

Information sharing as market stewardship in the NDIS

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EXECUTIVE SUMMARY

- Market stewardship of the NDIS has been raised as a major concern by multiple levels of government, as well as in key reviews conducted of the scheme by bodies such as the Productivity Commission.
- The NDIS is a complex reform and market stewardship needs to be the responsibility of a much greater range of actors than government alone.
- Despite calls for market stewardship, practical actions remain elusive, with little clarity over what actions will be taken at what levels to secure robust NDIS markets.
- At present, and in much of the international literature, stewardship is described as the role of central government agencies. However, the complexity of NDIS markets suggests that they are too varied, too high in number, and too geographically dispersed to be monitored and stewarded by central government alone. This is supported by both the evidence on network governance (1), and key economic thinkers (2).
- Research on the NDIS indicates that local action is required, with the support of central government, in order to steward NDIS markets. In fact, market stewardship is already occurring at the local level in many places across the NDIS (3). This report examines independent information sharing as a market stewardship role, using IDEAS as a case study.
- We found that independent information sharing, done with locally based knowledge and properly resourced, is playing the following market stewardship functions within the NDIS:
 - Providing a basis for participants to make informed decisions about what services meet their needs, thereby supporting choice and control
 - Stimulating market innovation
 - Supporting mainstream services to reorientate to then become providers within the NDIS
 - Supporting existing disability providers to stay in the market
 - Ensuring quality and safeguarding principles

Recommendations

- Information provision should be approached as a key market stewardship function for the NDIS
- Information provision should be supported as a systemic intervention into the NDIS scheme, which supports both choice and control and market capacity
- As well as government provision of information, there should be independent and personalised information services, beyond an online list of available services
- A levy should be placed across all participant plans to cover the costs of providing independent, accurate information on services in a range of modalities nationally

INTRODUCTION

Markets structures are an important instrument in the success of the National Disability Insurance Scheme (NDIS). It is through diverse and robust disability markets that participants can exercise choice and control, thereby delivering on the overarching goals of the scheme to (a) enable people with disability to exercise choice and control in the pursuit of their goals and the planning and delivery of their supports and (b) promoting the provision of high quality and innovative supports to people with disability (4). In line with this, we have seen major new investments in the functioning of NDIS markets, including the Jobs and Market fund and NDIS Thin Markets project underway with EY.

Despite the central role of markets in the design of the NDIS (5), we are seeing markets emerge with insufficient providers or capacity to meet demand and ensure competition takes place. This has led to debates about **thin markets** – a term used in various ways by different stakeholders to describe market deficiencies ranging from low numbers of providers, to immature markets, to market failure. To date, concerns over thin markets have been raised by the Joint Standing Committee into NDIS Markets, the Productivity Commission and other high-profile reviews. Despite this, we continue to grapple with the best processes to address them, referred to by government and the literature as ‘market stewardship’.

Market stewardship in the context of the NDIS is often described as a function of government, falling on either the Commonwealth or the National Disability Insurance Agency (NDIA) (6). This is consistent with international literature which has similarly emphasised market stewardship actions that can be taken by government (7). However, the market structures of the NDIS are highly complex. When we think about NDIS ‘markets’ as the intersection between an NDIA support category and a disability type, there are more than 9000 NDIS markets, even without accounting for multiple disabilities or geographies. Each market operates with local rules and norms, which vary dramatically across the country (8). When we consider

this complexity, market stewardship needs to be the responsibility of a much greater range of actors than government alone.

This report demonstrates how independent information services are already playing essential market stewardship functions within the NDIS. It demonstrates that the provision of independent and personalised information is a systemic intervention which can address a host of market and/or NDIS challenges that have been identified, such as wait times between plans being received and their utilisation (9), supports for complex needs (10) and trouble understanding and navigating the NDIS system (9).

THE IMPORTANCE OF INFORMATION FLOWS WITHIN THE NDIS

Market approaches have been used within different public services over the last forty years as a way to improve responsiveness to consumers and to drive improvements in services (e.g. employment, childcare) (11). However, these markets differ from ‘conventional markets’ because governments need to play an important role in designing these markets, provide much of the funding and set many of the rules in order to illicit certain behaviours from suppliers. For this reason, public service markets such as the NDIS are often known as quasi-markets.

Conventional markets are based on supply and demand relationships, where some individuals miss out on, or receive lower quality of a product or service. In public sector quasi-markets, value for money *and* equity are crucial (12); quasi-markets must meet key principles of government service delivery, which are ‘effectiveness, efficiency and equity’ (13).

Information provision and the NDIS

In a conventional market, changes in price provide information on supply and demand. Traditional market economics argues that price variations ‘signal’ to market

actors that they need to change (e.g. through telling market actors about supply and demand shifts). According to traditional market economics, market actors can coordinate an efficient allocation of limited resources through price.

In a quasi-market like the NDIS, prices do not change according to purchases between providers and participants. Rather, they are set by the NDIA through the Annual Pricing Guide. This means quasi-markets like the NDIS need to rely on other mechanisms for supply and demand information to be translated across the market.

