

# Notes to the Ministry of Health Purchasing Guidelines

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## Introduction

This document provides detailed advice and information to help people understand the Ministry of Health Purchasing Guidelines.

While the guidelines offer advice on how a person can spend government disability support funding, there are other key questions a person should also consider when deciding whether to buy a support.

- Will buying the support enable the person to stay within their allocated budget? The person needs to prioritise how they use any funding they receive to make sure they stay within their budget.
- Should the person contribute additional funding to the purchase? The person needs to identify if, in other circumstances, a person who was not disabled would usually cover any part of the cost of the support from their own sources of income (see Kauri's case study on page 8).
- Can another funding source supplement the support costs? Government disability support funding does not need to cover the full cost of a support, as it can complement other sources of funding. For example, this might happen where only part of a cost of a disability support is available from other sources, and the government disability support funding can cover some or all of the remaining cost.
- Has the person explored (within reason) all other possible ways of achieving the outcome?

## Enabling Good Lives principles

Understanding the Enabling Good Lives Principles are critical to making good choices over what disability supports a person chooses to buy.

Table 1 describes the Enabling Good Lives principles.

**Table 1: Enabling Good Lives principles**

<b>Self-determination</b>	<b>Disabled people are in control of their lives.</b>
People have control over the supports they access. People are supported to be able to choose the lives they wish to lead. People can choose their own supports rather than having decisions over how they are supported imposed on them.	
<b>Beginning early</b>	<b>Invest early in families and whānau to support them.</b>
People can choose to fund the supports that matter when they need them. People can choose supports that maintain and improve their lives rather than waiting for a service when a crisis hits.	
<b>Person-centred</b>	<b>People have supports that are tailored to their individual needs and goals.</b>
The supports that people choose are suited to their individual needs and goals. A person's situation is taken into account when deciding whether a support fits the Purchasing Guidelines. A disability support for one person is not necessarily a disability support for another person.	

<b>Ordinary life outcomes</b>	<b>People are supported to live an everyday life in everyday places and are regarded as citizens.</b>
Disability supports can be accessed where they are needed – in the home or the community. People can live their lives with the barriers reduced, as any other person would expect.	
<b>Mainstream first</b>	<b>Disabled people are supported to access mainstream services before specialist disability services.</b>
Disability supports that support people with the additional cost of living in a disabling society can enable people to access supports available in the community – for example, additional support to enable a child to access mainstream school-holiday programmes.	
<b>Mana enhancing</b>	<b>The abilities and contributions of disabled people and their families are recognised and respected.</b>
People have decision-making power over how they are supported. People are best able to evaluate their situation and make decisions over what supports matter most to them.	
<b>Easy to use</b>	<b>Disabled people have supports that are simple to use and flexible.</b>
All processes that surround how someone buys a support should be simple and ensure that the person can have quick access to the supports they need.	
<b>Relationship building</b>	<b>Supports build and strengthen relationships.</b>
Funded supports should complement, strengthen or maintain natural networks and supports rather than replace them. Funded supports do not buy relationships, rather they should support people to explore natural networks, maintain existing relationships and participate in life in order to build new relationships.	

## Interpreting the criteria

If a person is uncertain about whether a proposed support meets the Purchasing Guidelines criteria, they should ask their provider, host provider, Needs Assessment and Service Coordination organisation (NASC) or a purchasing advisor for help.<sup>1</sup>

## Criteria one: It helps people live their life or makes their life better

When a person is considering buying a support, they need to be able to explain how that support will maintain or improve their life and contribute to them meeting their life goals or aspirations. The goals, aspirations or outcomes will be detailed in a personal plan. The personal plan is created with the person's Needs Assessment and Service Coordination (NASC) organisation or their independent facilitator. The goals, aspirations or outcomes may change over time, and the personal plan should be updated to allow for and reflect any changes.

The person should make reasonable efforts to identify and use community and government services available to the general population to achieve their identified life goal(s). This could include:

- working with an independent facilitator (eg, a Local Area Coordinator (LAC), Connector/Tūhono or family or community members with similar skills)
- exploring natural networks, community services and mainstream services and showing that such supports are unavailable, insufficient or inappropriate.

