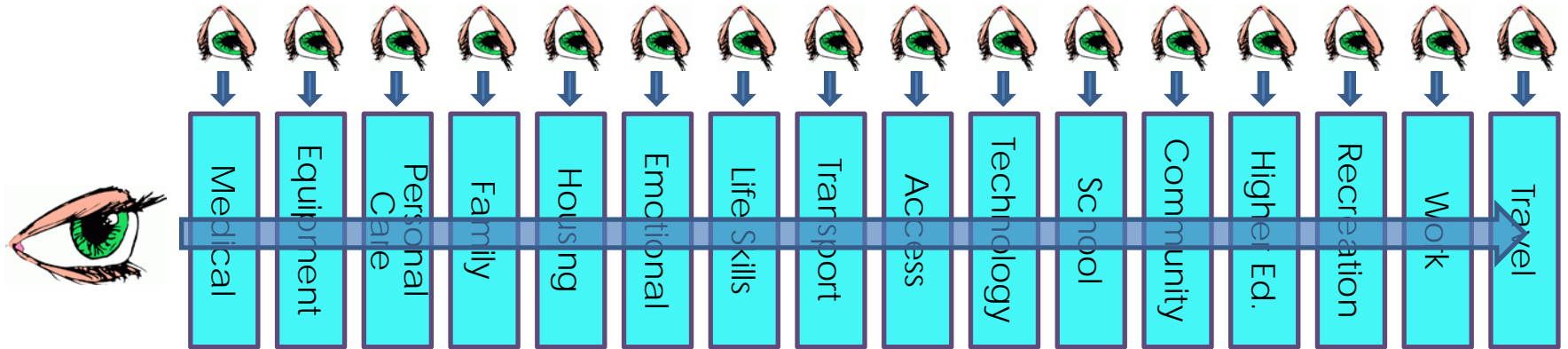


Critical Success Elements for the NDIS





Program-centred approach vs. person-centred integrated support system





Employer engagement

We need to dramatically improve demand across employers in Australia

The Walgreens Model of Success

In 2006 the publically listed US based retail and drugs chain opened a new distribution Centre which exceeded its aim of employing more than 30% people with a disability and clear improved results in productivity and people engagement. The following levers were essential for success:

- Fundamental belief in the capacity and capability of people with disability
- Leadership and employee networks
- Workplace enablement
- Training in disability awareness
- Internships
- Developing the right metrics across the recruitment pipeline and the right targets and
- improving disclosure
- Improving sourcing and the critical role of recruitment companies
- Line management support
- Technology
- Awards and recognition (e.g. UK 2 ticks system)
- Go big



Transforming the market - design, reform and improvement

- The current market is small, fragmented and dependant on block funding
- To grow effectively and avoid the risks outlined a clear strategy needs to be developed including:
 - Understanding of true demand which is segmented by client centred need
 - Rethinking of business models, products and services - developed by service users
 - Market analysis to determine where critical gaps exist in current market
 - Geographic issues addressed with pricing incentives in place for rural services and more complex but low demand need
 - Outcome incentives built into delivery model across government , non government and commercial contracts
 - Financial and non financial levers designed to optimise new market entrants:
 - Facilitate the creation of private capital e.g. Social impact bonds, variable payment by results
 - Tax incentives
 - Development grants and subsidies
 - Wage and price controls
 - Regulations



Elements of a Market