In a quasi-market where prices are set (e.g. by the NDIS price guide), information provision becomes a crucial aspect of market functioning. Anything that makes it difficult for participants and providers to gain access to information will affect the functioning of markets in the NDIS (3).

With regard to information provision in quasi-markets, Bartlett and LeGrand state that:

“Purchasers must have accurate and independent information about the quantity and particularly the quality of the service being provided.” (14)

This is also supported by a recent systematic review into effective ways to steward quasi-markets, which found that provision of information can close market gaps and address other market issues (15). For example, in the UK, independent Information Officers have been used to ensure participants and providers have access to accurate service information (15). In order to provide accurate and independent information, quasi-markets such as the NDIS necessitate the use of novel and responsive organisation around flows of market information.

The provision of information can be achieved in a number of different ways. This includes being done by government, or held externally to government. Propper (10) suggests a ‘super-purchaser’ body should be established whose role it is to gather and maintain independent information about service availability and quality and

disseminate this to purchasers. Bartlett and LeGrand (14) argue independent information provision can be a role of government itself, as a central purchasing body (such as government providing block grants) transitions to a central information sharing body.

However, there are limitations to using a central government body to be a provider of information. The main limitation is difficulties at the central government level in gathering locally specific information. A decentralised organisation provides an organisational structure that supports the flow of relevant and rich local information about services. This is because, as previously noted, the NDIS constitutes thousands of local markets all requiring specific actions in order to steward them. Research indicates that transferring this local information to a central government agency, to then be filtered back down to the local level, is slow and likely ineffective (3,8).

Hence, both international evidence and advice indicates that the provision of independent information within a quasi-market is key to ensuring effective and equitable market functioning. This is particularly important within the NDIS which has an emphasis on enabling choice and control, and ensuring equity across the scheme (i.e. all individuals accessing the NDIS have the ability to exercise choice and control in order secure a better quality of life and achieve their goals). In this sense, we can consider information provision a key market stewardship function within quasi-markets such as the NDIS.

THE RESEARCH

The research is conducted with IDEAS – National Disability Information Services – an organisation dedicated to providing independent information about disability services to the entire disability sector including industry, government and people with disability. The research considers IDEAS as a case study of a disability information service and examines its market stewardship role within the NDIS market. Indeed, IDEAS is the largest and most responsive disability information service in Australia, fielding an average of 144 calls per week. IDEAS is distinct from other disability information sharing services, such as online platforms, because it can provide personalised and fully independent information about local disability markets to callers from around Australia. The purpose of IDEAS is to provide access to independent information and opportunities for people with disabilities, their supporters and the community to reach their full potential. The provision of this information enables people to make independent and informed decisions.

This report is based on a two-day workshop with representatives from IDEAS and from IDEAS' stakeholder organisations. The aims of the workshop were to:

- Identify how IDEAS is supporting market function within the NDIS
- Identify evidence and examples of the market role being played by IDEAS

The workshop was facilitated by both authors and an additional research assistant. The workshop participants were chosen and invited by a representative of IDEAS.

The workshop employed systems-based methods to gather an understanding about IDEAS' within the broader system of the NDIS market. The authors drew on the 'collaborative conceptual modelling' method by Newell and Proust (16), also employed in Friel et al (17). Collaborative conceptual modelling is a soft systems method, which means that it works with systems concepts without using programming or statistical models; it is focussed on a systems diagram as an argument for a particular understanding of the system.

As part of the method workshop participants worked in pairs to create a systems diagram of the system of interest. The focus of each diagram were the ways in which the activities of IDEAS support the NDIS market to function well, with express focus on the flows of information that IDEAS contributes to. After the participants had worked in pairs, all participants worked together to create a final ‘whole system’ diagram on the role of IDEAS in the NDIS market. This can be found as appendix 1. After the workshop, the authors worked to develop the ‘whole system’ diagram to a more refined articulation of the role of IDEAS within the NDIS market. This refined diagram was ground-checked with IDEAS staff until a final diagram was reached (Figure 1).

To accompany the systems diagramming exercise, the workshop participants were also recorded in their discussions of IDEAS as a market actor. In addition, workshop participants were surveyed for specific examples of IDEAS sharing market information and the impact this has on the broader NDIS. These were coded and analysed by the authors according to themes.

HOW ARE INFORMATION SERVICES STEWARDING AND SHAPING NDIS MARKETS?

Much of the international literature, and government attention under the NDIS, has focused on the supply of information to providers (6,15,18). This is based on the idea that supply and demand information will enable providers to respond to market demands. However, the research found that the provision of information to individual participants is essential for market functioning; supporting markets through boosting demand side ‘interventions’ (e.g. where consumers are either aware of services they can ‘purchase’ through the NDIS, or driving innovation or growth in the market by requesting yet-to-be-developed services).

The research found that IDEAS influences NDIS markets in a wide variety of ways, helping the scheme to achieve its goals of choice and control for people with a disability. This ranged not just from providing the basis for participants to make informed decisions about what services meet their needs, but also to stimulating innovation in local markets, ensuring quality and safeguarding standards are met, and upskilling both disability specific and mainstream services to operate within the new NDIS context.

