# The NDIS Market – 30 June 2019

## Table of Contents

[The NDIS Market – 30 June 2019 1](#_Toc19868458)

[Table of Contents 1](#_Toc19868459)

[Slide 1: The NDIS Market – 30 June 2019 6](#_Toc19868460)

[Slide 2: Outline 6](#_Toc19868461)

[Slide 3: Introduction 6](#_Toc19868462)

[Slide 4: Background 6](#_Toc19868463)

[Slide 5: Scheme payments by State/Territory in 2018-19 6](#_Toc19868464)

[Slide 6: Scheme payments by support category in 2018-19 7](#_Toc19868465)

[Slide 7: Scheme payments by age band in 2018-19 7](#_Toc19868466)

[Slide 8: Scheme payments by primary disability in 2018-19 7](#_Toc19868467)

[Slide 9: Key indicators for monitoring the NDIS market 8](#_Toc19868468)

[Slide 10: Key indicators for monitoring the NDIS market – Choice and control 8](#_Toc19868469)

[Slide 11: Key indicators for monitoring the NDIS market – Plan utilisation 8](#_Toc19868470)

[Slide 12: Key indicators for monitoring the NDIS market – Market concentration 9](#_Toc19868471)

[Slide 13: Key indicators for monitoring the NDIS market - Participants per provider and providers growing and shrinking 9](#_Toc19868472)

[Slide 14: Summary of indicators across market segments 10](#_Toc19868473)

[Slide 15: Each of the bilateral regions has been allocated into one of three categories (based on size of total plan budgets) to allow for a fairer comparison of the indicators across regions 10](#_Toc19868474)

[Slide 16: Dashboards - summary 11](#_Toc19868475)

[Accompanying this slide pack are a series of ‘dashboard’ pdfs, designed to provide more information on the performance of the NDIS market: 11](#_Toc19868476)

[Insights dashboard – this dashboard presents three key metrics used to monitor the NDIS market and highlights regions where performance against the benchmark for that metric is weak (indicating there may be issues with the NDIS market in that region). 11](#_Toc19868477)

[Summary dashboards – these dashboards summarise all of the metrics used to monitor the NDIS market across each of the bilateral regions. There are three dashboards, showing ‘all’ participants, ‘Supported Independent Living’ (SIL) participants and ‘Non-SIL’ participants respectively. 11](#_Toc19868478)

[Detailed dashboards – each dashboard shows a detailed breakdown of each metric for a particular region. There are 64 detailed dashboards – one for each bilateral region that has had at least 9 months of Scheme experience, i.e. commenced phasing before 1 July 2018. This equates to 64 of the 80 bilateral regions. 11](#_Toc19868479)

[Slide 17: The insights dashboard highlights regions where intervention may be beneficial 11](#_Toc19868480)

[Slide 18: The summary dashboard provides an overview of the key indicators for each bilateral region 12](#_Toc19868481)

[Slide 19: The detailed dashboards provide breakdowns of the key metrics to facilitate greater understanding of individual regions. 13](#_Toc19868482)

[Slide 20: Detailed dashboard – Central Coast 13](#_Toc19868483)

[Slide 21: Detailed dashboard – Central Coast continued 14](#_Toc19868484)

[Slide 22: Key Insights across regions for plan utilisation, market concentration and choice and control 14](#_Toc19868485)

[Slide 23: Key Insight - The difference in utilisation rates between regions can be used to identify comparably lower and higher service provision amongst regions 14](#_Toc19868486)

[Slide 24: Key Insight - Plan utilisation for five bilateral regions was more than 10% below the benchmark 14](#_Toc19868487)

[Slide 25: Key Insight - The majority of regions below the utilisation benchmark were in Northern Territory and South Australia 15](#_Toc19868488)

[Slide 26: Utilisation rates for Core – Community and Capacity Building – Support Coordination supports were particularly low in the Barkly region 15](#_Toc19868489)

[Slide 27: Participants with an intellectual disability and ‘other physical disability’ groups are key areas of focus for the Barkly region 15](#_Toc19868490)

[Slide 28: Participants with an intellectual disability and ‘other physical disability’ groups are key areas of focus for the Barkly region 16](#_Toc19868491)

[Slide 29: Plan utilisation in the East Arnhem region was below benchmark for all of the major support categories 16](#_Toc19868492)

[Slide 30: The gap between utilisation and benchmark for participants in the East Arnhem (NT) region was large for all age bands. 16](#_Toc19868493)

[Slide 31: The gap between utilisation and benchmark for participants in the East Arnhem (NT) region was largest for those with psychosocial disabilities. 16](#_Toc19868494)

[Slide 32: Utilisation of ‘Capacity Building – Daily Activity’ supports was low in the Far North (South Australia) region. 17](#_Toc19868495)

[Slide 33: Utilisation of ‘Capacity Building – Daily Activity’ supports was lowest for older participants. 17](#_Toc19868496)

[Slide 34: Utilisation of ‘Capacity Building – Daily Activity’ supports was lowest for participants with stroke and ‘other physical’ disabilities. 17](#_Toc19868497)

[Slide 35: The gap between utilisation and benchmark for the Murray and Mallee (South Australia) region was driven by the ‘Capacity Building – Daily Activity’ support category. 18](#_Toc19868498)

[Slide 36: Utilisation for participants in the Murray and Mallee (SA) region was below benchmark across all age bands. 18](#_Toc19868499)

[Slide 37: Utilisation for participants with autism was a key contributor to the utilisation result for the Murray and Mallee (South Australia) region. 18](#_Toc19868500)

[Slide 38: Plan utilisation for the South Metro (Western Australia) and Hume Moreland (Victoria) regions were more than 10% above the benchmark. 18](#_Toc19868501)

[Slide 39: Plan utilisation was above benchmark for the three largest support categories in the South Metro (Western Australia) region. 19](#_Toc19868502)

[Slide 40: Plan utilisation was higher than benchmark for all age bands in the South Metro (Western Australia) region. 19](#_Toc19868503)

[Slide 41: Plan utilisation was higher than benchmark for the largest disability types in the South Metro (Western Australia) region. 19](#_Toc19868504)

[Slide 42: Plan utilisation in the Hume Moreland (Victoria) region was well above benchmark for ‘Core – Daily Activity’ supports. 19](#_Toc19868505)

[Slide 43: Plan utilisation in the Hume Moreland (Victoria) region was higher than benchmark across most age bands. 19](#_Toc19868506)

[Slide 44: Plan utilisation in the Hume Moreland (Victoria) region was higher than benchmark across most disability types. 19](#_Toc19868507)

[Slide 45: Key Insight - A relatively high provider concentration may indicate a hot spot in terms of service provision. 20](#_Toc19868508)

[Slide 46: Key Insight – Provider concentration for five regions was above the benchmark. 20](#_Toc19868509)

[Slide 47: Key Insight - The majority of regions above the provider concentration benchmark had less than $25m in total plan budgets 20](#_Toc19868510)

[Slide 48: The relatively high provider concentration for the Barkly (Northern Territory) region was consistent across support categories. 20](#_Toc19868511)

[Slide 49: Provider concentration in Barkly (Northern Territory) was greater than benchmark across all age bands. 21](#_Toc19868512)

[Slide 50: Provider concentration in Barkly (Northern Territory) was greater than benchmark across all primary disability types. 21](#_Toc19868513)

[Slide 51: Regions with more than $25m in total plan budgets generally had a provider concentration below the benchmark. 21](#_Toc19868514)

[Slide 52: The relatively high provider concentration for the Central Australia (Northern Territory) region was consistent across support categories. 22](#_Toc19868515)

[Slide 53: Provider concentration in Central Australia (Northern Territory) was greater than benchmark across age bands. 22](#_Toc19868516)

[Slide 54: Provider concentration in Central Australia (Northern Territory) was greater than benchmark across primary disability types. 22](#_Toc19868517)

[Slide 55: South Western Sydney (New South Wales) had a low level of provider concentration, largely driven by low concentration for ‘Capacity Building’ supports. 22](#_Toc19868518)

[Slide 56:For ‘Capacity Building – Daily Activities’ in South Western Sydney (New South Wales), provider concentration is low regardless of age. 23](#_Toc19868519)

[Slide 57:For ‘Capacity Building – Daily Activities’ in South Western Sydney (New South Wales), provider concentration is low regardless of age and primary disability. 23](#_Toc19868520)

[Slide 58: Brisbane (Queensland) had a low level of provider concentration, driven by ‘Core’ and ‘Capacity Building’ support categories. 23](#_Toc19868521)

[Slide 59: Provider concentration for ‘Core – Community’ in Brisbane (Queensland) was below benchmark for most age groups and disability types. 24](#_Toc19868522)

[Slide 60: Provider concentration for ‘Core – Community’ in Brisbane (Queensland) was below benchmark for most primary disability types. 24](#_Toc19868523)

[Slide 61: Key Insight – Participant responses to the outcomes framework surveys can be used as an indicator of potential hot-spots in terms of service provision. 25](#_Toc19868524)

[Slide 62: Key Insight – The outcomes indicator on choice and control for two regions was more than 10% below the benchmark. 25](#_Toc19868525)

[Slide 63: Key Insight - The majority of regions above the benchmark for the outcome indicator on choice and control had less than $25m in total plan budgets. 26](#_Toc19868526)

[Slide 64: The outcomes indicator on choice and control was below benchmark for East Arnhem (Northern Territory) participants with ‘Core’ or ‘Capacity Building’ supports in their plan. 26](#_Toc19868527)

