

Cabinet Social Policy Committee

MINISTRY OF HEALTH'S NEW MODEL FOR SUPPORTING DISABLED PEOPLE

Proposal

- 1 This paper asks the Cabinet Social Policy Committee to note the decisions taken by the Ministerial Committee on Disability Issues on a new Ministry of Health model (new model) for supporting disabled people.

Executive Summary

- 2 The Ministerial Committee on Disability Issues (Ministerial Committee) was established to provide direction to disability issues across government [CBC Min (09) 2/3 refers]. At its meeting of 23 September 2009, it agreed that officials investigate the development of a new model for Ministry of Health funded support for disabled people. On 18 May 2010, the Ministerial Committee considered a paper on a proposed new model.
- 3 The new model responds to the following issues with the disability support system:
 - a resource allocation, purchasing and service delivery arrangements which unnecessarily limit people's ability to live the life they want;
 - b the system tends to focus initially on government funded supports and to neglect non-government support and mainstream government services; and
 - c complex cross-government arrangements that make people's lives more difficult than necessary.
- 4 Two main changes in direction are required to effectively address these underlying issues. Those changes involve a stronger focus on:
 - a A cross-government disability support system that supports disabled people to do everyday things in everyday ways.
 - b Recognising and building up individual, family, community and mainstream government agency capacities and support options.
- 5 These directions have been applied by developing a new model for supporting disabled people who receive Ministry of Health funded support. The new model has the following key characteristics:
 - a improved access to information and personal assistance through introducing Local Area Coordination. Local Area Coordinators are people who walk alongside the disabled person (and their family and whānau) to help them plan a good life, provide them with personalised information, develop and access family and community support to achieve their plan and, when necessary, help them access government funded services and disability supports.
 - b moving towards allocating indicative dollar values of support (with the allocation continuing to reflect individual circumstances), rather than allocating particular types of service;

- c more choice and control for people over the support they purchase through making individualised funding available to most people and for most supports and making contracted supports and services more flexible and focused on outcomes; and
 - d broadening accountability arrangements from the present focus on providers to also cover the responsibilities of the Ministry of Health and disabled people and their families, and have a stronger focus, through quality monitoring, on whether people are living an everyday/ good life.
- 6 International evidence suggests that this type of approach tends to result in generally improved outcomes for disabled people, with those improved outcomes being achieved at costs that are no higher on average than the costs of more traditional models of support. In some circumstances, they may be lower. They are also consistent with the Government's overall social policy directions.
- 7 The new model was endorsed by the Ministerial Committee which will continue to oversee its implementation. The next steps in implementing it are to continue the development of, and consultation with the disability sector on, the new model for Ministry of Health funded support, and carrying out at least one or two demonstration projects that contain core elements of the new model (the most significant part of which will be introducing Local Area Coordination). The Ministry of Health will begin implementing the demonstration projects later in 2010.
- 8 At the 20 July 2010 meeting of the Ministerial Committee, the Chief Executives' Group on Disability Issues will be providing cross-agency advice on:
- a the extent to which the approach underlying the new model could be extended to supports funded by other agencies; and
 - b options for building up community and mainstream government agency capacities and options for supporting disabled people.

Background

- 9 The Ministerial Committee, which is chaired by the Minister for Disability Issues, was established to provide a coherent overall direction to disability issues across government. Its scope of responsibilities includes making decisions about the implementation of the work programme arising from the Government Response to the Social Services Select Committee's "Inquiry into the Quality of Care and Service Provision for People with Disabilities" [CBC Min (09) 7/2 refers]. As part of the work programme arising from the Government Response, on 23 September 2009, the Ministerial Committee considered a paper on Local Area Coordination. In response to that paper, the Ministerial Committee agreed that the Ministry of Health should investigate a new model for supporting disabled people that incorporates key elements of Local Area Coordination, but also includes other features such as an emphasis on supported living and individualised funding.
- 10 At its meeting on 18 May 2010, the Ministerial Committee considered a paper on a proposed new model for the Ministry of Health to support disabled people. The Ministry of Health funds support (such as Home and Community Support Services, Respite Care and Residential Care) to help people with intellectual, physical and sensory disabilities - primarily aged under 65 - to live an everyday life at home and access their community. These supports are funded through the Vote: Health National Disability Support Services appropriation.
- 11 The new model responds to several issues with the disability support system, which can be summarised as follows:

- a **Current government resource allocation, purchasing and service delivery arrangements unreasonably limit people’s ability to live the life they want.** This results from resource allocation and contracting arrangements that constrain disabled people’s ability to make decisions about how to use the disability support resources they have been allocated. In turn, the constraints on how people can use supports leads to less than optimal use of the available support funding, and to the lives of disabled people and their family and whānau not being as good as they could be. (A frequent complaint is that lives are ‘determined’ by inflexible services).
 - b **The system tends to focus initially on government funded supports and to neglect non-government support and mainstream government services** (such as the health and education services that are available to all people). This limits people’s choices and results in poor value for money. For example, little effort is put into recognising and building up natural supports - family and whānau and community support. These, however, provide the majority of support and are critical to disabled people connecting with, and integrating into, the community. This tends to increase pressure on government funded disability support.
 - c **Complex cross-government arrangements make people’s lives (and that of their families and whānau) more difficult than necessary.** Eleven different government sectors fund disability supports. The sectors often have different eligibility policies, communicate little with each other, and use processes that are not well coordinated.
- 12 Two main changes in direction are required to effectively address these underlying issues with the disability support system. Those changes involve a stronger focus than at present on:
- a recognising and building up individual, family, community and mainstream government agency capacities and support options; and
 - b a cross-government disability support system that supports disabled people to do everyday things in everyday ways.

A NEW MODEL FOR MINISTRY OF HEALTH FUNDED SUPPORT

- 13 These two directions have been applied in developing a new model for managing the Ministry of Health’s disability support funding responsibilities for people with intellectual, physical and sensory disabilities. The new model has four key elements:
- a Improving access to information and personal assistance for people and their families and whānau, primarily through the introduction of Local Area Coordinators who:
 - i) promote positive values towards, and expectations of, disabled people, and focus on the question “what’s a good life for you?”;
 - ii) help disabled people and their families and whānau to explore how to live a good life through offering general information and someone to talk to about living with a disability;
 - iii) provide access to tailored information and may facilitate access to small amounts of funding to address immediate issues;

- iv) help disabled people to build a community of support through, for example, making connections with natural supports and the local community; and
 - v) support communities to be inclusive and help people to access government services (including specialised disability supports such as those funded through the Ministry of Health).
- b Implementing resource allocation arrangements that are based on allocating indicative dollar values of support and providing people with significantly greater flexibility over how the funding is used within clearly specified guidance on what funding can and cannot be used for. This is in contrast to the current situation in which people tend to be allocated particular types and level of services under contracts with providers that contain restrictive rules determining the detail of the services they receive. The level of funding a person is allocated will continue to be determined on an individual basis - and reviewed periodically - after taking account of the support available through their family, whānau and the wider community.
 - c Giving people a choice of purchasing support through individualised funding, or through contracted service providers. This increases the flexibility with which available funding can be used if people wish to take advantage of managing their own services (although many are likely to prefer to access services contracted by the Ministry of Health). This means there will be less emphasis on contracted service providers, and a move towards individualised funding arrangements that covers a wide range of supports
 - d Developing accountability arrangements that are able to provide assurance to the government that disabled people and their families and whānau are being supported to live everyday lives. They will also need to provide assurance that the Ministry of Health, support providers and disabled people are meeting their responsibilities and that value for money is being achieved.
- 14 The diagram in the Appendix sets out the key changes resulting from the new model. The table in the Appendix summarises the key differences between the Ministry of Health's current approach and the proposed new model for supporting disabled people.

Comment

- 15 The new model is consistent with the findings of a literature review commissioned by the Ministry of Health which shows that:
- a There are generally improved outcomes for disabled people who elect to take up support options that give them increased choice and control, with improvements being shown in consumer satisfaction, quality of life and the growth in self-esteem as a result of living more independently. While there is research showing significant positive impacts on carers, there are relatively few studies into this issue. There is also little research into the impacts on people who do not choose to take up these types of options.
 - b These improved outcomes are achieved at costs that are no higher on average than the costs of more traditional models of support. There is also some evidence of costs being lower than more traditional models in some situations. For example, some research relating to Local Area Coordination in Western Australia and Queensland suggests that costs are lower primarily as a result of the strong focus on building up community-based support options. There is, however, some uncertainty about the robustness of these latter findings.

- 16 These approaches also:
- a Move in the directions that many disabled people and their family and whānau have been seeking in recent years.
 - b Reflect the approach outlined in the National Party's Manifesto on Health Policy: Disability Issues and the Māori Party's Manifesto on Disabled Persons. These policy statements envisage more people with disabilities managing their own personal support services in the way they believe best meets their needs, with increased choice, including wide availability of individualised funding.
 - c Are broadly consistent with Whānau Ora. This is because the new model: focuses on supporting disabled people and their families and whānau to make decisions for themselves and live an everyday life; takes a holistic approach to working with them and working across sectors to achieve a good life; emphasises outcomes, rather than activities or services; and builds on existing strengths rather than responding only to the immediate "problem".

