The NDIS market
Victoria

31 December 2019

National Disability Insurance Agency

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 achieve their goals. Participants receive individual budgets from which they choose the providers to support them.

On 30 September 2019, the NDIA released a report on the NDIS market (using 30 June 2019 data – "the June report"). The aim of this report was 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. Accompanying that report were specific State / Territory presentations which provided further insight into the market within those jurisdictions.

This presentation provides an update to this previous Victoria presentation using data at 31 December 2019. The presentation covers the key market metrics that the NDIA monitors across the 17 bilateral regions within Victoria.

Summary of market monitoring key indicators

A deep dive into the NDIS market has been undertaken to better understand market "hot spots". The three key indicators included in this report are plan utilisation, provider concentration, and choice and control (see table on the right).

Indicators are presented both including and excluding participants in supported independent living (SIL).

In the detailed dashboards, the key indicators are presented by:

- Geographical region
- Support category
- Participant characteristics, including age, primary disability type, level of function, remoteness, Indigenous status and culturally and linguistically diverse (CALD) status.

An appropriate benchmark is also presented for each indicator and market segment. The benchmark represents the national average, and for some indicators, is adjusted for the mix of participants within the market being analysed (for example, the proportion of SIL participants and the amount of time a participant has been n the Scheme).

Key indicators[1]

Indicator	Definition
Plan utilisation	Payments as a proportion of total plan budgets (or supports committed) for the period
Provider concentration	Proportion of total provider payments that were paid to the ten providers that received the most payments
Choice and control	Proportion of participants who report that they choose who supports them and that the NDIA helps with choice and control

[1] Indicators have been calculated over the period from 1 April 2019 to 30 September 2019, using data available as at 31 December 2019. Please note that in-kind data has been included in the plan utilisation metrics, but excluded from the provider concentration metric.

Summary of market indicators
by region – VIC

Bilateral region	Phase in date	Active participants with approved plans	Total plan budgets ($m)	Average plan budget ($)	Total payments ($m)	Average payments ($)	Utilisation
Victoria							
Barwon	1 Jul 13	7,855	218.43	27,808	150.07	19,105	69%
Bayside Peninsula	1 Apr 18	9,523	338.59	35,555	217.01	22,788	64%
Brimbank Melton	1 Oct 18	4,387	108.29	24,683	66.80	15,226	62%
Central Highlands	1 Jan 17	3,760	99.29	26,408	69.50	18,483	70%
Goulburn	1 Jan 19	2,133	46.45	21,778	23.92	11,215	51%
Hume Moreland	1 Mar 18	5,468	126.50	23,135	85.41	15,621	68%
Inner East Melbourne	1 Nov 17	6,793	266.86	39,284	186.92	27,516	70%
Inner Gippsland	1 Oct 17	3,375	96.94	28,723	57.37	16,999	59%
Loddon	1 May 17	4,442	115.15	25,923	81.06	18,250	70%
Mallee	1 Jan 19	1,128	30.32	26,884	17.92	15,891	59%
North East Melbourne	1 Jul 16	9,169	265.06	28,908	197.16	21,503	74%
Outer East Melbourne	1 Nov 17	6,513	220.90	33,916	145.01	22,264	66%
Outer Gippsland	1 Jan 19	1,340	36.54	27,270	17.14	12,788	47%
Ovens Murray	1 Oct 17	2,361	59.70	25,288	40.35	17,089	68%
Southern Melbourne	1 Sep 18	6,753	176.73	26,171	108.93	16,130	62%
Western District	1 Oct 17	2,822	88.95	31,522	61.84	21,915	70%
Western Melbourne	1 Oct 18	6,022	150.56	25,002	84.15	13,974	56%
Victoria average		**4,932**	**143.84**	**28,133**	**94.74**	**18,044**	**64%**
Victoria total		**83,847**	**2,445.36**	**29,165**	**1,610.58**	**19,209**	**66%**
National average		**3,896**	**122.89**	**32,031**	**84.56**	**20,564**	**64%**
National total		**311,777**	**9,835.00**	**31,545**	**6,767.14**	**21,705**	**69%**

At 31 December 2019, there were 83,847 active participants with approved plans registered in Victoria and 3,484 active providers[1]. At 31 December 2019, total plan budgets in Victoria over the 6 months from October 2018 to March 2019 amounted to $2,445m. Total payments over the same period amounted to $1,611. This gives a utilisation rate of 66%. In the 30 June 2019 presentation, the equivalent rate for Victoria was 63%, indicating an overall increase in utilisation.