[Slide 65: The outcomes indicator on choice and control being below benchmark is driven by participants under 35 years of age. 26](#_Toc19868528)

[Slide 66: The outcomes indicator on choice and control being below benchmark is driven by participants with psychosocial disability and intellectual disability. 26](#_Toc19868529)

[Slide 67: A low proportion of participants within the Katherine region reported that they choose who supports them, across all support categories. 27](#_Toc19868530)

[Slide 68: The proportion of participants within the Katherine (Northern Territory) region that reported that they choose who supports them is not driven by participants of a certain age. 27](#_Toc19868531)

[Slide 69: The proportion of participants within the Katherine (Northern Territory) region that reported that they choose who supports them is not driven by participants of a certain disability type. 27](#_Toc19868532)

[Slide 70: The outcomes indicator on choice and control was more than 10% above the benchmark for the South West Tasmania and Australian Capital Territory regions. 27](#_Toc19868533)

[Slide 71: The outcomes indicator on choice and control for the South West Tasmania region was above the benchmark across all major support categories. 27](#_Toc19868534)

[Slide 72: The outcomes indicator on choice and control for the TAS South West region was above the benchmark across the majority of age bands. 28](#_Toc19868535)

[Slide 73: The outcomes indicator on choice and control for the TAS South West region was above the benchmark across the majority of disability types. 28](#_Toc19868536)

[Slide 74: Participants in the Australian Capital Territory region had an outcomes indicator on choice and control that was higher than benchmark across most major support categories. 28](#_Toc19868537)

[Slide 75: The outcomes indicator on choice and control for participants in the Australian Capital Territory region with ‘Capacity Building – Employment’ supports was below benchmark for most age bands. 28](#_Toc19868538)

[Slide 76: The indicator on choice and control for participants with Capacity Building – Employment supports was below benchmark for participants with Down Syndrome as their primary disability type. 29](#_Toc19868539)

[Slide 77: Other metrics 29](#_Toc19868540)

[Slide 78: The participants-per-provider indicator may be used to highlight areas with materially higher or lower provider coverage. 29](#_Toc19868541)

[Slide 79: There does not appear to be a strong relationship between phase-in date and participants-per-provider for smaller regions (less than $25m in plan budgets). 29](#_Toc19868542)

[Slide 80: Findings from the participants-per-provider metric do not appear to align strongly with the key indicators of potential hot spots. 30](#_Toc19868543)

[Slide 81: Findings from the participants-per-provider metric do not appear to align strongly with the key indicators of potential hot spots. 30](#_Toc19868544)

[Slide 82: The provider growth / shrinkage indicators can be used to identify areas that may be a concern for the Agency in the future. 31](#_Toc19868545)

[Slide 83: In six regions with less than $25m in total plan budgets, over 40% of providers had their paymets grow by at least 100% since the previous exposure period. 31](#_Toc19868546)

[Slide 84: Several regions with over $25m in total plan budgets had more than 40% of providers grow by over 100% in payments, the majority of which phased-in more recently. 31](#_Toc19868547)

[Slide 85: Provider shrinkage for regions with less than $25m in total plan budgets tend to vary regardless of length of time in the Scheme. 32](#_Toc19868548)

[Slide 86: Provider shrinkage for regions with more than $100m in total plan budgets appears to be lowest for regions phased in more recently. 32](#_Toc19868549)

[Slide 87: Appendices 32](#_Toc19868550)

[Slides 88 to 90: Appendix A – Indicator definitions 32](#_Toc19868551)

[Slide 91: Appendix B – Benchmarks 33](#_Toc19868552)

[Slide 92: Appendix B – Benchmarks: Plan utilisation 34](#_Toc19868553)

[Slide 93: Appendix B – Benchmarks: Provider concentration 34](#_Toc19868554)

[Slide 94: Appendix B – Benchmarks: Outcomes indicator on choice and control 35](#_Toc19868555)

[Slide 95: NDIS 35](#_Toc19868556)

[www.ndis.gov.au 35](#_Toc19868557)

## Slide 1: The NDIS Market – 30 June 2019

## Slide 2: Outline

The presentation will discuss the following topics:

Introduction

Key insights

– Plan utilisation

– Provider concentration

– Outcomes indicator on choice and control

Other metrics

– Participants per provider

– Provider growth / shrinkage

Appendices

## Slide 3: Introduction

Slides 4 to 20 serve as an introduction to the analysis

## Slide 4: Background

The purpose of the National Disability Insurance Scheme (NDIS) is to provide reasonable and necessary funding to people with a permanent and significant disability so that they may access the supports and services they need to live and enjoy their life. Participants receive individual budgets from which they choose the providers to support them.

The aim of this report is to support the purpose of the NDIS by comparing a number of market indicators across geographical regions and participant characteristics to identify “hot spots” where support provision is comparatively lower or higher than the rest of the NDIS market.

As at 30 June 2019, the Scheme had approximately 285,000 active participants with approved plans, residing across eighty bilateral regions. Payments across the Scheme during FY18-19 totalled approximately $10.0 billion, the majority of which related to payments that were made directly to providers on behalf of participants. The charts on the following slides provide some context on current Scheme expenditure by showing the distribution of payments made for the FY18-19 support year by State/Territory, support category, participant age and primary disability.

## Slide 5: Scheme payments by State/Territory in 2018-19

The chart shows the distribution of total payments for FY18-19 support year,as at 30 June 2019, by State / Territory. New South Wales accounted for approximately 44% of payments, Victoria accounted for 22%, Queensland 15% and the remaining States and Territories were each responsible for between 0% to 10%.

The chart shows ‘All Participants’, ‘Supported Independent Living’ (SIL) participants and Non-SIL participants. A similar pattern is seen across the States and Territories for each of the ‘SIL’ categories.

## Slide 6: Scheme payments by support category in 2018-19

The chart shows the distribution of total payments for FY18-19 support year, as at 30 June 2019, by support category. The x-axis lists 15 support categories, grouped into ‘Core’, ‘Capital’ and ‘Capacity Building’ and the y-axis shows the proportion of total payments going to that category.

Data is shown for ‘All participants’, ‘SIL’ participants and ‘Non-SIL’ participants.

‘All participants’:

* ‘Daily Activities’ in the ‘Core’ supports category accounted for approximately 56% of payments, ‘Community’ in the ‘Core’ supports category accounted for 18% and ‘Daily Activities’ in the ‘Capacity Building’ support category accounted for 10%. The remaining 16% of payments were spread evenly across the other 12 categories.

‘SIL participants’:

* ‘Daily Activities’ in the ‘Core’ supports category accounted for 82% of payments, and ‘Community’ in the ‘Core’ supports category accounted for 11% The remaining 7% of payments were spread evenly across the other categories.

‘Non-SIL participants’:

* ‘Daily Activities’ in the ‘Core’ supports category accounted for approximately 38% of payments, ‘Community’ in the ‘Core’ supports category accounted for 23% and ‘Daily Activities’ in the ‘Capacity Building’ support category accounted for 16%. The remaining 23% of payments were spread evenly across the other 12 categories.

## Slide 7: Scheme payments by age band in 2018-19

The chart shows the distribution of total payments for ‘All participants’, ‘SIL participants’ and ‘Non-SIL participants’ for the FY18-19 support year, as at 30 June 2019, by age band. The chart shows that the majority of payments to ‘All participants’ are made to working age adults.

Looking at ‘SIL’ participants, 54% of paymernts are made to participants aged 45 and over, with the ’45 to 54’ age band receiving the highest proportion of payments (27%) compared to other bands.

For ‘Non-SIL participants’, the ‘7 to 14’ age band receives the highest proportion of payments (17%) – although in general payments appear to be relatively evenly spread across age bands.

## Slide 8: Scheme payments by primary disability in 2018-19

The chart shows the distribution of total payments for ‘All participants’, ‘SIL participants’ and ‘Non-SIL participants’ for the FY18-19 support year, as at 30 June 2019, by primary disability. Looking at the ‘All participants’ category, across the 17 categories on the x-axis, ‘Intellectual disability’ accounts for 36% of payments, ‘Autism’ accounts for a further 18%, ‘Cerebral Palsy’ accounts for 10% and the remaining 36% of payments is spread across the other disability categories.

When looking at the ‘SIL participants’ in isolation, ‘Intellectual disability’ accounts for 53% of payments, with the remainder spread relatively evenly across the other disability categories.

Participants in these primary disability groups make up 57% of the total number of participants nationwide.

When looking at the ‘Non-SIL participants’ in isolation, ‘Intellectual disability’ and ‘Autism’ are closer – accounting for 24% and 22% of payments respectively and the remainder spread evenly across the other categories.

## Slide 9: Key indicators for monitoring the NDIS market

The NDIA corporate plan 2019-2023 lists the indicators for Aspiration 2 – a competitive market with innovative supports. Specifically the indicators are on:

• Choice and control

• Provider sentiment and confidence

• Plan utilisation

• Market concentration

This document includes a deep dive into three of these metrics (choice and control, plan utilisation, and market concentration).

Analysis is also undertaken on the number of participants per provider and the proportion of providers that grew and shrunk over the period using information on payments from the NDIA.

## Slide 10: Key indicators for monitoring the NDIS market – Choice and control

The NDIA outcomes framework questionnaires includes two indicators on choice and control which are analysed in depth in this document – capturing the following:

* % of participants who choose who supports them; and
* % of participants who say the NDIS has helped with choice and control.

