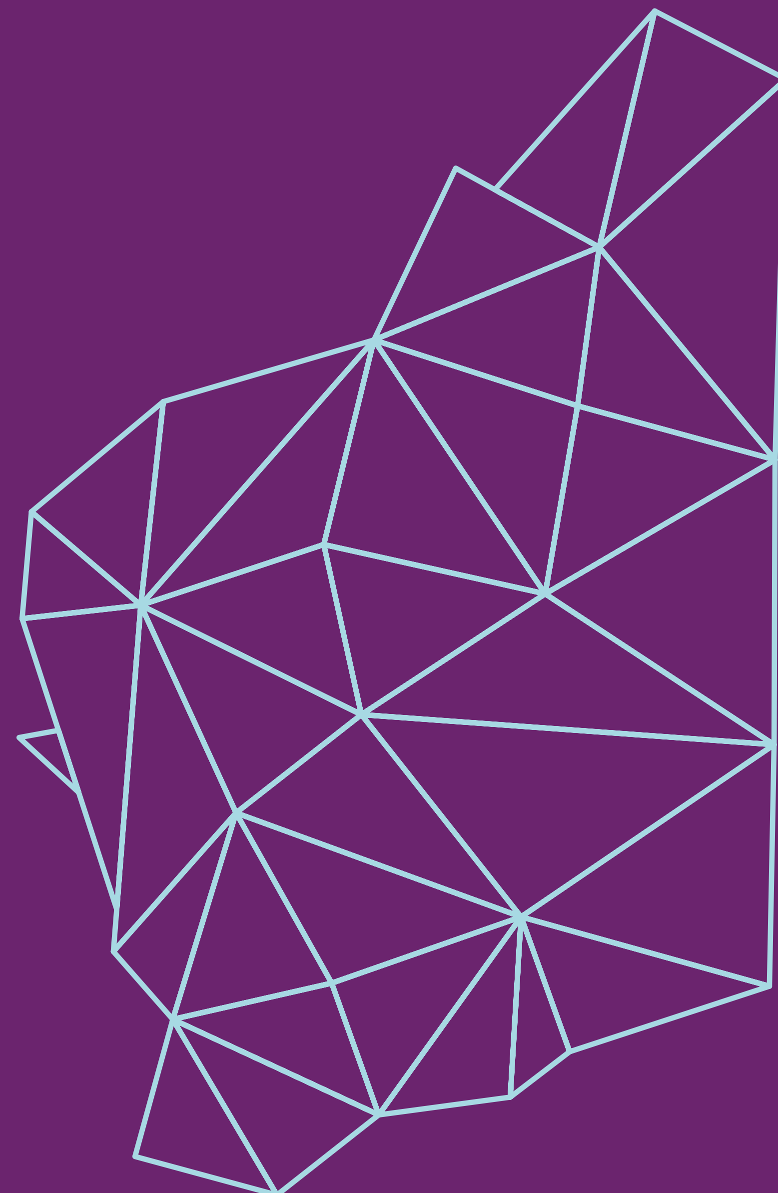
The NDIS market
Western Australia

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 Western Australia presentation using data at 31 December 2019. The presentation covers the key market metrics that the NDIA monitors across eight[1] bilateral regions within Western Australia.

[1] There are twelve bilateral regions in Western Australia, but four have been excluded from this analysis as they only recently phased-in. These regions are: Central North Metro, Great Southern, Midwest-Gascoyne and South East Metro.

