



**One Door Mental Health**  
**Old Gladesville Hospital, Building 36, Digby Road, Gladesville**

## **Date of Letter**

NDIS Independent Pricing Review  
[independentpricingreview2017@mckinsey.com](mailto:independentpricingreview2017@mckinsey.com)

Dear Independent Review,

As a significant service provider and advocacy organisation in the mental health field, One Door Mental Health welcomes the 2017 NDIS Independent Pricing Review. After discussion with members of our organisation involved with service provision and costing for the NDIS, we have identified a number of issues that are relevant to the NDIS Independent Pricing Review and provide this brief response. We are available to expand on any of the points made below.

Our calculations confirm the base level of reimbursement to people servicing those with psychosocial disability is too low to sustain a safe and effective service delivery.

A number of issues flow from this problem. In particular, the current remuneration for most NDIS items is at levels that will require the employment of staff with little or no training (SCHADS Level 1 and SCHADS Level 2), and will not provide for any training or supervision for these workers. The inherent risks are blindingly obvious with this situation and will inevitably lead to errors and potential sentinel events.

Secondly, the current rates do not provide any margin for Corporate Services work; there is insufficient money available for the administrative work necessary under the NDIS, even less when there are higher levels of expectation of quality and accountability. In order to approach financial viability organisations must take on ratios of primary workers to supervisors that are unworkable from a human resources point of view.

One result of high worker to supervisor ratios is the likelihood worker burnout; a second will be that workers are not able to build and maintain the client-specific, empathetic relationships that benefit clients with psychosocial disability; a third will be there will be a high risk of poor quality and unaccountable service delivery with all that that entails. As a result it, is almost impossible for One Door and similar organisations to develop a feasible NDIS service delivery business model with manageable levels of risk.

Many people presenting with psychosocial disability have serious and complex needs. Reimbursement levels, even with the loading for complex cases, are too low

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to encourage the delivery of service to these people. Without service these people may be dropped by service providers and 'fall through the cracks', with potentially devastating consequences. Indeed, our experience indicates that staff members of the NDIA assessing applications and developing plans for people with psychosocial disability may not be adequately informed about the specific kinds of needs, and associated costs, that our client group has.

Problems of costs also arise with regards to rural and regional service provision. Very often, regional and rural areas do not have local service providers and must rely on service providers travelling a long distance to provide services. The cap on travel loading does not adequately reflect this reality. Indeed, the 20 minute cap on travel loading means that even people in outer suburban areas of large cities without local service providers may miss out on service. Distance becomes a barrier to people with a disability who are entitled to an NDIS package and services funded under that package missing out completely, a new form of disability discrimination.

We also have anecdotal evidence that some providers are not building the sustainable capability of clients to perform tasks suggested by a recovery focus. That is to say, it is in the financial interest of service providers to directly provide services that some clients may be able, in time, to perform themselves.

We hope that the NDIS Independent Pricing Review will address these pertinent issues.

Yours sincerely,

Rob Ramjan AM, BA, B Soc Studs  
CEO  
30 October 2017

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