Nationally, 49% of participants aged 15 years and over indicated that they choose who supports them, and 66% indicated that the NDIS has helped with choice and control.

Over time, it is expected that these percentages will increase – however, understanding how different regions, participant cohorts, and support categories differ from this national average (“the benchmark”) provides insight into potential hot spots where investment might be required to better support participants.

In particular, where regions are more than ten percentage points below or above this benchmark indicates possible thin markets and markets that are doing relatively better than other regions. Some regions that differ substantially from the benchmark are analysed in more detail, including looking at participant characteristics and support categories within the region.

## Slide 11: Key indicators for monitoring the NDIS market – Plan utilisation

For support provided between 1 October 2018 and 31 March 2019, data at 30 June 2019 indicated that 66% of support had been utilised nationally. (This allows for a three month lag between when support was provided and when it had been paid. Utilisation will increase as more payments for this support period is made.)

Experience in other Schemes with individual budgets indicates that plan utilisation is unlikely to be 100% - however, should be higher than current levels. Some of the reasons for plans being under-utilised include:

* More support was provided informally through family, friends and community
* Supports being put in plans “just in case” they are required
* Participants needing more support to implement their plans
* Providers needing more support to claim for supports provided
* Supports are unavailable in the market.

Combinations of the above factors are likely to be driving the lower than expected utilisation. Recognising that utilisation is lower than expected, significant insights can still be drawn by understanding how utilisation differs from this national benchmark of 66% across regions, participant cohorts, and support categories. In order to compare regions, the two biggest drivers of utilisation are accounted for in the national benchmark to allow like-for-like comparisons – these are:

* Whether or not a participant is in supported independent living (SIL) – with participants in SIL utilising more of their plan compared with those not in SIL (85% compared with 57%)
* The amount of time the participant has been in the Scheme – the longer the participant is in the Scheme the more they utilise their plan (54% for participants on their first plans compared with 77% for participants on their fifth plan).
* Where regions are more than ten percentage points below or above the national benchmark indicates possible thin markets and markets that are doing relatively better than other regions. Some regions that differ substantially from the benchmark are analysed in more detail in this document, including looking at participant characteristics and support categories within the region.

## Slide 12: Key indicators for monitoring the NDIS market – Market concentration

Understanding the distribution of payments to service providers in a region can indicate whether a small number of providers receive most of the payments from the NDIA, or whether a large number of providers are receiving the payments.

Where only a small number of providers are receiving a large amount of the payments, the market is considered to be more concentrated and could mean that there is less competition in the region. On average across regions, 63% of payments go to the largest ten providers. In this analysis, some regions where more than 85% of payments are going to the ten largest providers are considered in detail, including by looking at participant characteristics and service categories.

## Slide 13: Key indicators for monitoring the NDIS market - Participants per provider and providers growing and shrinking

In addition to the metrics discussed above, some additional metrics have also been looked at by region:

* Participants per providers;
* Proportion of providers that grew (based on payments from the NDIA); and
* Proportion of providers that shrank (based on payments from the NDIA).

The average number of participants per provider across regions is 7.9 participants to every active provider (the “benchmark”). This differed by region, but was often driven by the number of participants in a region – that is, smaller regions often had lower numbers of participants per providers. However, these regions often had relatively lower choice and control, relatively lower utilisation and relatively higher market concentration. Hence this metric is not considered as informative as the other metrics.

The change in the amount of payments to a service provider from one period to the next (in this case the increase/decrease in payments between the six months to 30 September 2018 and 31 March 2019), can provide some early indications of whether providers may be exiting the market, or whether the market may be becoming more concentrated.

The analysis compares the percentage of providers who have grown by more than 100% and the percentage of providers which have shrunk by more than 25%. These percentage cut-offs were chosen based on an analysis of current distributions and will change over time as the market becomes more mature.

## Slide 14: Summary of indicators across market segments

Five key indicators are used in the analysis:

1. ‘Plan Utilisation’:- This metric shows payments as a proportion of total plan budgets (or supports committed) for the period.
2. ‘Provider concentration’:- This metric shows the proportion of total provider payments that were paid to the ten providers that received the most payments.
3. ‘Choice and control’:- This metric shows the proportion of participants who report that they choose who supports them and that the NDIA helps with choice and control.
4. ‘Participants per provider’:- This metric shows the ratio of the number of active participants to the number of active providers.
5. ‘Provider growth / shrinkage’:- This metric shows proportion of active providers that have grown or shrunk based on the NDIS funding received.

The key indicators have been calculated over the period from 1 October 2018 to 31 March 2019, using data available as at 30 June 2019, and are presented by:

* Geographical region;
* Support category; and
* Participant characteristics – including age, primary disability type, level of function, remoteness, Indigenous status and culturally and linguistically diverse status.

The indicators are presented both including and excluding participants in supported independent living. An appropriate benchmark is also presented for each indicator and market segment.

## Slide 15: Each of the bilateral regions has been allocated into one of three categories (based on size of total plan budgets) to allow for a fairer comparison of the indicators across regions

Analysis revealed that some of the key indicators at the bilateral region level appeared correlated to the size of the particular bilateral region. For example, provider concentration was generally higher for smaller regions.

To prevent the smaller or larger regions being the only regions highlighted as having comparatively higher or lower support provision, each bilateral region has been allocated into one of three categories for comparison against other regions of similar size. The categories have been defined by the value of total plan budgets over the period from 1 October 2018 to 31 March 2019.

The three categories are:

1. Less than $25m in total plan budgets
2. $25m to $100m in total plan budgets
3. Greater than $100m in total plan budget

The chart on the right shows the number and proportion of bilateral regions that have been allocated to each category. Of the 80 total bilateral regions across the nation, there are 64 bilateral regions considered in the analyses. These regions have had at least 9 months of Scheme experience, i.e. commenced phasing before 1 July 2018.

1. There are 14 regions in the ‘Less than $25m in total plan budgets’ – this corresponds to 31% of total bilateral regions.
2. There are 23 regions in the ‘$25m to $100m in total plan budgets’ – this corresponds to 35% of total bilateral regions.
3. There are 27 regions in the ‘Greater than $100m in total plan budget’ – this corresponds to 34% of total bilateral regions.

## Slide 16: Dashboards - summary

Accompanying this slide pack are a series of ‘dashboard’ pdfs, designed to provide more information on the performance of the NDIS market:

Insights dashboard – this dashboard presents three key metrics used to monitor the NDIS market and highlights regions where performance against the benchmark for that metric is weak (indicating there may be issues with the NDIS market in that region).

Summary dashboards – these dashboards summarise all of the metrics used to monitor the NDIS market across each of the bilateral regions. There are three dashboards, showing ‘all’ participants, ‘Supported Independent Living’ (SIL) participants and ‘Non-SIL’ participants respectively.

Detailed dashboards – each dashboard shows a detailed breakdown of each metric for a particular region. There are 64 detailed dashboards – one for each bilateral region that has had at least 9 months of Scheme experience, i.e. commenced phasing before 1 July 2018. This equates to 64 of the 80 bilateral regions.

## Slide 17: The insights dashboard highlights regions where intervention may be beneficial

The ‘NDIS Market Insights Dashboard’ (accompanying this document) shows how regions perform against the three ‘corporate target’ indicators (Plan utilisation, Provider concentration and the Outcomes indicator on choice and control).

To ensure a fair comparison across regions, regions are allocated into one of three size categories based on total plan budgets for the period.

The green dots on the charts show the benchmark level for each region. A comparison of a region’s actual level compared to the benchmark for a given indicator can indicate whether an area could possibly benefit from intervention.

For example – the first indicator on the dashboard is ‘Plan utilisation’. An examination of the charts shows that ‘Regions with greater than $100m in total plan budget’ and ‘Regions with $25m to $100m in total plan budget’ exhibit plan utilisation levels that are close to their benchmarks. The ‘Regions with less than $25m in total plan budget’ chart, however, shows a number of regions (primarily in NT and SA) where utilisation levels are considerably lower than the benchmark (these are the regions on the right-hand side of the chart).

The top 5 (measured by the size of the gap to benchmark, weighted by total plan budgets over the period) of these regions are also listed below the chart.

Further insights on “hot spots” are included in the remainder of this document.

## Slide 18: The summary dashboard provides an overview of the key indicators for each bilateral region

The ‘NDIS Market Summary Dashboard’ (accompanying this document) provides an overview of the key indicators for each bilateral region based on data from the 1st October 2018 to the 31st March 2019. (The green / red dots highlight the top 10% and bottom 10% of regions for each indicator).

For example, the first region on the dashboard is ‘Central Coast’ in New South Wales. From the dashboard, we can read the following information:

* Date that region phased into NDIS – 1st July 2016
* Active participants with approved plans in region – 5,600
* Registered active providers providing supports to region – 731
* Participants per provider – 7.7
* Provider concentration – 46% (i.e. 46% of payments go to the top 10 providers in the region).
* Provider growth –12% of providers grew by more than 100% over the 6 month period compared with the previous 6 month period. (Only providers that received more than $10,000 in payments have been considered.)
* Provider shrinkage – 17% of providers shrunk by more than 25% over the 6 month period compared with the previous 6 month period. (Only providers that received more than $10,000 in payments have been considered.)
* Total plan budgets ($m) – The total plan budgets in the region over the 6 months was $154.68m.
* Payments ($m) – Over the period, $110.04m of payments were made in the region.
* Utilisation rate – 71% (i.e. payments amounted to 71% of the total budgeted for the period).
* Outcomes indicator on choice and control – 53% of respondent participants said that they choose who supports them (15 years and over).
* Outcomes indicator – has NDIA helped with choice and control? – 73% of participants indicated that the NDIS has helped with choice and control (15 years and over).