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 – WA

Bilateral region	Phase in date	Active participants with approved plans	Total plan budgets ($m)	Average plan budget ($)	Total payments ($m)	Average payments ($)	Utilisation
Western Australia							
Central South Metro	1 Jul 18	3,131	77.12	24,631	51.51	16,453	67%
Goldfields-Esperance	1 Oct 18	317	6.87	21,659	2.86	9,013	42%
Kimberley-Pilbara	1 Oct 18	757	20.58	27,191	9.19	12,138	45%
North East Metro	1 Jul 14	4,825	151.89	31,479	109.34	22,662	72%
North Metro	1 Oct 18	2,334	49.45	21,186	31.00	13,282	63%
South Metro	1 Jul 18	4,071	102.02	25,060	71.22	17,494	70%
South West	1 Sep 18	2,052	42.44	20,683	28.39	13,838	67%
Wheat Belt	1 Jan 17	576	10.34	17,951	5.54	9,625	54%
Western Australia average		**1,677**	**40.52**	**19,017**	**27.00**	**11,263**	**56%**
Western Australia total		**20,127**	**486.21**	**24,157**	**324.02**	**16,099**	**67%**
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, total plan budgets in Western Australia over the 6 months from 1 April 2019 to 30 September 2019 amounted to $486m. Total payments over the same period amounted to $324m, giving a utilisation rate of 67%. In the 30 June 2019 presentation, the equivalent rate for Western Australia was 68%, indicating an overall increase in utilisation.

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 – WA 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?
Western Australia							
Central South Metro	1 Jul 18	3,131	295	10.6	52%	57%	81%
Goldfields-Esperance	1 Oct 18	317	41	7.7	95%	46%	20%
Kimberley-Pilbara	1 Oct 18	757	71	10.7	94%	49%	65%
North East Metro	1 Jul 14	4,825	409	11.8	51%	48%	74%
North Metro	1 Oct 18	2,334	266	8.8	46%	45%	59%
South Metro	1 Jul 18	4,071	331	12.3	49%	58%	80%
South West	1 Sep 18	2,052	132	15.5	85%	62%	68%
Wheat Belt	1 Jan 17	576	131	4.4	74%	51%	67%
Western Australia average		**1,677**	**175**	**8.8**	**69%**	**52%**	**67%**
Western Australia total		**20,127**	**635**	**31.7**	**39%**	**54%**	**74%**
National average		**3,896**	**443**	**8.3**	**61%**	**51%**	**66%**
National total		**311,777**	**10,817**	**28.8**	**16%**	**50%**	**68%**

State-wide, 54% of respondent participants said that they chose who supported them and 74% said that the NDIA helped with choice and control. The comparative figures from the 30 June 2019 presentation were 55% and 75% respectively, indicating a minor deterioration in responses.

Key indicators – WA

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:

The highest level of utilisation was seen in North East Metro (72%) and the lowest in Goldfields-Esperance (42%). There could be a number of reasons for the lower utilisation in Goldfields-Esperance, e.g. perhaps there are insufficient providers to obtain supports in participants' plans; however, it is worth noting there are a relatively small number of participants in Goldfields-Esperance (317).

North East Metro also had the highest level of utilisation in the 30 June 2019 report, at 73% - indicating a slight decrease. Goldfields-Esperance and North Metro were not included in the 30 June 2019 presentation, as they had only recently phased in at the time.

Provider concentration:

The highest level of provider concentration was 95% in Goldfields-Esperance and the lowest was 46% in North Metro . Generally, the lower the concentration, the more competitive the market is likely to be – as payments are going to a range of different providers. While North Metro hasn't been in the Scheme as long as other regions, there is a low number of participants per provider and a low provider concentration can be expected.

In the 30 June 2019 presentation, North East Metro had the lowest provider concentration, at 54%, decreasing slightly to 53% in this presentation, and Wheat Belt had the highest, at 77%. Provider concentration decreased since the 30 June 2019 presentation for all regions in WA considered in the 30 June 2019 presentation (South Metro, North East Metro, Wheat Belt and Central South Metro).

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 South Metro, 62% of participants responded that they chose who supports them, however in North Metro, 45% of participants responded that they had that choice. This is lower than the national average of 50%, and is an interesting result given the region's low provider concentration and relatively high utilisation. Participants in regions with a lower level on the outcomes indicator may benefit from increased choice (or information on their ability to choose).

