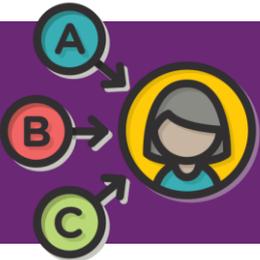**ndis** | **Provider Toolkit**

Section 1
How does the NDIS work?

Section 1 Introduction

This Section of the Provider Toolkit will help you understand:

- the National Disability Insurance Scheme (NDIS)

- what supports and services are available to participants under the NDIS

- who the key partners are and a brief description of their roles; and

- the benefits of being a registered provider.

Contents

1.1 About the NDIS

In this section:

1.1.1 What is the NDIS?

The National Disability Insurance Scheme (NDIS) is a once in a generation social and economic reform that will empower people with disability to choose and achieve their goals in inclusive communities and workplaces.

By 2019, the NDIS will provide about 460,000 Australians under the age of 65 with a permanent and significant disability with funding for the reasonable and necessary supports they need to live an ordinary life.

The National Disability Insurance Scheme (NDIS) is not welfare, it is an insurance-based scheme that invests in participants to improve long-term outcomes.

Funding for supports is determined by consideration of a person's individual needs, goals and aspirations. Participants then choose their supports from the marketplace of providers, and are empowered to pursue their goals and aspirations.

Providers are one of the main contact points people have with the NDIS. The NDIS website[1] provides information about the NDIS. There is a dedicated Providers page[2] on the NDIS website[3] which offers resources and tools designed specifically for providers, including this Provider Toolkit

This Toolkit is complemented by a range of other support material available on the NDIS website[4], including:

- NDIS Act and Rules[5]
- Operational Guidelines[6]

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[1] https://www.ndis.gov.au

[2] https://www.ndis.gov.au/providers.html

[3] https://www.ndis.gov.au

[4] https://www.ndis.gov.au

[5] https://www.ndis.gov.au/about-us/governance/legislation

[6] https://www.ndis.gov.au/operational-guideline/overview-sitemap.html

- NDIS Market Approach: Statement of Opportunity and Intent[7]
- Market Position Statements[8]
- NDIA Price Guide and Support Item List(s)[9]
- NDIA Quarterly Reports[10]
- NDIA Annual Reports[11]
- NDIS Outcomes Framework Pilot Study: Summary Report[12]
- Supported Disability Accommodation Decision Paper on Pricing & Payments[13]

1.1.2 Participants in the NDIS

The NDIS is part of a broader system supporting people with disability. The NDIS connects people with disability, their families and carers with government services and community activities, and works to build inclusive communities, workplaces and services. The NDIS doesn't replace services elsewhere in government or the community. This information and support to connect, is provided by Local Area Coordinators, or Early Childhood Early Intervention partners for children aged 0 to 6 years (see 1.2.2 Partners[14])

A person who meets the NDIS criteria called a 'participant'. The criteria include residency requirements, being under 65 years of age at the time of application, and being able to demonstrate a permanent disability that affects everyday life and activities. People with disability who don't meet the NDIS access requirements will not receive individualised funding, but can still be assisted to connect to government services and community activities.

Participants develop individualised 'plans' which contain funding to help them to live an ordinary life and to achieve individual goals, such as learning a new skill, increasing independence, enrolling in education, or getting a job.

Participants control their budget – they decide who provides their support, how, where and when.

The NDIS will provide funding to access services needed directly because of a person's disability. Those supports won't include things we would reasonably expect a family member or carer to provide, or services that are the responsibility of another part of government. NDIS funded services need to also demonstrate they are good value for money in meeting the participant's goals.

Participants have control over their plan budget and can choose to:

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[7] https://www.ndis.gov.au/providers/market-information-useful-links.html
[8] https://www.ndis.gov.au/market-position-statements
[9] https://www.ndis.gov.au/providers/pricing-and-payment
[10] https://www.ndis.gov.au/about-us/information-publications-and-reports/quarterly-reports
[11] https://www.ndis.gov.au/about-us/information-publications-and-reports/annual-reports
[12] https://www.ndis.gov.au/document/outcomes-framework-pilot
[13] https://www.ndis.gov.au/html/sites/default/files/files/SDA/SDA%20Decision%20Paper.pdf
[14] https://providertoolkit.ndis.gov.au/12-key-partners-and-their-roles#1-2-2-Partners

- self-manage their funds

- have funds managed by a Plan Manager

- have funds managed by the NDIA, or

- have a combination of management types.

For information about the role of providers, see Section 1.2[15]. Further information on participants and how plans are developed is available under 'My NDIS Pathway[16]' on the NDIS website.