## Slide 19: The detailed dashboards provide breakdowns of the key metrics to facilitate greater understanding of individual regions.

For each region, the detailed dashboards (accompanying this document) provide breakdowns of the following metrics:

* Distribution of active participants with an approved plan;
* Number of active and registered providers that provide supports in a category;
* Average number of participants per provider;
* Provider concentration;
* Provider growth;
* Provider shrinkage;
* Payments and total plan budgets not utilised;
* Plan utilisation;
* Outcomes indicator on choice and control; and
* Outcomes indicator on whether the NDIS helped participants have more choices and more control over their lives.

Each of the metrics above is broken down by the following categories:

* Age group;
* Primary disability;
* Level of function;
* Remoteness rating;
* Indigenous status;
* Culturally and Linguistically Diverse (CALD) status; and
* Support category (this is in a separate section of the dashboard).

Detailed dashboards have been provided for all 64 regions, the next two slides will discuss the ‘Central Coast’ (New South Wales) region dashboard as an example.

## Slide 20: Detailed dashboard – Central Coast

From the detail dashboard on the Central Coast region (New South Wales) we can develop a greater understanding of the NDIS market in the region. (Note that Central Cost is an example of a region where there do not appear to be any major issues with the NDIS market):

**Distribution of participants** – over 50% of participants have autism or intellectual disability as their primary disability group. 50% of participants have a ‘medium’ level of function, 28% have a ‘high’ level of function and 22% have a ‘low’ level of function.

**Distribution of providers** – this exhibits some similarities to the participant breakdown. Of the 731 providers operating in the region, 350 are providing intellectual disability supports and 322 are providing autism supports (note that there can be overlap as providers can provide supports for different types of disability).

**Average participants per provider** – Providers providing autism supports have the highest number of participants per provider (6.5 per provider). Providers providing hearing (at 3.8) and intellectual disability supports (3.0) also show relatively high levels of participants per provider. (Note that the overall average is 7.7 participants per provider, reflecting the fact that providers cover several different support types).

 **Provider concentration** – Provider concentration varies (from 20% to 60%) across the different categories but in all cases is below the benchmark, indicating that there are no issues with provider concentration in the region.

## Slide 21: Detailed dashboard – Central Coast continued

Continuing from the previous slide:

**Provider growth** – Provider growth is low (and zero for development delay disability groups) and below benchmark in all cases, indicating that the market may be mature.

**Provider shrinkage** – Provider shrinkage (of around 15% to 20%) over the period occurred across most of the disability categories in the region. This is consistent with the lack of growth seen in support provision.

**Payments and plan budgets not utilised** – Of the $155m total plan budget allocated over the period, $76m (50%) has been allocated to autism and intellectual disability groups. This is in line with the participants breakdown.

**Plan utilisation** – utilisation rates are relatively high and are above or close to the benchmark in all cases. (Overall the utilisation rate is 71% against a benchmark of 69%).

**Outcomes indicator on choice and control** – overall 53% of participants reported that they choose who supports them, above the benchmark level of 49%. The breakdown by primary disability shows that – for most categories – the positive response rate was above benchmark, with the exception of participants with autism, Down Syndrome and intellectual disability.

**Has the NDIS helped you have more choices and more control over your life?** – overall 73% of participants responded positively, against a benchmark of 66%. This performance above benchmark is seen across all categories in the breakdowns.

## Slide 22: Key Insights across regions for plan utilisation, market concentration and choice and control

## Slide 23: Key Insight - The difference in utilisation rates between regions can be used to identify comparably lower and higher service provision amongst regions

Each participant receives a plan budget and the proportion of NDIS funding that a participant has utilised is referred to as the utilisation rate. (As covered earlier, Plan Utilisation is one of the key indicators used in the analysis). A plan utilisation rate of 100% would mean all of the plan budget was spent.

One of the factors that may drive relatively lower utilisation rates is supports being unavailable in the market (other factors include more support was provided informally through family, friends and community; supports being put in plans “just in case” they are required; participants needing more support to implement their plans; and providers needing more support to claim for supports provided.) A low utilisation rate for a market may therefore act as an indicator of a hot spot which could suggest a need for action in order to improve provision of the service.

The national average utilisation rate is 66% and rates vary greatly across a range of participant characteristics. These differences in utilisation are documented in the quarterly reports provided to the Council of Australian Governments (COAG) Disability Reform Council (DRC).

## Slide 24: Key Insight - Plan utilisation for five bilateral regions was more than 10% below the benchmark

The analysis shows that the utilisation of plan budgets was more than 10% below the benchmark for five bilateral regions.

The chart on the slide shows the distribution of the gap between utilisation rate indicator and the benchmark for all bilateral regions (that have had at least 9 months of Scheme experience). The benchmark represents the national average, adjusted for the mix of participants receiving Supported Independent Living (SIL) supports and the number of plans the participant has received (note that the benchmarks are discussed further in the appendices at the end of the report).

* 5 regions are more than 10% below the benchmark (i.e. have a utilisation rate more than 10% lower than the benchmark for that region);
* 6 regions are 5% to 10% lower than the benchmark;
* 28 regions are 0% to 5% lower than the benchmark;
* 21 regions are 0% to 5% higher than the benchmark;
* 2 regions are 5% to 10% higher than the benchmark; and
* 2 regions are more than 10% higher than the benchmark.

## Slide 25: Key Insight - The majority of regions below the utilisation benchmark were in Northern Territory and South Australia

The chart on the slide shows plan utilisation and benchmark for each of the bilateral regions that had less than $25m in total plan budgets for the period. Of the five regions that are more than 10% below benchmark, 4 regions had more than $5m in total plan budgets (and are the focus of further analysis). The regions are:

Barkly (Northern Territory), East Arnhem (Northern Territory), Far North South Australia (South Australia) and Murray and Mallee (South Australia).

## Slide 26: Utilisation rates for Core – Community and Capacity Building – Support Coordination supports were particularly low in the Barkly region

The table on the slide shows the number of active participants with approved plans, total plan budgets, payments, plan utilisation and the benchmark, by support category, for the Barkly (Northern Territory) region.

‘Core – Daily activities’ was the largest support category ($3m of total plan budgets for the period) and had a plan utilisation of 60% that was lower than the benchmark (79%). ‘Core – Community’ supports ($0.9m) and ‘Capacity Building – Support Coordination’ supports ($0.7m) were the next largest support categories and utilisation for these support categories was particularly low relative to the benchmark (33% vs. 74% and 21% vs. 69% respectively).

## Slide 27: Participants with an intellectual disability and ‘other physical disability’ groups are key areas of focus for the Barkly region

The chart on the left hand side of the slide shows utilisation of ‘Core – Community’ supports versus benchmark and by primary disability type, for the Barkly (Northern Territory) region.

The chart on the right hand side shows the budget distribution for that support split by primary disability.

Approximately 22% of the ‘Core – Community’ plan budget was allocated to participants with an intellectual disability, 18% on participants with acquired brain injury and 16% on participants with ‘Other Physical’ as their primary disability (examples of ‘other’ physical disability groups are multiple traumatic amputations, rheumatoid arthritis and other arthritis).

The utilisation rate for these disability groups was low relative to benchmark, although there was a gap for almost all disability groups (excepting visual impairment).

## Slide 28: Participants with an intellectual disability and ‘other physical disability’ groups are key areas of focus for the Barkly region

The chart on the left hand side of the slide shows utilisation of ‘Capacity Building – Support Coordination’ supports versus benchmark and by primary disability type, for the Barkly (Northern Territory) region.

The chart on the right hand side shows the budget distribution for that support split by primary disability.

Approximately 45% of Capacity Building – Support Coordination plan budget was allocated to participants with Intellectual Disability or Other Physical disability (examples of ‘other’ physical disability groups are multiple traumatic amputations, rheumatoid arthritis and other arthritis).

The utilisation rate for both these disability groups was particularly low relative to benchmark, although there was a gap for all disability groups.

## Slide 29: Plan utilisation in the East Arnhem region was below benchmark for all of the major support categories

The table on the slide shows the number of active participants with approved plans, total plan budgets, payments, plan utilisation and the benchmark, by support category, for the East Arnhem (Northern Territory) region.

‘Core – Daily Activities’ and ‘Core – Community’ supports were the two largest support categories ($3.0m and $1.8m respectively) and both had utilisation over the period that were low relative to the benchmark.(24% vs. 61% and 32% vs. 61% respectively).

However, plan utilisation was below the benchmark for all support categories.

## Slide 30: The gap between utilisation and benchmark for participants in the East Arnhem (NT) region was large for all age bands.

The chart on the left hand side of the slide shows utilisation versus benchmark, by age band for the East Arnhem (Northern Territory) region.

The chart on the right hand side shows the budget distribution for the region, split by age band.

Utilisation was below the benchmark for all age bands and disability types. Utilisation rates at each age band are roughly half of the benchmarked levels.

## Slide 31: The gap between utilisation and benchmark for participants in the East Arnhem (NT) region was largest for those with psychosocial disabilities.

The chart on the left hand side of the slide shows utilisation versus benchmark, split by primary disability for the East Arnhem (Northern Territory) region.

The chart on the right hand side shows the budget distribution for the region, split by primary disability.

Utilisation was below the benchmark for all disability types.