The proportion of participants responding that they chose who supported them in South Metro was 58% in the 30 June 2019 presentation, indicating a slight improvement. Overall, there has been a minor decrease in the percentage of participants in WA who responded that they chose who supports them, from 55% at the end of June 2019 to 54% at the end December 2019.

Has NDIS helped with choice and control?:

81% of participants in Central South Metro responded that the NDIS had helped with choice and control over support provision, however in Goldfields-Esperance this was 20% (the lowest in the State). Half of the regions in Western Australia are above the national average (68%), indicating that while some participants in Western Australia are benefitting from assistance from the NDIS in choosing and controlling supports provision, others may need further help with choice and control.

At the end of June 2019, 80% of participants in Central South Metro responded that the NDIS had helped with choice and control over support provision, and Goldfields-Esperance had only recently phased-in, so was not considering in the 30 June 2019 presentation. Overall, since the end of June 2019, there has been a slight decrease, from 75% to 74%, in the percentage of participants in WA who responded that the NDIS had helped with choice and control. The national average has not changed since the end of June.

Summary of market indicators
by support category – WA

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	10,411	174	77%	10.23	983	3.92	377	38%	57%	77%
Daily Activities	11,211	218	47%	226.33	20,188	178.12	15,888	79%	52%	77%
Community	11,901	166	39%	92.40	7,764	57.41	4,824	62%	50%	76%
Transport	7,469	81	54%	10.68	1,430	9.81	1,314	92%	46%	76%
Core total	**16,008**	**354**	**43%**	**339.65**	**21,217**	**249.26**	**15,571**	**73%**	**54%**	**75%**
Capacity Building										
Choice and Control	2,240	62	83%	1.25	556	0.94	419	75%	49%	64%
Daily Activities	18,409	319	63%	78.67	4,273	46.86	2,546	60%	52%	74%
Employment	2,102	43	93%	11.09	5,276	6.95	3,308	63%	36%	73%
Health and Wellbeing	235	22	90%	0.23	972	0.10	443	46%	66%	67%
Home Living	61	13	98%	0.08	1,231	0.03	506	41%	44%	50%
Lifelong Learning	23	4	100%	0.06	2,660	0.02	769	29%	13%	100%
Relationships	1,634	74	69%	4.56	2,789	1.91	1,169	42%	17%	62%
Social and Civic	2,373	112	48%	9.47	3,989	4.80	2,021	51%	45%	63%
Support Coordination	8,444	119	54%	10.44	1,237	4.67	553	45%	48%	73%
Capacity Building total	**19,460**	**387**	**50%**	**115.83**	**5,952**	**66.28**	**3,406**	**57%**	**53%**	**74%**
Capital										
Assistive Technology	6,864	168	59%	25.16	3,665	7.14	1,040	28%	61%	77%
Home Modifications	1,036	16	96%	4.56	4,404	0.25	245	6%	43%	81%
Capital total	**7,074**	**174**	**57%**	**29.72**	**4,202**	**7.39**	**1,045**	**25%**	**59%**	**77%**
Missing	36	0	0%	1.01	28,123	1.08	30,136	107%	68%	50%
All support categories	**20,127**	**635**	**39%**	**486.21**	**24,157**	**324.02**	**16,099**	**67%**	**54%**	**74%**