NEXT STEPS

- 17 The new model was endorsed by the Ministerial Committee, which continues to be responsible for overseeing its implementation. It requested that a 'noting paper' on it be prepared for Cabinet, and will continue to keep Cabinet informed about progress. The immediate focus will be on further development of the new model for supporting disabled people. This will involve:
- a Ongoing consultation with the disability sector on the new model to support disabled people. The Ministry of Health has already begun informal discussions with interested groups on the new model and has received significant positive feedback.
 - b Ongoing development of the new model, which will include addressing the policy, operational and implementation issues that it raises. For example, consideration needs to be given to what funding can and cannot be used for.
 - c Demonstrating the core elements of the new model at least one or two sites. The most significant part of the demonstration projects will be introducing Local Area Coordinators. The Ministry of Health will continue with existing initiatives to allocate funding rather than supports, expand individualised funding and improve accountability arrangements but will identify opportunities to expand or extend them in the demonstration sites.
- 18 Decisions on the national roll-out of the new model to all parts of the country will take place once the consultation and development process has been completed and lessons have been learned from the demonstration projects. National roll-out will be considered once the demonstration projects have been implemented. The Ministerial Committee on Disability Issues will report to Cabinet on the key decisions it makes regarding the national roll-out of the new model for supporting disabled people.
- 19 The new model is not, however, sufficient to address all of the underlying issues with disability supports that are identified earlier in this paper. At the 20 July 2010 meeting of the Ministerial Committee, the Chief Executives' Group on Disability Issues will be providing cross-agency advice on:
- a the extent to which the approach underlying the new model could be extended to supports funded by other agencies; and

- b options for building up community and mainstream government agency capacities and options for supporting disabled people.

20 These initiatives will complement the investment in Budget 2010 of \$3 million over the 2010/11 to 2012/13 financial years for working in partnership with employers, educational and health services, community organisations and the media to change the attitudes and behaviours that limit disabled people's opportunities.

RELATIONSHIP WITH OTHER WORK

21 The Minister of Health is currently considering whether disability supports should be planned and/or funded centrally, regionally or locally, and whether they should remain within a health sector agency. Any structural changes that result from that consideration would impact on implementation of any new model for disability support. For example, devolution could affect the implementation timetable and make it more difficult to implement a common national approach.

Financial implications

22 The overall intention is to fund the new model of delivering support from within baseline departmental and non-departmental funding. This includes the demonstration projects that are currently being scoped. A business case for the demonstration projects is currently being developed for the Ministry of Health to confirm whether and, if so, how the proposed new model can be funded from expected baseline funding levels.

Consultation

23 The Ministry of Health has had informal discussions with a range of disability sector groups about an outline of its proposed new model for disability support. Those discussions suggest that there is strong support for the proposed new model. The Ministries of Social Development and Education, ACC and the Office for Disability Issues were consulted during the preparation of this paper. Their comments have been incorporated into this paper. The following organisations were informed about the paper: Treasury, Ministry of Women's Affairs, Ministry of Culture and Heritage, Department of Prime Minister and Cabinet, Te Puni Kokiri, Ministry of Pacific Island Affairs, Ministry of Transport, Department of Labour and Housing New Zealand Corporation.

Communications

24 There is considerable interest in a new model for disability support within the disability sector. I will make public announcements on the proposed new model and the demonstration projects at suitable times, particularly during the regular discussions I have with the disability sector. The Ministry of Health will include consultation on the proposed new model, and the demonstration projects in particular, as part of its ongoing consultation with the disability sector. To aid public awareness of the new model, I intend to release this paper after Cabinet has considered it.

Human rights and gender implications

25 The proposals in this paper are not inconsistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993. There are no gender implications associated with this paper.

Disability perspective

26 The proposals in this paper are consistent with the directions set out in the United Nations Convention on the Rights of Persons with Disabilities, the New Zealand Disability Strategy and the recommendations of the Social Services Select Committee's "Inquiry into the Quality of Care and Service Provision for People with Disabilities". These directions are

consistent with approaches that many disabled people and their family and whānau have sought in recent years.

Legislative implications and Regulatory Impact Analysis

27 There are no legislative implications associated with this paper and a Regulatory Impact Analysis is not required.

Recommendations

28 I recommend that Cabinet Social Policy Committee:

1 **note** that on 18 May 2010, the Ministerial Committee on Disability Issues met to consider a range of cross-government disability issues.