Information provision supports choice and control

Many NDIS participants appear to be unsure of what services and supports are available to them, or in some instances unsure what services and supports would meet their needs overall. In late 2019, the Review of the National Disability Insurance Act 2013 (referred to as the ‘Tune Review’) found that a lack of information was amongst the top two complaints made by participants regarding the scheme (9).

Previous research has demonstrated that participants feel their choice and control has been limited by issues such as difficulty articulating goals and needs as they relate to service provision, a lack of knowledge of what services exist, or a lack of services (19–22). A lack of choice and control, upon which NDIS markets are predicated, has been found to a major issue within the scheme (20).

At an event I caught up with an elderly lady whom I had previously met in my community engagement role. She said "I hoped I would find you here because I wanted to say thank you."

She said after years of struggle as the primary carer of her 40 year old daughter living with disabilities the conversation with me had 'changed her life'. She said I convinced her simply to ring IDEAS on our 1800 number and let us help you. She found services, help, guidance and now she and her daughter feel in control for the first time.

Choice and control depend on a range of factors, amongst these is information upon which to make informed choices. Without information on what is available, participants may either purchase services that do not meet their needs or not purchase services at all. The latter is demonstrated by the consistent plan underspend across the NDIS. The NDIA has found that higher plan utilisation is associated with better outcomes (23), indicating that interventions that support plan utilisation are important for achieving the goals of the NDIS. From a market perspective, underutilisation of plans prevents market growth as the funds are not stimulating market innovation, change and development (24).

A lack of choice and control is also demonstrated in low levels of provider change by participants. Change of service provider can be considered a good proxy for the extent to which participants are exercising choice and control based on the assumption that people change provider from one that does not meet their needs to one that does. Low levels of change in service providers has been a concern within the NDIS since national rollout began (24,25). Based on an external evaluation, over 70% of people who contacted IDEAS reported that on receiving the information either engaged a new service not previously known to them, changed a service provider or began a new activity in the mainstream community.

The research found that the provision of information supports choice and control on a number of levels.

In the first instance, it **enables participants to better understand their needs.**

“Most people are just very frustrated. They’re all confused. They don’t know what’s available or where to go, where to start. Most of them are just - most of the calls I take, someone’s just walked out of the planning meeting, got shoved their paperwork and our number and they generally start with, “I don’t know why I’m calling you but my Local Area Coordinator told me blah, blah, blah,” and I have to say “Well, they didn’t tell you anything really if you think about

it. I wonder why you are so confused.” So, you spend most of the time deciphering what exactly they need.”

“So, for me, this all comes back to informed decision making. It’s not about just providing information but it’s saying, “Well, if you go this way, here’s the consequences. If you go this way, it’s going to meet that need or this need,” and it’s that whole informed decision making which is happening on the telephone, it’s not just information.”

While attending a community expo in Tamworth I noticed a lady who had been wandering around the event, but not talking or interacting with anyone. Later that day I noticed she was still at the event, but now looking very stressed and agitated. She was still avoiding connecting with anyone. She came past my sight and stopped to read our banner and I then approached her to see if I could assist her in any way. What I found out (through writing and hand gestures) is that she is completely deaf. 6 months ago she went to bed with a migraine and woke up completely deaf. She is single and her only son lives overseas, so she doesn't have any support. She now only leaves the house once a week to grocery shop and has not been unable to organise any services or supports for herself.

She said she is so embarrassed about not being able to understand when people talk to her and feels extremely isolated and depressed. She has been emailing service providers who either haven't gotten back to her or she has given up because of how slow and ineffective emailing back and forth can be in getting the information you need, when you need it. I showed her our website and how to use the Live Chat option (speaking to info officers real time), which she was hugely excited about. She then independently contacted the IDEAS call centre to learn about and then access the services and supports she needs.

The quote above also demonstrates that the way that information is given is important to its uptake and impact on choice and control and in turn the market. For information services to act as a stewardship function that boosts market capacity (through demand drivers), information has to be independent, tailored and nuanced:

“It’s interesting when we get a complex inquiry that’s really left of field. It can take days and days of research and calls and verifying information from people that what we can supply is going to meet the needs of what our customers are requesting. No two inquiries are the same.”

A frontline worker gave the following example that demonstrates the level of detail by which information is provided:

“I said to a client “I’m sorry, there’s only six in your area. I’ve provided you with all of them,” and he said, “Yeah, the other ones had waitlists,” and I explained to him in the call to begin with that the best thing is to get your name on as many waitlists as possible because people drop off the waitlist, people find services elsewhere, they might have openings so they might see you sooner than six months but that’s just what they’re saying, but I personally provide both because they have the right to know”

While in the original blueprint for the NDIS (5) information provision and linking of participants with services sat with the Local Area Coordinators (LAC), research on the implementation of the scheme has shown that this is not occurring in practice, a finding confirmed in the Tune Review (13). Through the contracting out of LAC roles, combined with growth in the amount of time they spend undertaking planning (24), this function has been lost from the NDIS. The loss of information provision by LACs was found in this research also:

“It’s the fact that you’ve synthesised all of that stuff, you know what other service providers can do, you know where families get stuck, you’ve probably got examples of other things people have done successfully so you’re bringing all of that stuff in as well, so that responsiveness to things and being able to synthesise and move it forward I think is super useful as well, which I don’t think is necessarily happening at other places. You might’ve got a phone call

from the Gold Coast and then someone from Albury and mixing all that stuff up, that stuff can't really flatly sit on a database or anything else."