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

- 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 – WA: **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	836	50	94%	1.10	1,315	0.45	535	41%	14%	82%
Daily Activities	1,137	74	63%	102.08	89,780	92.80	81,619	91%	14%	82%
Community	1,083	97	59%	17.89	16,519	13.20	12,189	74%	14%	82%
Transport	1,079	53	68%	1.53	1,418	0.95	881	62%	13%	82%
Core total	**1,150**	**147**	**60%**	**122.60**	**106,608**	**107.40**	**93,390**	**88%**	**15%**	**82%**
Capacity Building										
Choice and Control	56	15	96%	0.05	856	0.03	569	66%	23%	88%
Daily Activities	1,049	81	75%	4.41	4,200	2.88	2,745	65%	14%	81%
Employment	228	13	100%	1.58	6,933	1.21	5,299	76%	15%	87%
Health and Wellbeing	12	1	100%	0.01	791	0.00	231	29%	63%	0%
Home Living	2	1	100%	0.00	469	0.00	275	58%	0%	0%
Lifelong Learning	0	0	0%	0.00	0	0.00	0	0%	0%	0%
Relationships	291	25	84%	0.80	2,746	0.33	1,148	42%	8%	76%
Social and Civic	44	20	87%	0.31	6,989	0.18	4,144	59%	25%	25%
Support Coordination	797	60	73%	1.60	2,009	0.61	764	38%	16%	83%
Capacity Building total	**1,120**	**125**	**64%**	**8.75**	**7,815**	**5.25**	**4,686**	**60%**	**15%**	**82%**
Capital										
Assistive Technology	659	61	75%	2.01	3,050	0.59	901	30%	16%	84%
Home Modifications	501	3	100%	2.89	5,776	0.01	13	0%	10%	85%
Capital total	**838**	**63**	**75%**	**4.90**	**5,852**	**0.60**	**717**	**12%**	**14%**	**84%**
Missing	0	0	0%	0.14	0	0.14	0	100%	0%	0%
All support categories	**1,157**	**233**	**60%**	**136.40**	**117,890**	**113.39**	**98,004**	**83%**	**15%**	**82%**

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

- Daily Activities (Core) supports have the highest level of committed supports and payments. Provider concentration is lowest for these supports, compared to supports in other categories.
- Utilisation for these supports is materially higher than for the participant population in general.

Summary of market indicators
by support category – WA: **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	9,575	169	75%	9.13	954	3.47	363	38%	62%	76%
Daily Activities	10,074	212	56%	124.25	12,334	85.32	8,469	69%	57%	76%
Community	10,818	162	38%	74.51	6,888	44.21	4,086	59%	54%	75%
Transport	6,390	74	57%	9.15	1,432	8.86	1,387	97%	51%	75%
Core total	**14,858**	**344**	**45%**	**217.05**	**14,608**	**141.86**	**9,548**	**65%**	**58%**	**74%**
Capacity Building										
Choice and Control	2,184	61	82%	1.20	548	0.91	415	76%	50%	63%
Daily Activities	17,360	318	64%	74.26	4,278	43.98	2,533	59%	56%	73%
Employment	1,874	41	92%	9.51	5,074	5.75	3,066	60%	38%	70%
Health and Wellbeing	223	22	89%	0.22	982	0.10	454	46%	66%	68%
Home Living	59	12	99%	0.07	1,257	0.03	514	41%	46%	50%
Lifelong Learning	23	4	100%	0.06	2,660	0.02	769	29%	13%	100%
Relationships	1,343	69	72%	3.76	2,798	1.58	1,174	42%	21%	55%
Social and Civic	2,329	110	49%	9.16	3,933	4.61	1,981	50%	46%	64%
Support Coordination	7,647	116	53%	8.84	1,156	4.06	531	46%	52%	71%
Capacity Building total	**18,340**	**384**	**50%**	**107.08**	**5,839**	**61.04**	**3,328**	**57%**	**56%**	**73%**
Capital										
Assistive Technology	6,205	161	59%	23.15	3,731	6.54	1,054	28%	67%	76%
Home Modifications	535	15	97%	1.67	3,120	0.25	463	15%	73%	77%
Capital total	**6,236**	**166**	**56%**	**24.82**	**3,980**	**6.79**	**1,089**	**27%**	**67%**	**75%**
Missing	36	0	0%	0.87	24,171	0.94	26,184	108%	68%	50%
All support categories	**18,970**	**623**	**40%**	**349.82**	**18,440**	**210.63**	**11,103**	**60%**	**58%**	**73%**

This slide shows the breakdown of the market indicators by support category in Western Australia, 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 WA do not have SIL or SDA supports, so the patterns of support category spending is similar to that of the Western Australia participant population overall.

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