[1] Note that this is a substantial increase over the numbers of participants and providers reported in the 30 June presentation for Victoria. This is because our analysis only covers regions that have been in scheme for at least a year as at the time of the presentation. At June 2019, the analysis covered 11 Victorian regions, now the analysis covers 17 Victorian regions.

Note: Experience in other Schemes with individual budgets (internationally and in Australia) 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; and supports being unavailable in the market.

Summary of market indicators
by region – VIC cont.

Bilateral region	Phase in date	Active participants with approved plans	Registered active providers	Participants per provider	Provider concentration	Outcomes indicator on choice and control	Has NDIS helped with choice and control?
Victoria							
Barwon	1 Jul 13	7,855	1,006	7.8	55%	61%	66%
Bayside Peninsula	1 Apr 18	9,523	818	11.6	50%	50%	67%
Brimbank Melton	1 Oct 18	4,387	616	7.1	45%	47%	58%
Central Highlands	1 Jan 17	3,760	516	7.3	59%	51%	65%
Goulburn	1 Jan 19	2,133	250	8.5	62%	53%	54%
Hume Moreland	1 Mar 18	5,468	840	6.5	34%	52%	62%
Inner East Melbourne	1 Nov 17	6,793	873	7.8	52%	41%	64%
Inner Gippsland	1 Oct 17	3,375	310	10.9	65%	60%	65%
Loddon	1 May 17	4,442	521	8.5	57%	54%	66%
Mallee	1 Jan 19	1,128	111	10.2	78%	53%	47%
North East Melbourne	1 Jul 16	9,169	1,078	8.5	36%	51%	67%
Outer East Melbourne	1 Nov 17	6,513	681	9.6	60%	47%	57%
Outer Gippsland	1 Jan 19	1,340	116	11.6	78%	60%	54%
Ovens Murray	1 Oct 17	2,361	287	8.2	61%	50%	60%
Southern Melbourne	1 Sep 18	6,753	659	10.2	52%	47%	60%
Western District	1 Oct 17	2,822	266	10.6	75%	50%	68%
Western Melbourne	1 Oct 18	6,022	759	7.9	44%	51%	69%
Victoria average		**4,932**	**571**	**8.6**	**57%**	**52%**	**62%**
Victoria total		**83,847**	**3,484**	**24.1**	**33%**	**50%**	**64%**
National average		**3,896**	**443**	**8.3**	**61%**	**51%**	**66%**
National total		**311,777**	**10,817**	**28.8**	**16%**	**50%**	**68%**

State-wide, 50% of respondent participants said that they chose who supported them and 64% said that the NDIA helped with choice and control. The comparative figures from the 30 June 2019 presentation were 47% and 63% respectively, indicating an improvement in responses.

Key indicators – VIC

Key indicators can be used to understand how further investment might improve regional markets. Here we look at the different indicators and provide some commentary by geographical region.

Utilisation:

North East Melbourne showed the highest level of utilisation at 74% and Outer Gippsland showed the lowest level at 47%. There could be a number of reasons for the lower utilisation in Outer Gippsland, including insufficient provider capacity to provide supports to participants (which is supported by higher than average 'participants per provider' levels).

In the 30 June 2019 presentation, the highest level of utilisation was seen in North East Melbourne (74%) and the lowest in Inner Gippsland (53%). Note that Outer Gippsland was not included in the 30 June 2019 presentation as it had not be in Scheme for long enough. Overall, however, utilisation rates have improved since end June 2019.

Provider concentration:

The highest level of provider concentration was 78% in Outer Gippsland and the lowest was 34% in Hume Moreland. Generally, the lower the concentration, the more competitive the market is likely to be – as payments are going to a range of different providers. As Outer Gippsland is relatively new to the Scheme (with a phase in date of 1 Jan 2019), this may reflect a relative immaturity of the NDIS market in that region.

In the 30 June 2019 presentation, the highest level of provider concentration was 69% in Western District and the lowest was 36% in North East Melbourne.

Key indicators – VIC cont.

Key indicators can be used to understand how further investment might improve regional markets. Here we look at the different indicators and provide some commentary by geographical region.

Outcomes indicator on choice and control:

In Barwon, 61% of participants responded that they chose who supports them, however in Inner East Melbourne, only 41% of participants responded that they had that choice. This compares to a national average of 50%. Participants in regions with a lower level on the outcomes indicator may thus benefit from increased choice (or information on their ability to choose).

In the 30 June 2019 presentation, Barwon was the region with the highest proportion of participants responding that they chose who supports them (65% - which has now fallen to 61%) and Inner East Melbourne was the region with the lowest proportion (39% which has now risen to 41%). The national average was 49%.

The relatively high result in Barwon may be a result of the scheme having been in place since July 2013, providing time to fully embed.