2 **note** that, in response to a paper entitled “A New Model for Disability Support: Progress Report”, the Ministerial Committee on Disability Issues agreed to the following recommendations:

a noted that officials have identified the following key issues as underpinning many of the concerns that disabled people have with the government’s current disability support system:

i current government resource allocation, purchasing and service delivery arrangements unnecessarily limit people’s ability to live the life they want;

ii the system tends to neglect non-government support and mainstream government services, which limits people’s choices and results in poor value for money; and

iii complex cross-government arrangements make people’s lives more difficult than necessary.

b agreed that the immediate focus of work to address the underlying issues identified in recommendation 2(a) above be on the Ministry of Health developing and implementing a new model for supporting disabled people.

c agreed in principle that the Ministry of Health’s proposed new model for supporting disabled people have the following key characteristics:

i a stronger focus on providing information and personal assistance through introducing Local Area Coordinators;

ii moving towards allocating an indicative dollar value of support and providing clear guidance on what funding can and cannot be used for rather than allocating particular types of service;

iii more choice and control for people over the support they purchase through making individualised funding available to most people and for most support, and making contracted supports and services more flexible and focused on outcomes; and

iv broadening accountability arrangements to cover the Ministry of Health, providers and disabled people, and a stronger focus within quality monitoring on whether people are living an everyday/ good life.

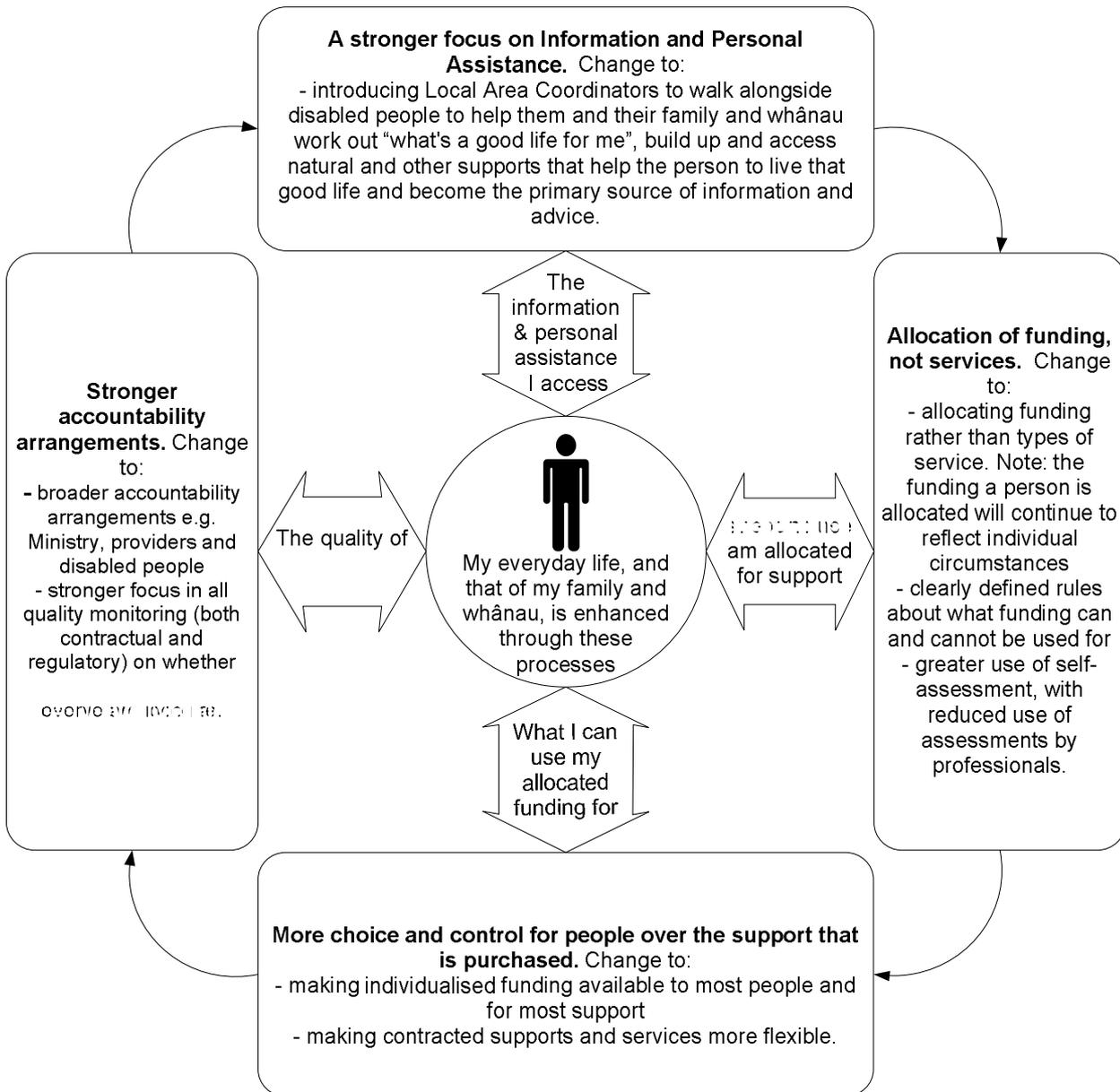
- d noted that the next steps in developing and implementing the Ministry of Health's new model for supporting disabled people will include:
 - i consultation with the disability sector on the new model; and
 - ii demonstrating the core elements of the Ministry of Health's new model at one or two sites.
 - e noted that the following further work will be required to address the underlying issues identified in recommendation 2 (a) above:
 - i building up community and mainstream government agency capacity and options for supporting disabled people; and
 - ii extending the approach underlying the Ministry of Health's new model to the supports that are funded through other government agencies.
 - f noted that the Chief Executives Group on Disability Issues expressed support for the Ministry of Health's new model and will provide advice to the Ministerial Committee meeting on 20 July on the issues set out in recommendation 2(e) above.
- 3 **note** that the purpose of the Ministerial Committee on Disability Issues is to act collectively to provide a coherent overall direction for disability issues across government (CBC Min (09) 7/2 refers).
- 4 **invite** the Ministerial Committee on Disability Issues to report to Cabinet on the key decisions it makes regarding the national roll-out of the Ministry of Health's new model for supporting disabled people.