<sup>1</sup> Ways of accessing advice are detailed in Ministry of Health Purchasing Guidelines Processes.

## Criteria two: It is a disability support

A disability support is a good, service and/or facility (or directly related and incidental costs, such as recruitment, training or administration costs) that enables the disabled person to achieve their goals and aspirations and promotes their independence and their inclusion and participation in education, paid and unpaid employment and home and community life.

A disability support is the additional cost beyond the reasonable costs a person would usually pay from their own sources of income (such as wages, a benefit or savings).

The following are examples of goods, services and/or facilities that people would usually pay from their own sources of income.

- Food, groceries and other living costs, such as electricity, gas, telephone and the internet.
- General household fittings, furniture, whiteware and electrical products.
- Accommodation costs, such as mortgage payments, rates and household repairs or maintenance, rent or rental assistance.
- Transport-related costs, such as buying a car, maintenance and fuel or other transport fares.
- General items, such as insurance, entertainment, donations or the repayment of personal debts.

Where the cost of the support is greater than what a person would normally have, due to an impairment, funding should only be used to cover the additional amount, that is, beyond the normal cost of the support. In these cases, determine what would be a reasonable personal contribution to the full cost of the support.

For example, a person has a goal of becoming more independent. One of the ways to become more independent could be to learn to drive. Many people learn to drive and access lessons from family/whānau and/or pay for driving instruction. The disabled person may need more driving lessons to learn to drive and pass the driving test. In this case, disability support funding could be used to cover the cost of the additional lessons.

A reasonable personal contribution will be different for each person's situation. Consider:

- whether they would buy the same good or service if they did not have an impairment
- their ability to contribute fairly and practically to buying the support
- the amount that they may be able to contribute.

## Criteria three: It is reasonable and cost-effective

### 'Reasonable'

The support should be clearly linked to the person's disability-related needs. The costs for that support must be 'reasonable' costs to pay for that type of good or service. While each case is considered according to its circumstances, here reasonable costs mean that the:

- support costs would not be expected to be more than market rates for similar goods and services (a fair but not excessive price)
- person should only pay costs that would normally be incurred in buying that type of support. For example, it is not normally considered reasonable to pay for a support worker's travel costs to their place of work as most people pay their own travel costs to work. However, if the only suitable available support worker has to travel a long distance (for example, to a rural location and there are no other support workers locally), the travel costs could be considered to be reasonable.

## **‘Cost-effective’**

When considering cost-effectiveness, people can be creative with ways of achieving the same or better outcome. At times, a support may initially cost more to achieve an outcome compared with other more standard ways of achieving the same outcome.

Some examples of cost-effectiveness are listed below.

- A person may need overnight support to keep them safe in their home. It may be more cost-effective to buy monitoring equipment that allows support workers or family to monitor and alert support workers or family than to pay a support worker to be on site for the whole period (eg, overnight).
- It can be more cost-effective to buy therapeutic supports to rehabilitate or allow a person to maintain function than to increase the amount of one-to-one support provided.
- Technology could assist a person to navigate streets and public transport so that mainstream supports in the community can be accessed safely and more independently. This would be more cost-effective (and life enhancing) than providing more support from a support worker.
- Technology could be used to remind a person to perform activities of daily living. This would be more cost-effective and less intrusive than having a support worker come in to assist the person and would encourage the person to do more tasks for themselves, thereby gaining greater independence.

## **Criteria four: It is not subject to a limit or exclusion**

### **Specialist services and equipment**

A personal budget should not be used to buy specialist services, such as Behaviour Support Services, Child Development Services or clinical therapy or rehabilitation services.

In addition, funding for Equipment and Modification Services has also been excluded from personal budgets. Disability equipment is covered through other funding sources (Ministry of Education or Ministry of Health, and it is not expected that people would choose to buy equipment such as wheelchairs with this government disability support funding. They may, however, choose to use some of this funding to complement the funding offered through Equipment and Modification Services.