When split by disability group, psychosocial disability shows a utilisation rate of around 18%, compared to a benchmark of 58%. Participants with psychosocial disabilities were furthest below their benchmark. Plan budgets in respect of these participants made up approximately 22% of plan budgets for the region, making these participants a key driver of the overall utilisation result.

## Slide 32: Utilisation of ‘Capacity Building – Daily Activity’ supports was low in the Far North (South Australia) region.

The table on the slide shows the number of active participants with approved plans, total plan budgets, payments, plan utilisation and the benchmark, by support category, for the Far North South Australia region.

Plan utilisation was lower than benchmark across most of the major support categories.

‘Capacity Building – Daily Activities’ was the second largest support category (at $1.3m) and utilisation of these supports was particularly low compared to the benchmark (31% vs. 59%).

Low utilisation rates for this support could indicate that there is insufficient supply of the particular supports within ‘Capacity Building – Daily Activities’ category in the Far North (SA) region.

## Slide 33: Utilisation of ‘Capacity Building – Daily Activity’ supports was lowest for older participants.

The charts on the slide show plan utilisation (and benchmark) for ‘Capacity Building – Daily Activity’ supports in Far North South Australia by age band and the budget distribution for the support, split by age band.

Utilisation of ‘Capacity Building – Daily Activity’ supports is well below benchmark for participants of all age bands. The gap to benchmark increases with age.

## Slide 34: Utilisation of ‘Capacity Building – Daily Activity’ supports was lowest for participants with stroke and ‘other physical’ disabilities.

The charts on the slide show plan utilisation (and benchmark) for ‘Capacity Building – Daily Activity’ supports in Far North South Australia by primary disability and the budget distribution for the support, split by primary disability.

Although participants with stroke and ‘other physical’ disability categories represent a small proportion of active participants with plans that include ‘Capacity Building – Daily Activity’, utilisation of plan budgets for these supports is particularly low (Stroke shows a utilisation rate of around 5% against a benchmark of 50%, ‘other physical’ rates are similar).

## Slide 35: The gap between utilisation and benchmark for the Murray and Mallee (South Australia) region was driven by the ‘Capacity Building – Daily Activity’ support category.

The table on the slide shows the number of active participants with approved plans, total plan budgets, payments, plan utilisation and the benchmark, by support category, for the Murray and Mallee (South Australia) region.

Plan utilisation was lowest, relative to the benchmark, for the ‘Capacity Building – Social and Civic’ and ‘Support Coordination’ support types. However, the overall utilisation result was largely driven by the ‘Capacity Building – Daily Activity’ result (a utilisation rate of 56% against a benchmark of 65%).

## Slide 36: Utilisation for participants in the Murray and Mallee (SA) region was below benchmark across all age bands.

The charts on the slide show plan utilisation and benchmark for ‘Capacity Building – Daily Activity’ supports in Murray and Mallee (South Australia) and regional budget distribution for the support, both split by age band.

Utilisation for ‘Capacity Building – Daily Activity’ supports was below the benchmark for all ages and the gap was larger for older participants, particularly 19+ years.

## Slide 37: Utilisation for participants with autism was a key contributor to the utilisation result for the Murray and Mallee (South Australia) region.

The charts on the slide show plan utilisation and benchmark for ‘Capacity Building – Daily Activity’ supports in Murray and Mallee (South Australia) and regional budget distribution for the support, both split by primary disability.

Participants with autism and intellectual disability represented the majority of ‘Capacity Building – Daily Activity’ supports for the region. The gap to benchmark for these participants was a key driver of the overall result.

## Slide 38: Plan utilisation for the South Metro (Western Australia) and Hume Moreland (Victoria) regions were more than 10% above the benchmark.

The charts on the slide show plan utilisation and benchmark for regions with $25m to $100m in total plan budgets and regions with greater than $100m in total plan budgets.

None of the regions on either chart had an overall plan utilisation rate of more than 10% below the benchmark. Two regions in the ‘$25m to $100m in total plan budgets’ category had utilisation rates greater than 10% above the benchmark. These were South Metro in Western Australia and Hume Moreland in Victoria.

## Slide 39: Plan utilisation was above benchmark for the three largest support categories in the South Metro (Western Australia) region.

The table on the slide shows the number of active participants with approved plans, total plan budgets, payments, plan utilisation and the benchmark, by support category, for the South Metro (Western Australia) region.

The ‘Core – Daily Activities’, ‘Core – Community’ and ‘Capacity Building – Daily Activities’ support categories make up 83% of supports in participant budgets in the South Metro (Western Australia) region. Plan utilisation in respect of all three of these support categories was above benchmark.

## Slide 40: Plan utilisation was higher than benchmark for all age bands in the South Metro (Western Australia) region.

The charts on the slide show plan utilisation and benchmark for South Metro (Western Australia) and regional budget distribution, both split by age band.

Plan utilisation was higher than benchmark across all age bands.

## Slide 41: Plan utilisation was higher than benchmark for the largest disability types in the South Metro (Western Australia) region.

The charts on the slide show plan utilisation and benchmark for South Metro (Western Australia) and regional budget distribution, both split by primary disability.

Participants with an intellectual disabilility and participants with autism were the two largest primary disability types and utilisation for both of these was above the benchmark.

## Slide 42: Plan utilisation in the Hume Moreland (Victoria) region was well above benchmark for ‘Core – Daily Activity’ supports.

The table on the slide shows the number of active participants with approved plans, total plan budgets, payments, plan utilisation and the benchmark, by support category, for the Hume Moreland (Victoria) region.

‘Core – Daily Activity’ supports account for 46% of total supports in Hume Moreland and has a utilisation rate of 79% against a benchmark of 62%. ‘Core – Community’ supports account for a further 23% of supports and has a utilisation rate of 59% against a benchmark of 54%. This drives the overall high utilisation result for the region.

## Slide 43: Plan utilisation in the Hume Moreland (Victoria) region was higher than benchmark across most age bands.

The charts on the slide show plan utilisation and benchmark for ‘Core – Daily Activity’ supports in Hume Moreland (Victoria) and regional budget distribution for the support, both split by age band.

Other than for the ‘over 65 years’ age band, utilisation rates were higher than benchmark for all age groups.

## Slide 44: Plan utilisation in the Hume Moreland (Victoria) region was higher than benchmark across most disability types.

The charts on the slide show plan utilisation and benchmark for ‘Core – Daily Activity’ supports in Hume Moreland (Victoria) and regional budget distribution for the support, both split by primary disability

Plan utilisation was higher than benchmark across the majority of disability types.

## Slide 45: Key Insight - A relatively high provider concentration may indicate a hot spot in terms of service provision.

The ‘provider concentration’ metric is defined as the proportion of total provider payments made to the top 10 providers that received the most payments in the exposure period.

A low provider concentration means that there is less risk in terms of the importance of a particular provider or group of providers to a region.

A high provider concentration might suggest that there is insufficient competition in a region and that further investment could be of benefit.

Regions that have recently phased into the Scheme tend to have high concentration levels as providers are likely to still be entering the market.

Identifying regions where the market share is dominated by a relatively small number of providers allows the Scheme to assess which regions are currently under-serviced and could benefit from further investment.

## Slide 46: Key Insight – Provider concentration for five regions was above the benchmark.

The chart on the slide shows the gap between provider concentration indicator and benchmark for each bilateral region (with at least 9 months of Scheme experience). The benchmark has been set at 85% for all regions. This is the national average provider concentration. Note that the benchmarks are discussed in the appendices at the end of the report.

* 12 regions are more than 40% below the benchmark;
* 28 regions are 20% to 40% lower than the benchmark;
* 19 regions are 0% to 20% lower than the benchmark;
* 3 regions are 0% to 5% higher than the benchmark;
* 1 regions are 5% to 10% higher than the benchmark; and
* 1 regions are more than 10% higher than the benchmark.

## Slide 47: Key Insight - The majority of regions above the provider concentration benchmark had less than $25m in total plan budgets

The chart on the slide shows provider concentration and the benchmark, for bilateral regions with less than $25m in total plan budgets over the exposure period.

Provider concentration for the Barkly (NT) region was more than 10% above the benchmark.

A provider concentration of 97% for Barkly suggests that this region was serviced by a small number of providers.

## Slide 48: The relatively high provider concentration for the Barkly (Northern Territory) region was consistent across support categories.

The table on the slide shows the number of active participants with approved plans, the number of registered active providers, the provider concentration metric and utilisation rates, by support category, for the Barkly (Northern Territory) region.

With an overall provider concentration of 97%, Barkly was the top potential hot-spot for regions with less than $25m in total plan budgets.

All support categories had close to 10 or fewer service providers. The concentration for all support categories was therefore at or close to 100%.

This region was deominated by a few providers with the largest capturing 44% of all payments, the second largest capturing 25% and the third largest capturing 8%.

## Slide 49: Provider concentration in Barkly (Northern Territory) was greater than benchmark across all age bands.

The charts on the slide show provider concentration and budget distribution by age band for the Barkly (Northern Territory) region.

This region exhibited higher provider concentration regardless of age, compared to each segment’s equivalent benchmark.

Note that the provider concentration metric for granular segments such as a particular age band or primary disability, has been calculated as payments made to the top 5, rather than the top 10, providers.

## Slide 50: Provider concentration in Barkly (Northern Territory) was greater than benchmark across all primary disability types.

The charts on the slide show provider concentration and budget distribution by primary disability for the Barkly (Northern Territory) region.

This region exhibited higher provider concentration regardless of primary disability, compared to each segment’s equivalent benchmark.