1.1.3 The National Disability Insurance Agency (NDIA)

The NDIA is an independent statutory agency. The NDIA's role is to implement the NDIS, which will support a better life for Australians with a significant and permanent disability and their families and carers.

The NDIA also has a role as a 'Market Steward' in the new disability marketplace. Market stewardship recognises that when governments implement policies to increase consumer choice and adopt market based delivery, they must also oversee how the marketplace develops. Indicators that the marketplace is not working as intended include where:

- information is insufficient or unevenly available

- transaction costs and prices are too high

- choice is constrained by quality

- demand is "thin"

- workforce is constrained.

As a responsible market steward the NDIA identifies what action, if any, it should take to improve the marketplace so that the goals of the NDIS can be realised.

For more information about how the NDIA will support the development of an NDIS market read the 'NDIS Market Approach: Statement of Opportunity and Intent', available on the 'Market Information and Useful Links'[17] page of the NDIS website.

You can find out more information about the NDIA on the NDIS website[18] and in our Annual Reports[19].

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[15] https://providertoolkit.ndis.gov.au/12-key-partners-and-their-roles
[16] https://www.ndis.gov.au/participants/planning-process.html
[17] https://www.ndis.gov.au/providers/market-information-useful-links.html
[18] https://www.ndis.gov.au/
[19] https://www.ndis.gov.au/about-us/information-publications-and-reports/annual-reports.html

1.1.4 NDIS Information, Linkages and Capacity Building

Information, linkages and capacity building (ILC) provides grants to organisations to carry out activities in the community.

You can find out more about the ILC grants in the ILC Toolkit, which is designed to increase organisations' understanding of ILC. The ILC Toolkit is also a space for organisations to enhance their skills in:

- applying for and managing grants

- measuring and managing outcomes for people with disability

The real focus of ILC is community inclusion – making sure people with disability are connected into their communities and our community becomes more accessible and inclusive of people with disability.

We do this in two ways:

1. Personal capacity building – this is about making sure people with disability and their families have the skills, resources and confidence they need to participate in the community or access the same kind of opportunities or services as other people.

2. Community capacity building – this is about making sure that mainstream services or community organisations become more inclusive of people with disability.
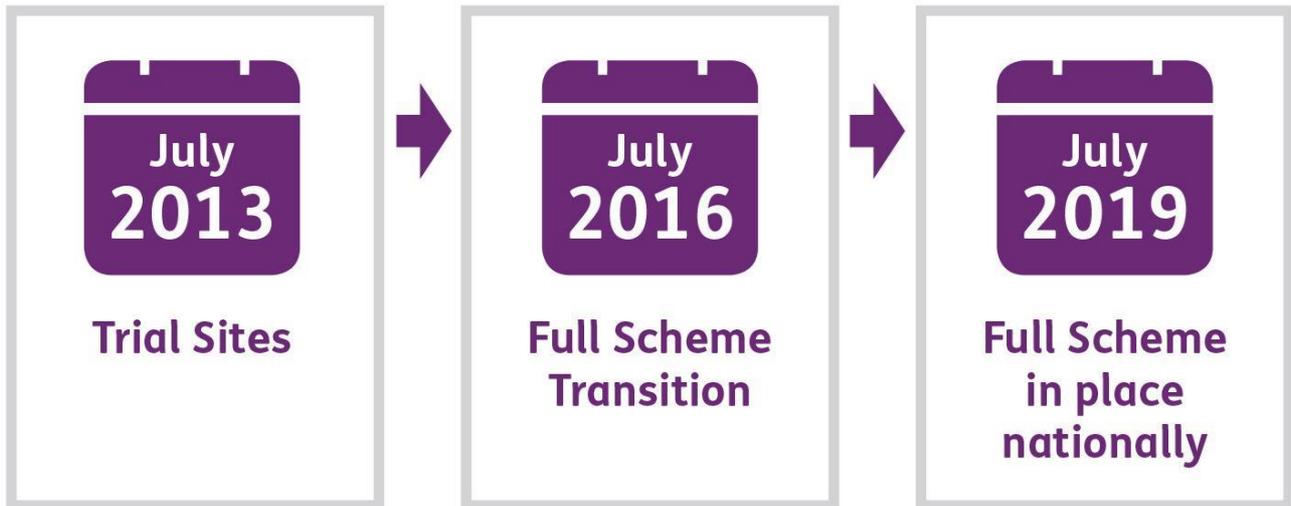
1.1.5 State and Territory Governments

State and territory governments play an important role in the NDIS including contributing to policy development. They also continue to offer other services such as health, education, and housing and fund disability services until eligible people with disability transition into the NDIS.