Has NDIS helped with choice and control?:

69% of participants in Western Melbourne responded that the NDIS had helped with choice and control over support provision, compared with 47% in Mallee (the lowest in the State). The national average is 68%, indicating that participants in Mallee may benefit from greater assistance from the NDIS in choosing their supports and services.

At the end of June 2019, 68% of participants in Bayside responded that the NDIS had helped with choice and control over support provision, compared with 54% in Outer East Melbourne. Note that Mallee was not included in the June analysis and its relatively low score may reflect a recent phase in date (1 Jan 2019). The national average has not changed since June.

Summary of market indicators
by support category – VIC

Support category	Active participants with approved plans	Registered active providers	Provider concentration	Total plan budgets ($m)	Average plan budget ($)	Total payments ($m)	Average payments ($)	Utilisation	Outcomes indicator on choice and control	Has NDIS helped with choice and control?
Core										
Consumables	65,965	521	51%	58.54	887	23.54	357	40%	49%	65%
Daily Activities	58,889	1,258	41%	1,096.49	18,620	835.46	14,187	76%	48%	65%
Community	61,240	790	33%	585.96	9,568	326.71	5,335	56%	48%	65%
Transport	38,428	282	58%	72.47	1,886	69.89	1,819	96%	44%	66%
Core total	**73,680**	**1,686**	**37%**	**1,813.46**	**24,613**	**1,255.60**	**17,041**	**69%**	**50%**	**64%**
Capacity Building										
Choice and Control	33,937	293	61%	21.37	630	19.51	575	91%	49%	63%
Daily Activities	80,200	2,052	37%	322.68	4,023	167.61	2,090	52%	49%	64%
Employment	6,273	169	40%	37.71	6,012	26.57	4,236	70%	47%	67%
Health and Wellbeing	3,945	216	52%	5.12	1,299	2.04	516	40%	59%	70%
Home Living	994	54	70%	0.95	955	0.16	164	17%	60%	59%
Lifelong Learning	39	4	100%	0.12	3,204	0.03	677	21%	38%	50%
Relationships	7,359	229	43%	32.49	4,415	12.10	1,645	37%	19%	61%
Social and Civic	12,329	389	37%	28.40	2,304	7.68	623	27%	53%	62%
Support Coordination	38,207	523	29%	86.47	2,263	55.47	1,452	64%	44%	63%
Capacity Building total	**82,593**	**2,417**	**28%**	**535.32**	**6,481**	**291.16**	**3,525**	**54%**	**50%**	**64%**
Capital										
Assistive Technology	16,364	389	68%	65.54	4,005	42.40	2,591	65%	55%	67%
Home Modifications	7,734	147	52%	30.67	3,966	19.49	2,520	64%	32%	69%
Capital total	**19,867**	**476**	**59%**	**96.22**	**4,843**	**61.88**	**3,115**	**64%**	**48%**	**68%**
Missing	93	0	0%	0.36	3,871	1.94	20,840	538%	71%	27%
All support categories	**83,847**	**3,484**	**33%**	**2,445.36**	**29,165**	**1,610.58**	**19,209**	**66%**	**50%**	**64%**

This slide shows the breakdown of the market indicators by support category in Victoria.

- Daily Activities (Core and Capacity Building) and Community supports are the supports with the highest level of committed supports and payments. Provider concentration is low for these supports indicating a competitive market amongst providers exists.
- The position at the end of June 2019 was similar to the end of December 2019 position.