Note that the provider concentration metric for granular segments such as a particular age band or primary disability, has been calculated as payments made to the top 5, rather than the top 10, providers.

## Slide 51: Regions with more than $25m in total plan budgets generally had a provider concentration below the benchmark.

The charts on the slide show provider concentration and benchmark for regions with between $25m and $100m in total plan budgets and regions with more than $100m in total plan budgets.

Whilst all of the regions displayed levels of provider concentration below the benchmark, there are still markets where investment could be beneficial. Comparison of the regions shows that provider concentration tends to be greater in smaller regions.

The top potential hot spot for regions with $25m to $100m in total plan budgets was Central Australia with a provider concentration of 94%.

## Slide 52: The relatively high provider concentration for the Central Australia (Northern Territory) region was consistent across support categories.

The table on the slide shows the number of active participants with approved plans, the number of registered active providers, the provider concentration metric and utilisation rates, by support category, for the Central Australia (Northern Territory) region.

Provider concentration was consistently high, especially compared to the national average benchmark of 85%. This was another region largely dominated by a few providers with the largest capturing 27% of all payments, the second largest capturing 26% and the third largest capturing 24%.

## Slide 53: Provider concentration in Central Australia (Northern Territory) was greater than benchmark across age bands.

The charts on the slide show provider concentration and budget distribution by age band, for the Central Australia (Northern Territory) region.

Provider concentration is higher than benchmark across all age bands.

Although the region exhibited provider concentration higher than each segment’s equivalent benchmark, there were some segments that were closer to the benchmark. For example, participants aged 0 to 6 were closer to the benchmark than other age bands.

Note that the provider concentration metric for granular segments such as a particular age band or primary disability, has been calculated as payments made to the top 5, rather than the top 10, providers.

## Slide 54: Provider concentration in Central Australia (Northern Territory) was greater than benchmark across primary disability types.

The charts on the slide show provider concentration and budget distribution by primary disability type, for the Central Australia (Northern Territory) region.

Provider concentration is higher than benchmark across all disability types.

Although the region exhibited provider concentration higher than each segment’s equivalent benchmark, there were some segments that were closer to the benchmark. For example, participants with autism, a visual impairment, a spinal cord injury, or an other physical disability were closer to the benchmark than other primary disability types.

Note that the provider concentration metric for granular segments such as a particular age band or primary disability, has been calculated as payments made to the top 5, rather than the top 10, providers.

## Slide 55: South Western Sydney (New South Wales) had a low level of provider concentration, largely driven by low concentration for ‘Capacity Building’ supports.

The table on the slide shows the number of active participants with approved plans, the number of registered active providers, provider concentration metric and utilisation rates, by support category, for the South Western Sydney (New South Wales) region.

The overall provider concentration of 38% for the South Western Sydney (New South Wales) region was below the benchmark of 85%. Analysis by support category shows that this is driven by the ‘Capacity Building’ supports, particularly ‘Daily Activities’, followed by ‘Social and Civic’ and ‘Support Coordination’. This result indicates that this region is currently well serviced for ‘Capacity Building’, with a relatively high number of providers providing these supports to participants living in this region.

## Slide 56:For ‘Capacity Building – Daily Activities’ in South Western Sydney (New South Wales), provider concentration is low regardless of age.

The charts on the slide show provider concentration and budget distribution, both split by age band, for ‘Capacity Building – Daily Activities’ supports in the South Western Sydney (New South Wales) region.

Provider concentration is lower than benchmark across all age bands.

This region had a provider concentration of around 23% for ‘Capacity Building – Daily Activities’, which was the largest support category for the region. Provider concentration for this support category and region consistently tracks below the national equivalent benchmark across all age bands.

Note that the provider concentration metric for granular segments such as a particular age band or primary disability, has been calculated as payments made to the top 5, rather than the top 10, providers.

## Slide 57:For ‘Capacity Building – Daily Activities’ in South Western Sydney (New South Wales), provider concentration is low regardless of age and primary disability.

The charts on the slide show provider concentration and budget distribution, both split by primary disability type, for ‘Capacity Building – Daily Activities’ supports in the South Western Sydney (New South Wales) region.

Provider concentration is lower than benchmark across all disability types.

Provider concentration for this support category and region consistently tracks below the national equivalent benchmark across all primary disability types.

Note that the provider concentration metric for granular segments such as a particular age band or primary disability, has been calculated as payments made to the top 5, rather than the top 10, providers.

## Slide 58: Brisbane (Queensland) had a low level of provider concentration, driven by ‘Core’ and ‘Capacity Building’ support categories.

The table on the slide shows the number of active participants with approved plans, the number of registered active providers, provider concentration metric and utilisation rates, by support category, for the Brisbane (Queensland) region.

The overall provider concentration for Brisbane was 34%. Almost all support categories have low levels of provider concentration, with the exceptions being ‘Capital – Home Modifications’ and ‘Capacity Building – Employment’.

‘Core – Community’, ‘Capacity Building – Daily Activities’ and ‘Capacity Building – Support Coordination’ have particularly low levels of provider concentration at 35% each.

## Slide 59: Provider concentration for ‘Core – Community’ in Brisbane (Queensland) was below benchmark for most age groups and disability types.

The charts on the slide show provider concentration and budget distribution by age band, for ‘Core – Community’ supports in the Brisbane (Queensland) region.

Provider concentration is lower than benchmark across almost all age bands.

Core – Community had an overall provider concentration of 35% in Brisbane (QLD).

Provider concentration is low for all age groups from 19 to 24 upwards (which account for over 90% of the budget allocation).

Higher levels of provider concentration are seen for participants under 19; this may reflect the lower proportion of the budget allocated to these age groups.

Note that the provider concentration metric for granular segments such as a particular age band or primary disability, has been calculated as payments made to the top 5, rather than the top 10, providers.

## Slide 60: Provider concentration for ‘Core – Community’ in Brisbane (Queensland) was below benchmark for most primary disability types.

The charts on the slide show provider concentration and budget distribution by primary disability, for ‘Core – Community’ supports in the Brisbane (Queensland) region.

Provider concentration is lower than benchmark across all disability types.

Over 29% of the Core – Community plan budget in Brisbane is allocated to participants with intellectual disability, where provider concentration is low (which is indicative of a competitive market).

This experience, along with low levels of concentration for participants with psychosocial disability (over 14% of plan budget) and autism (13% of plan budget) drive the low levels of provider concentration for this region overall.

Note that the provider concentration metric for granular segments such as a particular age band or primary disability, has been calculated as payments made to the top 5, rather than the top 10, providers.

## Slide 61: Key Insight – Participant responses to the outcomes framework surveys can be used as an indicator of potential hot-spots in terms of service provision.

The NDIS outcomes framework surveys have been developed to measure progress towards a common set of accepted goals for each participant, so that the results can be aggregated to provide a picture of how and where the Scheme is making a difference.

Participants over the age of 15 are asked in their outcomes surveys whether they choose who supports them.

A participant that has reported that they do not choose who supports them may suggest that either:

* The participant has not been able to access the support services that they require; or
* The participant has been able to access the support, but they feel that they did not have a choice in selecting which provider provided the support

In either case, such a response may indicate a need for investment.

The outcomes indicator on choice and control has been calculated as the proportion of participants that reported that they choose who supports them.

The indicator has been determined for each market and measured against a national benchmark that takes account of differences in the response rate arising from whether a participant receives SIL supports.

## Slide 62: Key Insight – The outcomes indicator on choice and control for two regions was more than 10% below the benchmark.

The analysis shows that the proportion of participants that reported that they do not choose who supports them was more than 10% below the benchmark for three regions.

The chart on the slide shows the distribution of the gap between the outcomes indicator on choice and control and the benchmark (note that the benchmarks are discussed in the appendices at the end of the report) for each bilateral region.

The benchmark represents the national average adjusted for the mix of SIL participants.

* 2 regions are more than 10% below the benchmark;
* 9 regions are 5% to 10% lower than the benchmark;
* 15 regions are 0% to 5% lower than the benchmark;
* 26 regions are 0% to 5% higher than the benchmark;
* 8 regions are 5% to 10% higher than the benchmark; and
* 4 regions are more than 10% higher than the benchmark.

The indicator in respect of two regions was more than 10% below the benchmark:

* Katherine (Northern Territory), and
* East Arnhem (Northern Territory).

The indicator for four regions was more than 10% above the benchmark:

* ACT (Australian Capital Territory),
* Barwon (Victoria),
* TAS South West (Tasmania), and
* Barkly (Northern Territory).

## Slide 63: Key Insight - The majority of regions above the benchmark for the outcome indicator on choice and control had less than $25m in total plan budgets.

The chart on the slide shows the outcomes indicator on choice and control and benchmark for bilateral regions with less than $25m in total plan budgets over the exposure period.

The notable regions in this category are the East Arnhem (NT) and Katherine (NT) regions. The indicator for these regions was more than 10% below the benchmark.

## Slide 64: The outcomes indicator on choice and control was below benchmark for East Arnhem (Northern Territory) participants with ‘Core’ or ‘Capacity Building’ supports in their plan.

The table on the slide shows the number of active participants with approved plans, the outcomes indicator on choice and control, the benchmark and utilisation rates, by support category, for the East Arnhem (Northern Territory) region.

The outcomes indicator on choice and control was below the benchmark for participants with ‘Core’ and ‘Capacity Building’ supports in their plan.

Although the indicator was higher than benchmark for participants with ‘Capital’ supports in their plan, this is the smallest of the three support categories in the East Arnhem region.