"Even speaking on the community element of sites, when there's a massive influx in plans, the community organisation side is asked to step off community engagement and back onto planning and scheduling things and things like that. There's a real - when I'm talking to people about what we do, when I talk about our call centre and the fact that there's no - you don't have to prove you have a disability, we don't have a timeline, we don't have a script, you can see people's whole persona changing. When they think that they're just a number... it's completely different and that's when they go, "Oh my God, you guys must really care because we're not just a number with you."

Another frontline worker explained:

"We are doing that creative thinking that the LACs aren't really giving. So, for me, this all comes back to informed decision making. It's not about just providing information but it's saying, "Well, if you go this way, here's the consequences. If you go this way, it's going to meet that need or this need," and it's that whole informed decision making which is happening on the telephone, it's not just information."

Hence, an important market function for the NDIS is no longer being undertaken as designed, but rather by organisations external to government/the NDIS system. The second quote in particular demonstrates how information services are enabling participants to navigate the marketplace. A lack of understanding of how to navigate NDIS systems (including LACs and NDIS markets) is amongst the top two complaints received by the NDIA, as highlighted by the Tune Review (9).

In the absence of clear information from the NDIA on what services are available across the thousands of NDIS markets that exist, **independent information provision gives participants knowledge of what services are available:**

“Generally the mums, they’ll call during lunch and they don’t have enough time to really tell you. They don’t have time or they don’t have the capacity to navigate that system as well. We make at least on average, 13 outgoing calls for every incoming call. So, you think about all the time that that takes for research and sitting on hold and making all those calls and doing that research and collating that information into something that they can then use to make a choice”

“I don't think you always get that sort of advice or understanding from other places because you look on the internet you'll see all these services, but in your area and for your needs, well this is what choice actually looks like.”

The research also found that the way that information was delivered led to significant capacity building for people with disability and their carers, ensuring their ability to exercise choice and control within the marketplace independently into the future. IDEAS is being sought out by participants because its services are seen to be independent, personalised to them and trustworthy. In particular, the point about personalised information is key as this distinguished IDEAS from other information services that are online platforms for searching for services. IDEAS are also able to provide advice over both web platforms and phones, which meets a greater range of accessibility needs.

Example of information provision: A caller identified herself as person with disability who is legally blind. The caller was seeking a provider who could help her get her Crowd Funding project off the ground, using a videographer. The caller has a self-managed NDIS plan and was provided some options for firms in her local area.

The caller rang back to let us know that she was successful with a company and was launching her Active Wear line and website, thanks to the information we provided. The caller then made contact again to advise she has been invited to Melbourne Fashion Week not only to speak on the panel on accessibility within the Fashion Industry but also to showcase her Active Wear line using models with Disability.

This is essential when we consider that recent reviews of the NDIS found that participants find the system confusing and difficult to navigate; highlighting the importance of interventions that support participants to navigate the NDIS, and that the way that information is given matters (9).

“IDEAS is increasing awareness around - in an implicit way on a hand over hand model for individual enquiry, whether that’s SMS, chat, online or partially by phone and that’s informed by respect and the presumption that listening can regulate the anxiety and distress - we do know that 90% of our customers making enquiries through the phone immediately say that they got enough information to make that decision next time. So, they own that then.”

“Then they don’t need to come back to you. If they were ringing about a tenancy matter, a housing matter, a choice about out of hours school care, “Oh, I can do this,” because what they’ve received is three options, double-checked, verified availability certain places for them to go and check out for their kid or do whatever. They’ve got that, they say “Okay, that’s not going to be a worry for me now”.

This indicates that information provision is not only meeting an immediate need but building the capacity of participants to act as ‘informed consumers’ within the market.

Information provision helps people with disability **understand they are now operating within a new context** where they have a right to choose and control:

“[It] keeps people with disability accountable too, in regards that they do have choice and we can help them through that”

“I worked for a couple of service providers in our town and one of the bigger ones, they were quite stuck in their ways because they have older staff, older

families. Even the parents, a change like going out on a different day than the Friday lunch was quite a challenge to them because they'd always done it a certain way."

This is fundamental to reorientating the disability sector and people with disability to work within the new structures and culture of the NDIS. It also extends to building capacity and shifting the culture of the disability sector.

The NDIS has relied on a significant re-orientation of the disability sector, which has been challenging for many providers (26,27). These challenges have related to reorientating businesses frameworks and processes, to understanding what choice and control means for their service provision models (26,27). There is on-going concern regarding the financial sustainability of the sector under the NDIS (26,27). As already noted in the quotes above, IDEAS is directing NDIS participants to services that may be lower on clients' lists – helping them to stay sustainable in the new marketplace. The research found providers also reach out to information services for advice on how to re-orientate their business. In some instances, this is about supporting culture change within the sector towards a market model:

"The workers that are uncomfortable with the change. So, it is really - change management we are doing"

The research also found that information services are helping LACs think outside traditional and outdated service provision models. This can be seen in the example below:

"I had a local area coordinator the other day tell me that she wants to find somebody to do her shopping. I said, "Well, did you ever think maybe the support worker could help that person do online shopping if they don't want to leave the house because that's what you just told me they don't want to do? Did you ever think about the support worker will teach them to online shop because the online shop delivers to their house?" "Oh, I didn't think of that."