A person should first access Equipment and Modification Services for support before using funding from a personal budget to buy equipment or housing/vehicle modifications.

In some cases, people can buy a support when funding for that support has been turned down by (or on behalf of) the responsible government agency or if waiting times are too long and the proposed support is expected to:

- a. achieve a person’s life goal that would not otherwise be achievable; and/or
- b. reduce disability support costs over time, and/or
- c. reduce the risk that disability support costs will increase in the future.

Occasionally, a person may not be prioritised or may be waitlisted to access a support. It may be more cost-effective to buy the support when it is needed as this is more likely to reduce costs over time rather than wait to access that support at some later date.

## **Exclusions**

### **Family members providing support**

A Ministry-funded personal budget does not permit employment of and/or payment for the delivery of support services to the person by:

- any family member who lives with the person, or

the person's non-resident spouse/partner, parent or guardian unless they are delivering Home and Community Support services and the disabled person has been assessed by a NASC as having high or very high needs.

A family member is defined as the disabled person's:

- spouse, civil-union partner or de facto partner
- parent, step-parent or grandparent
- child, stepchild or grandchild
- sister, half-sister, stepsister, brother, half-brother or stepbrother
- aunt or uncle
- nephew or niece
- first cousin.

## **Alternative health services**

Government disability support funding cannot be used to buy health services that are offered to all New Zealand residents through primary health organisations (PHOs) and district health boards (DHBs). This includes replacements for health services, where the person wishes to buy an alternative health service rather than using the funded health services.

The Ministry of Health will only fund treatments and therapies that are proven to give rehabilitation/habilitation benefits. This means that funding cannot be used to buy treatments or therapies that are not supported by a body of sound scientific research that demonstrates their effectiveness.

## **Other guidance**

### **Overseas travel**

The Ministry of Health only has a mandate to provide disability support funding for New Zealand residents while they reside in New Zealand.

People can, however, use their funding to cover support worker costs for travelling overseas on short trips, such as holidays. The person should fund their own travel costs from their own personal sources of income.

People should also consider the tests of cost-effectiveness and reasonableness. For example, it may be more cost-effective to contract a support worker overseas than to fly a support worker with the person.

Funding support for short trips should not exceed three weeks and if so, approval to spend funding overseas requires Ministry approval.

## **Case studies**

The following examples are help people better understand the Purchasing Guidelines.

### **Travel costs – Ruiha**

Ruiha is a 62-year-old woman with a physical impairment, living semi-rurally in Central Otago. She has a goal of continuing to live in her family home in her community. Due to her deteriorating condition and other health problems, she needs to make weekly visits to her local doctor.

She uses a wheelchair and often needs help to transfer from the chair into a vehicle. She is not able to drive safely herself. Her husband has the family's only vehicle, which he uses to drive to work every day. Ruiha has funding to help her with the activities of daily living and is supported by a Choice in Community Living provider.

She accesses the Disability Allowance when using taxis. However, this only covers 60 percent of the transport cost for her regular doctor visits. At times, the taxi driver and staff at the doctor's help her from the taxi to the waiting room. A support worker could be paid to drive Ruiha in the support worker's car, however, this would cost more than the amount it would cost to top up the taxi travel costs.

Therefore, Ruiha decides to use her disability support funding to top up the Disability Allowance for taxi transport costs.

This meets the Purchasing Guidelines in the following ways.

- Without access to the doctor visit, Ruiha would be unable to continue to live in her community.
- She would not need assistance to go to the doctor or need to go to the doctor regularly if she did not experience disability.
- It is more cost-effective to use funding to assist with meeting the balance of the taxi transport costs than to pay for support from a support worker.
- It is not subject to any exclusion.

## **James – Smartphone**

James is a 32-year-old male with learning impairments and low vision who lives in a flat in Christchurch. James has a busy life. He enjoys his independence and likes to participate in activities in his local community, such as going to the local pub quiz night, volunteering and going to the local pools and gym. He has a part-time job three days a week at his local supermarket. James wants to continue to access local activities and supports in his local community.