The Disability Reform Council is the decision-maker on NDIS policy issues. It is a Council of Australian Governments (COAG)[20] Ministerial Council made up of Treasurers and Ministers responsible for disability from the Commonwealth and each state and territory.

Through the COAG, the NDIA has been in discussions with all state and territory governments since 2011 about the best way to transition from the former arrangements of funding and managing disability services to the new NDIS.

The NDIS began with trial sites around Australia from July 2013, and from 1 July 2016 started to roll out gradually around the rest of Australia.

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[20] https://www.ndis.gov.au/about-us/governance/council-australian-governments.html

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Arrangements for the full scheme roll out of the NDIS have been reached with most state and territory governments. This means the NDIS will be available to all eligible residents in:

- the Australian Capital Territory by July 2016
- New South Wales and South Australia by July 2018
- Tasmania, Victoria, Queensland and the Northern Territory by July 2019.

In December 2017, the Commonwealth and Western Australian Governments announced that Western Australia will join the nationally delivered NDIS.

The full scheme Heads of Agreement for each state and territory outline the parameters for transition to full scheme arrangements within specific timelines. You can access the Heads of Agreement for New South Wales[21], Victoria[22], South Australia[23], Tasmania[24], the Australian Capital Territory[25], the Northern Territory[26] and Queensland[27] on the NDIS website.

1.2 Your role as a provider

In this section:

1.2.1 Working with community

1.2.2 Partners in the Community

1.2.3 Registered Providers

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[21] https://www.ndis.gov.au/about-us/governance/intergovernmental-agreements.html#NSW

[22] https://www.ndis.gov.au/about-us/governance/intergovernmental-agreements.html#victoria

[23] https://www.ndis.gov.au/about-us/governance/intergovernmental-agreements.html#southaustralia

[24] https://www.ndis.gov.au/about-us/governance/intergovernmental-agreements.html#tas

[25] https://www.ndis.gov.au/about-us/governance/intergovernmental-agreements.html#act

[26] https://www.ndis.gov.au/about-us/governance/intergovernmental-agreements.html#nt

[27] https://www.ndis.gov.au/about-us/governance/intergovernmental-agreements.html#qld

1.2.1 Working with community

People with a disability will interact with a wide range of business, not all of it directly through their NDIS funding.

As employment opportunities and community inclusion increase, people with a disability will also become consumers with disposable income.

Achieving participant goals may include:

- household supports as people choose to live independently
  i.e. cleaning and maintenance

- providing equipment to increase access to the community

- therapy and assessments to achieve personal milestones

- cost efficient transport services

- skill development and employment of people with a disability

- building and trades for modifications or specialist accommodation.

Technology also plays an important role in helping people with disability access diverse and competitive markets for services and supports. As a business it is important to understand the participant journey and which part of service delivery you may seek to establish your business in.

1.2.2 Partners in the Community

The NDIA is partnering with organisations in the community across Australia to deliver the NDIS. The NDIS recognises that its Partners in the Community (PITC) have a wealth of experience and knowledge within local communities. Local Area Coordinator Partners are key NDIS contacts within the community. For children aged 0 to 6 years, there are Early Childhood Early Intervention Partners. Partners in the Community help people to understand the Scheme, and connect people with a disability to supports in their local area.

1.2.2.1 Local Area Coordinators (LACs)

Local Area Coordinators (LAC) - Local Area Coordinators are organisations that partner with the NDIA to deliver the NDIS by supplying an expert workforce with local knowledge of disability services and their local community.

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More information about the Local Area Coordinators[28], including where they are located, can be found on the NDIS website.

1.2.2.2 Early Childhood Early Intervention (ECEI) partners

Early Childhood Early Intervention (ECEI) partners - The NDIS has engaged Early Childhood Partners around Australia to provide early childhood intervention support to young children aged 0 to 6 and their families. These organisations are experts in delivering support and early intervention programs.

More information about the Early Childhood Early Intervention[29] approach can be found on the NDIS website.

1.2.3 Registered Providers

NDIS providers are individuals or organisations that deliver a support or product to a participant of the NDIS. Providers can be either registered with the NDIS or can be an unregistered provider. Registered providers can connect to a much wider range of participants and can demonstrate they have met the specific quality and safeguards requirements as part of their marketing to potential participants.

When registering, providers will choose which 'registration group(s)' to apply for. A registration group is linked to the types of services you may offer. (See Section 2.3[30] for information about how these registration groups align with different types of support that providers can offer).