With regard to disability providers, when we look at the annual survey of provider experiences under the NDIS, we can see that this type of support is what providers are asking for and can help them sustain their business within the emerging markets (26,27). In other instances, the information being sourced from IDEAS is regarding quality and safeguarding practices and legislative requirements for disability. Here, the provision of nuanced information services also supports the NDIS Quality and Safeguarding Commission, which also has a key role in the stewardship of markets. One of the key challenges facing the Quality and Safeguarding Commission is ensuring compliance and standards within rapidly changing and expanding markets (28). Information services can therefore provide guidance at an individual and localised level in support of the Commission.

Both the 2018 and 2019 Annual Market Surveys for the disability sector found that administrative burden is substantial for providers (26,27). The surveys found that the NDIS is generating unanticipated administrative burden on the disability sector, because organisations are having to work to assist individuals to negotiate the scheme and systems of the NDIS. This is consistent with the Tune Review, which found that one of the most consistently raised issues by participants is that the NDIS is too complex and difficult to navigate. This burden is placing major risks on the financial viability of providers, and the sustainability of the sector (26,27). Information provision by a focused provider is able to relieve this burden from the disability sector, thereby improving the financial viability of some providers.

Creating innovation in NDIS markets and the mainstream

While the international research indicates that information *provision to providers* is key to stimulating growth, this research found that information *provision to participants* stimulates both market growth and innovation.

By providing information to participants, we found that IDEAS is supporting both market sufficiency and market diversity (18,29). Market sufficiency means there are enough service providers to ensure competition and that basic needs are met – but

there may not be much diversity of services. Diversity is important because it is through provider diversity (i.e. a range of different services being offered) that true choice and control emerges (29). Market diversity refers to the availability of different approaches to service provision, enabling participants to have a meaningful choice. This is crucial, because if participants don't have a meaningful choice of provider, and if they cannot change provider when they are unhappy with the supports they receive, then competition-driven market incentives and dynamics do not operate and the market cannot evolve into a mature market (18,29).

Finding the right pathway: An individual called for assistance with getting immediate help, firstly by applying for Centrelink benefits and then he wanted to look at applying for the NDIS due to his psycho-social disability. He had not left the house in 2 years due to his anxiety. IDEAS connected him with mainstream services and assisted him with accessing Centrelink benefits. This was a slow process due to his mental health issues but eventually it was completed and the individual received a Newstart allowance.

Rather than investigating access to the NDIS the individual wanted to investigate work opportunities. He wanted to build his capacity and become independent from his mother. IDEAS assisted him by providing assistance with his employment provider. Here he was fortunate enough to find employment doing exactly what he wanted and also provided flexibility to transition into the workplace from part-time to full-time employment. The young man then felt confident enough to explore his options in regards to completing his independence. IDEAS assisted him with finding accommodation that was appropriate for his needs.

In a 12 month span the individual went from being totally reliant on government assistance to being completely independent and not needing support from any government social schemes.

We found that independent information provision by IDEAS is growing NDIS market innovation, particularly in terms of market diversity, through both the disability sector, as well as mainstream services. This is key given findings from the disability sector which revealed that many are receiving requests for disability services that they are not able to offer. In 2019, a large number of providers (69%) had received requests for services they were not able to provide. Innovation within existing service providers is important in addressing these gaps, but addressing market sufficiency

and diversity (or ‘thin market’) issues requires new providers which are both specialist disability services, as well as innovations within the mainstream. This has been consistently emphasised in government discussions of NDIS markets since the scheme was introduced (5,6,30,31).

Within the disability sector, providing information to providers on what participants want and need leads to the creation of new services and as previously noted, helping providers respond to service gaps. However, we found that innovation is also stimulated through less direct routes. For example, by helping LACs and participants think more laterally about what type of service they need and how to bring that service into the local area. An example of this is provided below:

So, for me, there have absolutely been times where I have placed the LAC, the participant and the service provider to say, “What can you do about bringing a service from the metro region into the regional areas to have those conversations?”

In seeking out service options for clients, IDEAS also stimulate innovation within the mainstream and/or aids mainstream services to think about how their service could meet the needs with disability. Innovation and adaptation amongst mainstream services is a key tenant of the NDIS, as NDIS markets are not sustainable if they exist separate to broader markets and innovations that may exist.

A case study of how information services can bring mainstream providers into NDIS markets, generating innovation, is provided below:

Last week, while creating content for a blog article on adaptive fashion, I communicated with a supplier (Hickies) who had not previously considered the implications of registering as an NDIS provider for their market share in providing adaptive clothing solutions for people with profound physical and intellectual disabilities. That supplier is now looking into the NDIS registration process.