James' main form of transport is walking, and when he wants to go further afield, he uses public transport. He often struggles to learn new routes to get to activities in his local community and has difficulty reading street signs. He has got himself lost while walking to various places on multiple occasions.

James has decided that a smartphone will help him access the community as it will help him navigate the streets safely. A smartphone has the ability to read street signs and provide directions, and if he gets in trouble, James can use the smartphone to call for assistance.

His provider has helped James identify the most cost-effective phone and the best apps that will meet his needs.

Buying this smartphone meets the Purchasing Guidelines in the following ways.

- James has a goal of accessing the community and continuing his links to that community.
- He would not need assistance to navigate the streets independently if he did not experience disability.
- Buying a smartphone is a reasonable way of achieving James' life goal and is more cost-effective over time than assistance from support workers. It is more cost-effective to support James in community activities where he can build relationships and natural support than to fund supports.
- It is not subject to any exclusion. This support is not available through the Ministry of Health's Equipment and Modification Services.

## **Marie – Tricycle**

Marie is a 10-year-old girl living in the Bay of Plenty. She has physical impairments. She has poor strength, balance and coordination and struggles to walk any distance. Her mum finds it difficult to interest her in exercise, but Marie needs exercise to help with her strength, balance and coordination.

Marie has a goal of improving her mobility so that she can be independent and socialise with other children of her age. She also would like to participate in family activities, such as walking with her mum.

The family wants to buy a specialised tricycle (trike). The trike will enable Marie to exercise and strengthen her lower limbs. It will enable her to accompany her mum on walks.

Marie's physiotherapist (based at her special school) has recommended this support because a trike will help Marie's general strength and joint mobility. While she is not usually motivated to exercise at home, Marie enjoys using the school's trike, and it is expected she will be motivated to use one at home as well.

The family are contributing to the cost of the trike as they would normally expect to purchase a bike for other family members. Disability support funding is being used only for the additional cost related to the specialised trike.

This meets the Purchasing Guidelines in the following ways.

- The trike will support Marie's goals of participating in family activities and becoming stronger to help her becoming more independent.
- She would not need assistance to participate in family activities and would not struggle with fitness and mobility if she did not experience disability.
- This support is a reasonable way of achieving Marie's life goal and is more cost-effective over time than assistance from support workers. It is a more cost-effective way of supporting Marie in community activities, where she can build relationships and natural support, than funding support services for her.
- It is not subject to any exclusion.

## **Ana – Computer and assistive technology**

Ana is a 19-year-old with vision impairment. She can only read enlarged print for a very short time before her vision 'collapses' – gets out of focus and causes Ana to get a migraine.

Ana plans to attend university shortly.

She has been told that, due to the specialised nature of her requirements, there will be a long waitlist before she is able to get an assessment via the usual pathway to access funded assistive technology. She has recently had an assessment through the Blind Foundation as to what equipment would suit her needs.

Ana has asked to spend funding to contribute to a laptop, specialised camera and OpenBook software. With the camera and OpenBook software, she can have almost anything read to her regardless of format or font. She can use it with earphones so she can participate in regular tutorials or lectures. The laptop has higher than usual specifications to be able to function and handle multiple devices simultaneously.

Because she recognises that the planned support is not just an additional cost due to her impairment, Ana plans to fund some of the cost of the laptop herself.

This meets the Purchasing Guidelines in the following ways.

- Ana has a goal of achieving further education by going to university.
- She would not need assistive technology to help her at university if she did not have a disability.

- This support is a reasonable and cost-effective way of achieving Ana’s life goals.
- It is not subject to any exclusion. While this support is available through Ministry of Health Assistive Technology Services, there is a long waitlist to access an accredited assessor. This wait will significantly disadvantage Ana as it may prevent her from participating in university courses.

## Kauri

Kauri is a 10-year-old boy with an intellectual impairment. He lives with his mother and two brothers, aged 12 and 17. He spends every second weekend with his father. He attends a mainstream school.