1.2.4 Intermediaries

Intermediary supports will be included in a participant's plan if it is reasonable and necessary for the individual. Intermediary organisations help participants to implement supports in their plan, including informal, community and funded supports.

A "View Plan" function in myplace allows providers to see a participant's plan where consent has been given by the participant, or nominee to share parts of their plan. Consent to view the plan information can only be given to providers with whom the participant has a service booking. Providers will automatically be notified that a participant has given consent to view parts of their plan via an electronic letter in the provider myplace portal.

Intermediary organisations include:

1.2.4.1 Plan Managers

Participants can choose to have a registered Plan Management provider to manage their funding and budget for the supports in their plan. Plan Managers must be a registered provider with the

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[28] https://www.ndis.gov.au/communities/local-area-coordination.html
[29] https://www.ndis.gov.au/ecei.html
[30] https://providertoolkit.ndis.gov.au/23-what-services-or-supports-can-be-delivered-under-ndis

NDIS and meet the necessary professional requirements in the **Guide to Suitability (**PDF**)**[31](DOC).[32] Plan Managers are able to connect participants with both NDIS registered providers and providers that aren't registered with the NDIS, subject to meeting the pricing in the NDIS website.[33]

1.2.4.2 Support Coordinators

Support coordination is included in a participant's plan if it is reasonable and necessary for the individual. Where either a Local Area Coordinator or Early Childhood Early Intervention Partner is assisting with plan implementation, support coordination is not funded in the participant's plan.

Support Coordinators help participants to implement supports in their plan, including informal, government services, community activities and funded supports. They will work with a participant to:

- assess and choose preferred providers

- negotiate services to be provided and their prices, develop service agreements and create service bookings with the participant's preferred providers

- liaise with any Plan Manager provider to establish the appropriate claim categories and attribute the correct amount of funds.

1.2.5 Business to Business

Varied opportunities exist for business to provide services to NDIS registered providers, these may include:

- labour hire support

- admin / back office services

- business and office infrastructure

- financial services.

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[31] https://providertoolkit.ndis.gov.au/sites/g/files/net3066/f/provider_registration_guide_to_suitability.pdf

[32] https://providertoolkit.ndis.gov.au/sites/g/files/net3066/f/provider_registration_guide_to_suitability.docx

[33] http://www.ndis.gov.au

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1.3 Supports and services available under the NDIS

In this section:

1.3.1 The benefits of being a registered provider

By becoming a registered provider, you can connect to a much wider range of participants including participants whose funding are NDIA-managed, Plan Managed or managed by the participant themselves.

You will also:

- help people with disability to have the opportunity to live an ordinary life

- be part of a vibrant, innovative and competitive marketplace

- demonstrate that you have gone through a formal registration process and comply with relevant quality and safeguards requirements

- be able to market your services as being a registered provider

- extend your online presence through the online NDIS Provider Finder tool

- have access to online business systems through the myplace provider portal, including tools to manage your service bookings and fast payment processing

- access updates and information from the NDIS about business system and process changes, including tools and resources that you can use to train your staff.

1.3.2 Supports funded under the NDIS

All supports and services delivered for NDIS participants should enable people with disability to have the same things in life as other people like somewhere to live, a job, hobbies and the company of family and friends.

The funding model that underpins the NDIS is designed to be flexible and to allow service innovation. Importantly, the supports delivered will be chosen, and paid for, by participants out of an individually allocated budget based on their own goals. The range of supports funded by the NDIS will expand over time as the NDIS market grows.

Under the NDIS plan and payment system, supports for participants fall into three categories: core, capital and capacity building.

- **Core:** A support that enables a participant to complete activities of daily living.

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- **Capital:** A support that enables an investment, such as assistive technologies, equipment and home or vehicle modifications, or funding for capital costs (e.g. to pay for Specialist Disability Accommodation).

- **Capacity building:** A support that enables a participant to build their independence and skills.

More information about the type of supports that the NDIS may fund is available in the Price Guide(s)[34] on the NDIS website.

1.3.3 Supports not funded by the NDIS

The NDIS Act[35] and the rules made under the NDIS Act also state which supports will **not** be funded by the NDIS. A support will not be funded if it:

- is not related to the participant's disability

- is the same as other supports delivered under different funding through the NDIS

- relates to day-to-day living costs that are not related to a participant's support needs

- is likely to cause harm to the participant or pose a risk to others

- can be more appropriately or effectively delivered by another system, such as health or education.

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[34] https://www.ndis.gov.au/providers/pricing-and-payment.html
[35] https://www.ndis.gov.au/about-us/governance/legislation