Hence, information provision is building NDIS market capacity not just through directly making providers aware of niche and varied participant needs within the market, but also actively bringing new providers into NDIS markets.

The dependence of the NDIA and Local Area Coordinators on external information

The NDIS has experienced a wide range of implementation issues, which are much commented upon in the media, government reviews, and academic research. Consistent amongst these challenges have been problems for participants and providers interacting with and extracting what they need from the key implementation agency the NDIA (9,27). One of the challenges in the roll out of the NDIS has been managing the scale up of participants. This has led to a pressure on planners, resulting in the shift of key functions that existed in design to become re-oriented to planning functions (24). From a market stewardship perspective this has created a number of challenges for the sustainability of the scheme.

In the Productivity Commission blueprint for the NDIS, LACs played a key market stewardship function: increasing a participant's capacity and connecting them to local specialty and mainstream services. As noted at the outset of this report, stewardship is often described as a function to be carried out by governments however knowledge of quasi-markets demonstrates that stewardship must also be based on local knowledge and therefore occur at the local level (3,8). This was in fact recognised in the original design of the NDIS, whereby the Productivity Commission positioned LACs as key market actors (5).

With the absence of LACs working as originally intended and designed in the scheme, independent information services have stepped in to fulfil this local stewardship function. For example, a workshop participant below describes how LACs have stopped playing this function and also how IDEAS has been identified by LACs as now playing that role in the market:

“Participant: LACs not giving participants enough information is because they don’t understand what the person with the disability needs to make a decision, and they don’t have time to have a deeper conversation because they do need to understand and I would say that generally would not - it should not be the case.

Facilitator: Is that a recruitment - the fact they haven’t recruited people with lived experience with disability or experience in talking to people, dealing with people with disability?

Participant: It could also be because they’re so under the pump. They’ve got to push out how much and meet what and they’ve got how many people. So they go to IDEAS.”

Another frontline worker explained:

“Having conversations with the local area coordinators also, I work quite closely with local area coordinators, often because they’re giving me what their job is meant to be. “This is all too hard for me, I need an advocate now. I don’t have time to do this. I don’t have time to help this person.” That’s the function that we’re doing that the LACs don’t have time to do. They don’t have time to sit there and listen to the nuances. I’m not saying that’s right or wrong but that’s the position that we have put ourselves in with them because we knew that that was the gap.”

It is worth noting that these comments regarding a lack of understanding of disability and time pressures are consistent with other reviews of the LAC role as it has changed through implementation (9,24,30,32). With the LAC role stymied, flows of information between local level knowledge holders employed to work on the NDIS and NDIS participants – who are also local knowledge holders about services – is limited and starts to breakdown. A lack of information sharing between knowledge holders can result in fragmented and inaccurate information, leaving consumers

without reliable information services. IDEAS has stepped in to facilitate flows of good quality information in the NDIS.

Interestingly, the research found that some participants prefer independent sources of information to LACs because LACs are viewed as part of government:

“The LACs are now government, they’re seen as government. Participants want to get their information and their help from sources that they trust and they can call the LACs whatever they want but they are government when they’re sitting there in that LAC role so they want somebody who’s outside of that system who’s seen as independent and trusted to help them.”

This finding supports the argument that an independent information service ought to sit outside of government, rather than be an additional function of government controlled market stewardship.

Modelling the role of information provision in markets

Based on a systems modelling method, a systems diagram was developed through the workshop which depicts the way that IDEAS’ work influences the NDIS market capacity (Figure 1). The diagram depicts the broad role of information provision as a market function, as well as the specific ways in which IDEAS and its practices currently steward NDIS markets.

A systems diagram like this, also known as a causal loop diagram, is a representation of a set of causal relationships. It is an argument or perspective of the way that many parts of a system fit together, in this case it is a depiction of the way that IDEAS’ work influences the market capacity of the NDIS. The diagram depicts the influence of IDEAS on the NDIS market, passing through a number of causal relationships including building the capacity of NDIS participants to be active consumers in the NDIS market, before showing how this strengthens NDIS market capacity. The diagram shows the way that IDEAS provides key market stewardship functions in the NDIS.