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Minister for Disability Issues

15/6/2010

APPENDIX

Changes associated with the Ministry of Health's Proposed New Model for Supporting Disabled People



Key differences between the Ministry of Health’s current approach and its proposed new model for supporting disabled people

	Current Approach	Proposed New Model
Information and personal assistance	<ul style="list-style-type: none"> Information provided by a variety of contracted organisations. Personal assistance is limited and not available to everyone. Service coordination by Needs Assessment and Service Coordination (NASC) organisations. <p>Key features include:</p> <ul style="list-style-type: none"> Basic question is “what support do you need?” Early focus on Ministry of Health funded support. Focus is primarily on the individual/ family. Refer to other agencies and take account of natural support networks that are already available. 	<ul style="list-style-type: none"> Local Area Coordinators are the (or a) primary source of information and personal assistance. Coordination of support by Local Area Coordinators or NASCs, depending on personal choice. <p>Key features:</p> <ul style="list-style-type: none"> Basic question is “what’s a good life for you?” Emphasise development of individual/ family, community development and mainstream government supports. Government funded disability support seen as a last option. Actively help people to access other agencies and natural support networks. Work across all areas of a person’s life.
Allocation of funding	<ul style="list-style-type: none"> NASCs manage an indicative budget, with service coordinators making funding allocation decisions. All decisions based on information obtained through face to face assessment by a Needs Assessment Facilitator.¹ People are allocated packages usually made up one or more of the following categories of support, with each having detailed rules: <ul style="list-style-type: none"> residential care home and community support supported living behavioural support respite carer support day services (for some people). 	<ul style="list-style-type: none"> NASCs manage an indicative budget, with service coordinators making funding allocation decisions. Greater use of self-assessments. Face to face assessment by a Needs Assessment Facilitator in some cases. People are allocated packages expressed in dollars, with several broad categories of funded support and clear guidance on what funding can and cannot be used for. Possible categories are: <ul style="list-style-type: none"> accommodation support individual and family support intensive/ specialised services and support.
Purchasing arrangements	<ul style="list-style-type: none"> Most support is delivered through contracted service providers. Limited availability of individualised funding. Supported living is a programme, with separate supported living facilitators. 	<ul style="list-style-type: none"> Wide availability of individualised funding for most types of support. Flexible supported living options are supported through this process. Contracts with providers offer greater flexibility, choice and control.
Accountability arrangements	<ul style="list-style-type: none"> Strong focus on provider accountability. Contract-based quality monitoring focuses on whether people are living an everyday/good life. Regulatory-based quality monitoring focuses on systems and processes. 	<ul style="list-style-type: none"> Broader accountability arrangements covering e.g. the Ministry of Health, providers and disabled people. Stronger focus in all quality monitoring on whether people are living an everyday/ good life.

¹ Note: equipment and modifications are accessed through a separate process.