## Slide 65: The outcomes indicator on choice and control being below benchmark is driven by participants under 35 years of age.

The charts on the slide show the outcomes indicator on choice and control (and the benchmark), and budget distribution by age band for participants in the East Arnhem (Northern Territory) region.

A low proportion of participants aged 34 years and younger reported that they choose who supports them.

Note that the outcomes questionnaire for participants under 14 does not include the question: “do you choose who supports you”?

## Slide 66: The outcomes indicator on choice and control being below benchmark is driven by participants with psychosocial disability and intellectual disability.

The charts on the slide show the outcomes indicator on choice and control (and the benchmark), and budget distribution by primary disability for participants in the East Arnhem (Northern Territory) region.

 The two major primary disability types in the East Arnhem region were psychosocial disability (24%) and intellectual disability (22%). The outcomes indicator on choice and control for participants with an intellectual disability was significantly below the benchmark and appears to be a key driver of the overall result for the region.

## Slide 67: A low proportion of participants within the Katherine region reported that they choose who supports them, across all support categories.

The table on the slide shows the number of active participants with approved plans, the outcomes indicator on choice and control, the benchmark and utilisation rates, by support category, for the Katherine (Northern Territory) region.

The outcomes indicator on choice and control was below the benchmark across all of the major support categories.

## Slide 68: The proportion of participants within the Katherine (Northern Territory) region that reported that they choose who supports them is not driven by participants of a certain age.

The charts on the slide show the outcomes indicator on choice and control (and the benchmark) and budget distribution, by age band for participants in the Katherine (Northern Territory) region.

The indicator is lower than benchmark for all age bands and furthest from the benchmark for 19 to 24 and 25 to 34 year age bands.

## Slide 69: The proportion of participants within the Katherine (Northern Territory) region that reported that they choose who supports them is not driven by participants of a certain disability type.

The charts on the slide show the outcomes indicator on choice and control (and the benchmark) and budget distribution, by primary disability for participants in the Katherine (Northern Territory) region.

The outcomes indicator on choice and control was furthest below the benchmark in the Katherine region for participants with acquired brain injury (16% of participants), autism (14%) and intellectual disability (23%), all of which had an indicator of around 20%.

## Slide 70: The outcomes indicator on choice and control was more than 10% above the benchmark for the South West Tasmania and Australian Capital Territory regions.

The charts on the slide show the outcomes indicator on choice and control and benchmark for regions with between $25m and $100m in total plan budgets and regions with more than $100m in total plan budgets.

None of these regions had an outcomes indicator on choice and control of more than 10% below the benchmark. The two regions from these categories that had an indicator that was more than 10% above the benchmark, were the TAS South West (TAS) and ACT (ACT) regions.

## Slide 71: The outcomes indicator on choice and control for the South West Tasmania region was above the benchmark across all major support categories.

The table on the slide shows the number of active participants with approved plans, the outcomes indicator on choice and control, the benchmark and utilisation rates, by support category, for the South West Tasmania region.

The outcomes indicator on choice and control was above the benchmark across all of the major support categories.

## Slide 72: The outcomes indicator on choice and control for the TAS South West region was above the benchmark across the majority of age bands.

The charts on the slide show the outcomes indicator on choice and control (and the benchmark) and budget distribution, by age band for participants in the South West Tasmania region.

The indicator is above the benchmark for most age groups but lower than benchmark for participants in the 15 to 18 and 65+ year age bands.

## Slide 73: The outcomes indicator on choice and control for the TAS South West region was above the benchmark across the majority of disability types.

The charts on the slide show the outcomes indicator on choice and control (and the benchmark) and budget distribution, by primary disability for participants in the South West Tasmania region.

The indicator was above the benchmark for the vast majority of disability types.

## Slide 74: Participants in the Australian Capital Territory region had an outcomes indicator on choice and control that was higher than benchmark across most major support categories.

The table on the slide shows the number of active participants with approved plans, the outcomes indicator on choice and control, the benchmark, utilisation rates by support category, for the Australian Capital Territory region.

The outcomes indicator on choice and control was above the benchmark across all of the major support categories aside from the ‘Capacity Building – Employment’ category. This support category is the focus of the following slide.

## Slide 75: The outcomes indicator on choice and control for participants in the Australian Capital Territory region with ‘Capacity Building – Employment’ supports was below benchmark for most age bands.

The charts on the slide show the outcomes indicator on choice and control (and the benchmark) and budget distribution, by age band for participants in the Australian Capital Territory region.

The outcomes indicator on choice and control for participants with Capacity Building – Employment supports in their plan was close to benchmark for participants aged 35 to 44 years and 55 to 64, but below benchmark for all other age bands.

## Slide 76: The indicator on choice and control for participants with Capacity Building – Employment supports was below benchmark for participants with Down Syndrome as their primary disability type.

The charts on the slide show the outcomes indicator on choice and control (and the benchmark) and budget distribution, by primary disability for participants in the Australian Capital Territory region.

The outcomes indicator on choice and control for participants with Capacity Building – Employment supports in their plan was significantly below benchmark for those with Down Syndrome, which was the third largest disability group in the region for participants with these supports in their plan.

## Slide 77: Other metrics

## Slide 78: The participants-per-provider indicator may be used to highlight areas with materially higher or lower provider coverage.

For a given market segment, the number of participants-per-provider indicates how many participants, on average, use the same provider to obtain support services.

The participants-per-provider indicator has been calculated as the ratio between the number of active participants and the number of active providers over the exposure period.

A high value for this indicator might suggest that:

1. There is not enough capacity / choice in the market for participants to choose from and are therefore not able to obtain the support services they need; or
2. Participants are able to obtain the supports they need, but there is a reliance on a small number of key providers.

While a relatively high number of participants-per-provider could suggest that the number of providers is not sufficient to service the participants in the market, this indicator may be biased by remoteness and length of time in the Scheme of each region.

The following slides cover a high-level summary of this metric for all regions. This metric on its own does not appear to provide a consistent indicator of potential hot spots, but in some instances does form a part of the story when assessed in conjunction with the three key indicators. In particular, areas with fewer participants seem to have a lower indicator.

## Slide 79: There does not appear to be a strong relationship between phase-in date and participants-per-provider for smaller regions (less than $25m in plan budgets).

The chart on the slide shows the participants-per-provider for each bilateral region with less than $25m in total plan budgets, ordered by length of time in the Scheme. The left-most regions are those that phased in earliest while the right-most regions were phased in most recently.

The most recently phased in regions have very few participants-per-provider, as participants are likely to still be entering the Scheme or have not yet finalised their plans.

There is no clear relationship between phase-in date and the number of participants-per-provider.

Several other regions with few participants-per-provider are relatively remote, e.g. Far North South Australia, Darwin Remote (Northern Territory) and Katherine (Northern Territory), but also had high levels of provider concentration.

There are two regions with a materially higher level of participants-per-provider: South West (Western Australia) and Goldfields-Esperance (Western Australia). Although South West (Western Australia) also had a higher provider concentration (89%), the region experienced high provider growth (75%) which indicates that this is a growing area. As Goldsfields- Esperance (Western Australia) has only been in the Scheme for six months, it is too early to draw conclusions.

## Slide 80: Findings from the participants-per-provider metric do not appear to align strongly with the key indicators of potential hot spots.

The chart on the slide shows the participants-per-provider for each bilateral region with $25m to $100m in total plan budgets, ordered by length of time in the Scheme. The left-most regions are those that phased in earliest while the right-most regions were phased in most recently.

Central Australia (Northern Territory) has a low level of participants-per-provider which might indicate that the area is well serviced. However, this observation is not consistent with findings based on other indicators, as this region had been identified as a potential hot spot given its high provider concentration – hence the low number of participants drives the ratio.

South Metro (Western Australia) and Central South Metro (Wwestern Australia) both have a high level of participants-per-provider. However these regions have been in the Scheme for only six months, so it is too early to draw conclusions.

Of the more mature regions, Inner Gippsland (Victoria) and Western District (Victoria) have a higher level of participants-per-provider. Neither of these regions was identified as a hot spot based on the key indicators. However, Western District (Victoria) did experience 25% provider shrinkage, which was on the higher end compared to other regions, and might be a potential hot spot.

## Slide 81: Findings from the participants-per-provider metric do not appear to align strongly with the key indicators of potential hot spots.

The chart on the slide shows the participants-per-provider for each bilateral region with more than $100m in total plan budgets, ordered by length of time in the Scheme. The left-most regions are those that phased in earliest while the right-most regions were phased in most recently.

Regions with more participants-per-provider such as Hunter New England (New South Wales), Northern Adelaide (South Australia), Southern Adelaide (South Australia), Australian Capital Territory and North East Metro (Western Australia) have been in the Scheme since the first year of its inception.

Based on the key indicators (plan utilisation, provider concentration and outcomes), these regions were not identified as potential hot spots. In this case, the participants per provider metric does not tell the same story as the key indicators and may reflect the maturity of the region and total plan budgets.

Sydney (New South Wales) and Ipswich (Queensland) have the lowest levels of participants-per-provider of these larger regions, which indicates that these regions are well serviced. This observation appears in line with its relatively low levels of provider concentration (38%-41%) and steady provider growth (both 16%).

## Slide 82: The provider growth / shrinkage indicators can be used to identify areas that may be a concern for the Agency in the future.

For a given market segment, provider growth / shrinkage indicates what proportion of providers have grown / shrunk based on payments from the NDIA relative to a previous exposure period.