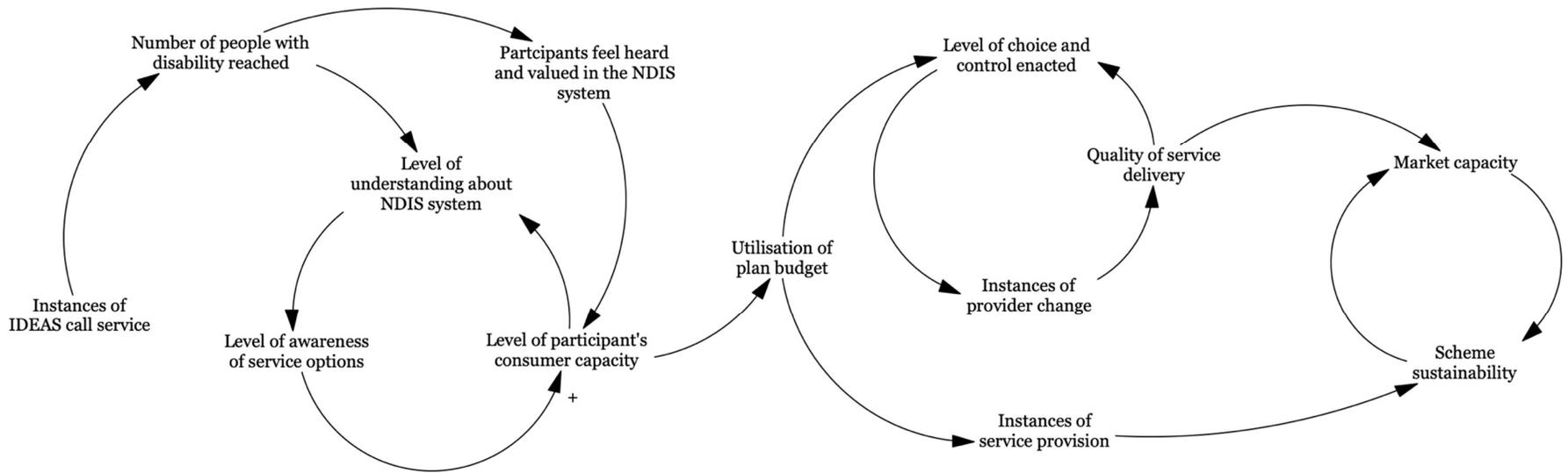


Figure 1: A refined systems diagram of information provision as a market stewardship function

The diagram is best read left to right, starting with **instances of IDEAS' call service**. As instances of IDEAS' call service rise, this also increases the **number of NDIS participants** in contact with IDEAS for information sharing on the NDIS. As this increases, the **number of people with disability reached** increases, which influences the **levels of understanding that participants have about their NDIS plan** and how the scheme works. With an increased level of understanding about the NDIS and increased **awareness of service options**, the calls have increased **levels of participant consumer capacity**. With increased consumer capacity, people who call IDEAS about the NDIS feel more **heard and valued within the NDIS system**.

With raised levels of consumer capacity, the **utilisation of plan budgets** increase. This is a key concern within the NDIS market, as plans that go unutilised represent money available to the NDIS market that is being stalled within plans. The utilisation of the plan budget increases **instances of service provision** within the NDIS market, leading to more stable **scheme sustainability**. Utilisation of the plan budget also increases the **levels of choice and control** enacted by participants. This can lead to instances of provider change and an increase in overall **quality of services delivery** within the NDIS. Increased choice and control, and subsequent increases in service quality, increase the **market capacity** of the whole NDIS market.

SUMMARY

The NDIS market is a complex set of markets, and when we consider this complexity, market stewardship needs to be the responsibility of a much greater range of actors than government alone. IDEAS is an information service that plays an important market stewardship role in the NDIS, working to enable NDIS participants to be active and informed consumers, and filling an important market gap for information services. Independent information sharing addresses four of the six major areas of concern raised in the recent Tune review (9), which has been noted as a major focus of action by the Prime Minister in early 2020. These are:

- Found the transition to the NDIS confusing and frustrating with some people saying they ‘missed’ the supports offered under state and territory systems, particularly active case management
- Want to have more supports to become informed and effective consumers
- Feel the NDIS is too complex and difficult to navigate
- Feel they are not recognised as the experts in their disability

Moreover, information sharing about available services, quality of services, and greater inclusivity of mainstream services is an essential process within NDIS market stewardship.

A decentralised approach to market stewardship of the NDIS is likely to be more effective than a wholly centralised approach. Lead economist Hayek (2) argued that enormous effort and time is required to convey ‘knowledge of all the particulars’ to a central agency, which is then faced with the task of integrating vast amounts of information in order to make decisions. This suggests that a wholly centralised approach to market stewardship is problematic. This is further supported by research on network governance (33,34), which indicates that top-down management of networks is often ineffective. The process of information sharing in the NDIS is

currently occurring in a centralised structure, through the issuing of state-wide lists of registered providers and through centralised actuarial models of NDIS prices.

Key market stewardship functions played by IDEAS

- IDEAS provide independent and personalised information to support NDIS participants in finding providers or changing providers, contributing to utilisation of plan budgets over all
- IDEAS provide independent, tailored and nuanced information that increases clarity about the NDIS process, enabling NDIS participants to better understand how to have their needs met by the NDIS system
- IDEAS provide support for informed decision making, not just information about available services (i.e. not simply a list of providers)
- IDEAS provide local level information from a trusted independent source, filling the gap left by the LACs shift towards fulfilling NDIS plan enrolments
- Information sharing by IDEAS builds the capacity of participants as informed consumers, able to carry out choice and control in the NDIS
- IDEAS support NDIS participants to understand the new consumer context of the NDIS, reorientating people with disability to work within the new structures and culture of the NDIS
- IDEAS also have contact with LACS and service providers, helping people in these roles reorientate the disability sector to work within the new structures and culture of the NDIS
- IDEAS supports NDIS market innovation through both the disability sector and mainstream services by working with service providers to adapt and change their services

IDEAS works to fill an existing gap within the stewardship system of the NDIS market: the sharing of independent local level information. The structure of IDEAS as an organisation is well suited to provide accurate and independent information to

NDIS participants and is scalable to a national level. The loss of IDEAS as an organisation would leave a problematic and highly concerning gap in the system of market stewardship in the NDIS, leaving many NDIS participants with a lack of clarity of how the NDIS works and how to use it to meet their service needs. When citizens cannot get services that meet their needs, or no services at all, quasi-markets have failed to meet their goal (and governments may end up in breach of their social contract). Information sharing services such as IDEAS are crucial for market function and to meet the goals of NDIS participants.