Summary of market indicators
by support category – VIC: **SIL / SDA only**

Support category	Active participants with approved plans	Registered active providers	Provider concentration	Total plan budgets ($m)	Average plan budget ($)	Total payments ($m)	Average payments ($)	Utilisation	Outcomes indicator on choice and control	Has NDIS helped with choice and control?
Core										
Consumables	4,681	186	61%	7.28	1,555	2.50	534	34%	12%	68%
Daily Activities	5,045	305	51%	485.40	96,214	455.88	90,362	94%	13%	69%
Community	5,021	354	33%	132.79	26,446	88.19	17,564	66%	13%	69%
Transport	4,931	137	59%	7.29	1,479	5.16	1,046	71%	12%	69%
Core total	**5,048**	**560**	**42%**	**632.76**	**125,348**	**551.73**	**109,296**	**87%**	**13%**	**69%**
Capacity Building										
Choice and Control	2,027	88	72%	1.35	668	1.24	612	92%	15%	68%
Daily Activities	4,831	505	41%	15.60	3,228	7.14	1,478	46%	13%	68%
Employment	422	66	56%	2.80	6,631	2.36	5,585	84%	23%	79%
Health and Wellbeing	312	46	62%	0.32	1,013	0.10	316	31%	17%	66%
Home Living	30	4	100%	0.06	1,989	0.01	390	20%	36%	100%
Lifelong Learning	1	0	0%	0.00	362	0.00	0	0%	0%	100%
Relationships	1,560	105	58%	7.91	5,070	2.88	1,848	36%	8%	65%
Social and Civic	295	50	62%	0.68	2,298	0.20	666	29%	29%	79%
Support Coordination	5,008	237	42%	13.54	2,705	8.94	1,785	66%	13%	69%
Capacity Building total	**5,038**	**697**	**28%**	**42.26**	**8,388**	**22.87**	**4,539**	**54%**	**13%**	**69%**
Capital										
Assistive Technology	1,749	120	81%	7.32	4,187	3.75	2,146	51%	11%	66%
Home Modifications	4,401	53	65%	21.89	4,973	15.43	3,506	71%	12%	68%
Capital total	**4,549**	**165**	**62%**	**29.21**	**6,421**	**19.18**	**4,217**	**66%**	**12%**	**68%**
Missing	0	0	0%	0.03	0	0.04	0	144%	0%	0%
All support categories	**5,050**	**1,057**	**39%**	**704.26**	**139,456**	**593.82**	**117,588**	**84%**	**13%**	**69%**

This slide shows the breakdown of the market indicators by support category in Victoria, for participants with Supported Independent Living (SIL) and / or Specialist Disability Accommodation (SDA) supports.

- Daily Activities (Core) and Community supports are the supports with the highest level of committed supports and payments. Provider concentration is low for these supports indicating a competitive market amongst providers exists.
- Utilisation for these supports is materially higher than for the participant population in general.

Summary of market indicators
by support category – VIC: **non-SIL / SDA only**

Support category	Active participants with approved plans	Registered active providers	Provider concentration	Total plan budgets ($m)	Average plan budget ($)	Total payments ($m)	Average payments ($)	Utilisation	Outcomes indicator on choice and control	Has NDIS helped with choice and control?
Core										
Consumables	61,284	502	51%	51.26	836	21.04	343	41%	54%	64%
Daily Activities	53,844	1,224	51%	611.10	11,349	379.58	7,050	62%	53%	64%
Community	56,219	767	36%	453.18	8,061	238.52	4,243	53%	52%	64%
Transport	33,497	258	61%	65.17	1,946	64.73	1,932	99%	49%	66%
Core total	**68,632**	**1,641**	**44%**	**1,180.71**	**17,203**	**703.87**	**10,256**	**60%**	**54%**	**64%**
Capacity Building										
Choice and Control	31,910	292	61%	20.02	627	18.27	573	91%	52%	62%
Daily Activities	75,369	2,005	38%	307.08	4,074	160.47	2,129	52%	54%	64%
Employment	5,851	166	40%	34.91	5,967	24.22	4,139	69%	48%	66%
Health and Wellbeing	3,633	202	53%	4.81	1,323	1.94	533	40%	63%	70%
Home Living	964	53	71%	0.89	923	0.15	156	17%	61%	58%
Lifelong Learning	38	4	100%	0.12	3,279	0.03	695	21%	40%	40%
Relationships	5,799	213	43%	24.58	4,239	9.22	1,590	38%	24%	59%
Social and Civic	12,034	382	38%	27.73	2,304	7.48	622	27%	54%	62%
Support Coordination	33,199	514	29%	72.93	2,197	46.53	1,401	64%	50%	62%
Capacity Building total	**77,555**	**2,362**	**29%**	**493.07**	**6,358**	**268.29**	**3,459**	**54%**	**54%**	**64%**
Capital										
Assistive Technology	14,615	375	67%	58.22	3,984	38.64	2,644	66%	62%	67%
Home Modifications	3,333	102	67%	8.79	2,636	4.06	1,217	46%	63%	70%
Capital total	**15,318**	**421**	**63%**	**67.01**	**4,374**	**42.70**	**2,788**	**64%**	**62%**	**67%**
Missing	93	0	0%	0.33	3,544	1.89	20,369	575%	71%	27%
All support categories	**78,797**	**3,383**	**37%**	**1,741.11**	**22,096**	**1,016.76**	**12,904**	**58%**	**54%**	**63%**

This slide shows the breakdown of the market indicators by support category in Victoria, for participants without Supported Independent Living (SIL) and / or Specialist Disability Accommodation (SDA) supports.

- The position is similar to that shown on Slide 8 – the majority (94%) of participants in Victoria do not have SIL or SDA supports, so the patterns of support category spending is similar to that of the Victorian participant population overall.

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