The provider growth (shrinkage) indicator has been calculated as the ratio between the number of providers that received payments over the exposure period that is 100% (25%)1 greater (less) than the payments received in the previous exposure period. Only providers that have received more than $10k in payments during both periods have been considered.

A market that has a high proportion of growing providers might indicate that providers have recognised a growth area in the market and are acting to address the need for increased support services.

A market that has a high proportion of shrinking providers on the other hand, could indicate a reducing need and hence providers exiting the market. This could be an area of concern for the Agency if these services were to be required in the future and providers are no longer in place to provide support.

It is also worth noting that these metrics may be influenced by mergers and acquisitions of providers. For example, a merger of two large providers could increase both provider growth and provider shrinkage in the same exposure period.

## Slide 83: In six regions with less than $25m in total plan budgets, over 40% of providers had their paymets grow by at least 100% since the previous exposure period.

The chart on the slide shows provider growth for regions with less than $25m in total plan budgets, arranged in order of phase in date.

Of these smaller regions, the regions that showed the most provider growth – South West (Western Australia), North Metro (Western Australia) and Outer Gippsland (Victoria) – have only been in the Scheme for six months or less and are expected to show material growth.

Barkly (Northern Territory), which shows no provider growth, had been flagged as a potential hot spot given its high provider concentration. The provider growth indicator supports the notion that this market may require further investment to meet the needs of participants residing in the region.

## Slide 84: Several regions with over $25m in total plan budgets had more than 40% of providers grow by over 100% in payments, the majority of which phased-in more recently.

The charts on the slide shows provider growth for regions with $25m to $100m in total plan budgets and regions with greater than $100m in total plan budgets, arranged in order of phase-in date.

Generally, the more mature the region (i.e. left-most), the lower the provider growth. For example, Hunter New England (New South Wales) and Barwon (Victoria) were phased in on 1 July 2013. For these regions, low provider growth does not necessarily mean it is a hot spot.

Mackay (Queensland), Townsville (Queensland) and Australian Capital Territory saw less than 10% in provider growth and may require further market investment.

The regions that have recently phased in (i.e. right-most) have shown significant provider growth. In particular, Brisbane (Queensland), Beenleigh (Queensland) and South Metro (Western Australia) had provider growth close to 90%.

## Slide 85: Provider shrinkage for regions with less than $25m in total plan budgets tend to vary regardless of length of time in the Scheme.

The chart on the slide shows provider shrinkage for regions with less than $25m in total plan budgets, arranged in order of phase in date.

Smaller areas are likely to see more volatility in this metric.

The two regions with provider shrinkage of more than 30% are Fleurieu and Kangaroo Island (South Australia) and Kimberly-Pilbara (Western Australia). This means that over 30% of providers in these regions had payments shrink by more than 25%. Fleurieu and Kangaroo Island (South Australia) also had provider growth of over 50%, which might indicate participants are moving between providers within the region. This experience may also have been influenced by mergers and acquisitions of providers.

Kimberly-Pilbara (Western Australia) has only been in the Scheme for six months, but saw no provider growth and had high provider concentration; it would be worth closely monitoring the growth in this region.

## Slide 86: Provider shrinkage for regions with more than $100m in total plan budgets appears to be lowest for regions phased in more recently.

The charts on the slide shows provider shrinkage for regions with $25m to $100m in total plan budgets and regions with greater than $100m in total plan budgets, arranged in order of phase-in date.

Regions that have recently phased in have the lowest levels of provider shrinkage at less than 10%. This means that less than 10% of providers in these regions had payments shrink by more than 25%. This makes sense as these regions would still be growing.

Mid North Coast (New South Wales) had the most provider shrinkage at 26%. Mid North Coast (New South Wales) did also have material provider growth; 21% of its providers saw payments increase by over 100%.

## Slide 87: Appendices

## Slides 88 to 90: Appendix A – Indicator definitions

* **Plan utilisation** – the ratio between the total payments over the exposure period and the total plan budgets over the same period.
* **Provider concentration** – the ratio between the payments to the top 10 providers over the exposure period and the total payments to all providers over the exposure period.
* **Outcomes: Do you choose who supports you** – the proportion of participants who said “Yes” in their latest outcomes framework survey in response to the question: “Do you choose who supports you?”.
* **Outcomes: Has the NDIS helped with choice and control** – the proportion of participants who said “Yes” in their latest outcomes framework survey in response to the question: “Has the NDIS helped you have more choices and more control over your life?”.
* **Participants-per-provider** – the ratio between the number of active participants with an approved plan and the number of registered active providers.
* **Provider growth** – the number of providers that have received payments over the exposure period that are 100% higher than the amount of payments received over the exposure period immediately prior (1 April 2018 to 30 September 2018), divided by the total number of providers.
* **Provider shrinkage** – the number of providers that have received payments over the exposure period that are 25% lower than the amount of payments received over the exposure period immediately prior (1 April 2018 to 30 September 2018), divided by the total number of providers.

Notes for provider growth and shrinkage:

* Only providers that received more than $10k in payments over both exposure periods have been considered in both the numerator and denominator of these calculations.
* The thresholds were selected after reviewing the distribution of payment growth rate by provider over the six months to 31 January 2019, compared to the six months immediately prior.
* This review showed that there was a large volume of providers with very high growth or shrinkage rates, i.e. in the extreme tails of the distribution. This was mainly driven by small dollar changes in payments for small providers, leading to very high growth or shrinkage rates shown for these small providers. As a result, the analysis was then restricted to providers that had received $10k in payments (for both exposure periods).
* After applying the $10k in payments restriction, the distribution was skewed towards growth, with about 70% of all providers showing some growth over the period. This resulted in different thresholds being selected for the provider growth and provider shrinkage indicators.
* All indicators have been calculated over the 6 month period from 1 October 2018 to 31 March 2019.
* Indicators have been calculated at different geographic levels – nationwide; State and Territory; and bilateral region and at different support category levels – all support categories; by support type (core / capacity building / capital); and by support category (daily activities, community, transport etc.).
* As providers can provide services in multiple areas, the sum of providers at the ‘State and Territories’ level across all the States and Territories is greater than the actual number of providers when considered at the National level. A similar effect occurs when comparing the sum of providers across the regions in a State / Territory and looking at the State / Territory level.
* Monetary amounts are measured in Australian dollars ($ millions).

## Slide 91: Appendix B – Benchmarks

In order to fairly measure and compare the performance of each market, an appropriate benchmark for each indicator has been developed. For some indicators, this has allowed us to control for factors known to affect the indicator being assessed, thus preventing markets that are weighted towards these factors from being the only markets identified as possible hot spots.

For example, the benchmark for plan utilisation allows for the number of plans that each participant (within the market being assessed) has received since joining the Scheme.

Prior analysis conducted by the Office of Scheme Actuary suggests that the average plan utilisation of each participant tends to increase as they spend more time in the Scheme and learn how to make the most of the supports that are available to them.

Therefore, it is reasonable to set a higher benchmark for markets with a higher proportion of participants who have been in the Scheme for a longer period of time, compared to a market that consists only of participants who are new to the Scheme.

The benchmarks for each of the key indicators are discussed in slides 67 to 69.

## Slide 92: Appendix B – Benchmarks: Plan utilisation

The chart on the slide shows the distribution of plan utilisation (calculated over the period from the 1st October 2018 to 31st March 2019) within each combination of:

* Participants with Supported Independent Living (SIL) supports in their plan;
* Participants who have received 1,2,3,4 or 5 or more plans since entering the scheme.

A benchmark has been set of each participant based on the mean of the distribution of the category that each participant belongs to. It is worth noting the following:

* Non-SIL participants who have been in the Scheme for a longer period of time generally have higher utilisation rates.
* SIL participants generally have a higher plan utilisation compared to other participants.

## Slide 93: Appendix B – Benchmarks: Provider concentration

For provider concentration at the bilateral region level, a fixed benchmark of 85% has been set.

For markets more granular than a bilateral region, e.g. a bilateral region and support category combination, the unweighted regional average has been adopted across the Scheme for the support category being assessed.

A similar approach has been adopted within each segment by participant characteristic (age group, disability type, level of function, remoteness rating, Indigenous status and CALD status). However, given the more granular nature of a segment for a particular participant characteristic, both the provider concentration metric and the benchmark has been defined using payments to the top 5 providers, instead of the top 10, which is what was adopted at the bilateral region and support category level.

It is worth noting that benchmarks do not explicitly allow for differences in participant characteristics as it is unlikely that the mix of participants in an area would impact provider concentration.

The approach outlined on the slide has also been used for the other provider metrics: participants-per-provider, provider growth and provider shrinkage.

## Slide 94: Appendix B – Benchmarks: Outcomes indicator on choice and control

The table on the slide shows the number of participants who reported that they choose who supports them in their most recent outcomes framework survey, the number of participants who have a valid response to the question in their most recent outcomes framework survey, and the outcomes indicator on choice and control, which is the ratio between the two. The figures have been shown for non-SIL and SIL participants separately.

The benchmark for the outcomes indicator on choice and control has been set for each participant based on whether the participant has SIL supports in their plan.

A review of the average outcomes indicator on choice and control showed that participants with SIL supports in their plan generally have a lower indicator compared to participants without SIL supports. (13% for participants with SIL, 54% for those without).

The proportion of participants with SIL supports in their plan has therefore been used as the only factor for determining an appropriate benchmark for a particular market.

## Slide 95: NDIS

## [www.ndis.gov.au](http://www.ndis.gov.au)