RECOMMENDATIONS

- Information provision should be approached as a key market stewardship function for the NDIS
- Information provision should be supported as a systemic intervention into the NDIS scheme, which supports both choice and control and market capacity
- As well as government provision of information, there should be independent and personalised information services, beyond an online list of available services
- A levy should be placed across all participant plans to cover the costs of providing independent, accurate information services in a range of modalities nationally

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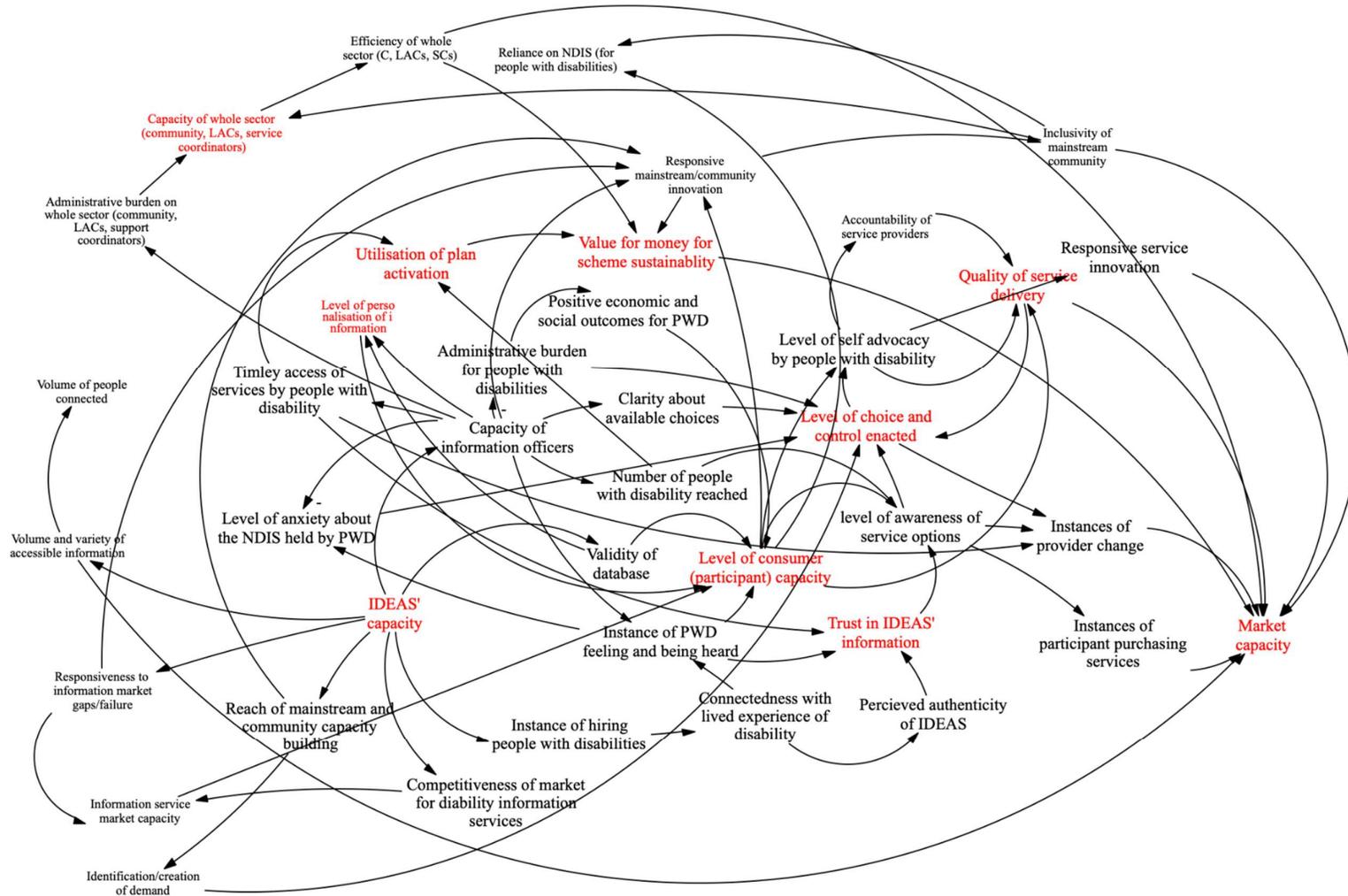
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APPENDIX 1

Below we have included the draft diagram generated in the workshop and contributed to by all participants. It shows casual connections far broader than the refined diagram above. The refined diagram above presents a small part of the broader system but is easier to read than the original diagram generated in the workshop.



Appendix 1: Whole systems diagram generated in workshop before refinement by systems expert