Kauri’s whānau has been allocated a flexible respite budget of \$5,000 a year. At the beginning of each year, his parents get together to work out how best to use the respite budget so that they can have a break from their caring roles and engage Kauri in some meaningful experiences.

Kauri’s parents both work, so they choose to spend some of the flexible respite budget to cover Kauri’s care during school holidays. They do this in several ways.

- Kauri is able to attend a mainstream school-holiday programme. The holiday programme staff have had extra training in ways to support Kauri and have adapted some of the programme activities to work better for Kauri. On days when the programme takes the children out on activities in the community, the flexible respite budget is used to fund a one-to-one support worker (Kauri’s teacher aide), so that Kauri can continue to participate in the programme.
- During the October and January school holidays, Kauri’s aunty comes to stay for a week and takes care of the children. The flexible respite budget is used to fund her travel costs.

During term time, Kauri enjoys Lego® club as an after-school activity. This gives his mother a break every Tuesday afternoon and allows Kauri to interact with his peers in a social environment. The flexible respite budget is used to fund costs associated with Lego® club.

Throughout the year, as the flexible budget allows, Kauri also attend a Saturday activity programme, where he enjoys trying new activities and making new friends. This gives either his mother or father a day off, depending on where Kauri is based that weekend, and allows them to spend time with Kauri’s brothers.

The way that Kauri’s whānau has chosen to use the flexible respite budget meets the Purchasing Guidelines in the following ways.

The respite supports contribute to Kauri having social interaction in the community and allows his parents to have some time out from their caring responsibilities. Both these outcomes contribute to improving Kauri’s life.

Respite is a disability support.

- The ways that the whānau has chosen to use the flexible respite budget are cost-effective.
- The ways that the whānau has chosen to use the flexible respite budget are not subject to a limit or exclusion.

## Glossary

Behaviour Support Services	A specialist service that seeks to improve the quality of life for people who have challenging behaviour. These services develop and implement plans to reduce the impact of the person’s challenging behaviour.
Child Development Services	Multidisciplinary allied health and community-based services that focuses on early intervention for children with a disability or who are not achieving developmental milestones. These services provide specialist assessments and therapies.

Disability support (support)	A good or a service that helps a person overcome barriers that come with having an impairment within a disabling society.
Equipment and Modification Services	Ministry of Health funded support that: <ul style="list-style-type: none"> <li>• provides equipment to help people live safely and independently in their community</li> <li>• modifies buildings to make it easier for people to get in, out of or around their homes</li> <li>• modifies vehicles to enable people to get around the community</li> <li>• helps with the cost of hearing aids, cochlear implants, contact lenses and children's spectacles.</li> </ul>
Funder	The Ministry of Health (or the combined government departments responsible for the funding that is provided to the person).
Funding manager	The organisation or person who allocates funding, for example, a Needs Assessment and Service Coordination (NASC) organisation.
Independent Facilitator	A person who helps people to think about and plan for their lives and how to make this happen, including natural supports and involvement from the community. This includes Local Area Coordinators (LACs), Navigators, Connectors or Tūhono.
Nominated agent	An individual (chosen by the person) who is most closely involved in helping the person with their care and decision making and is able to make decisions on behalf of the person that relate to managing the person's supports. This individual will be identified through the assessment process.
Person	The person with a disability support budget allocation. The person may also be represented by their family/whānau or a nominated agent, at the person's request.
Personal Budget	The amount of funding a person is allocated by their NASC to enable them to buy their choice of disability supports. A Personal Budget has a start date, an end date and usually lasts for one year.
Provider	An organisation who supports a person with a disability. This includes Flexible Disability Supports provider, Host provider or Choice in Community Living provider.
Purchasing Advisor	An appointed representative of the funder who has experience and knowledge of what supports are available in the community and can provide advice to providers, funding managers (eg, NASC) or the person (or their representative).
Purchasing Review Panel	The panel containing representatives of the disability community and the Ministry of Health.



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