

# NDIS transition information for HACC-PYP providers

Department of Health and Human Services —February 2018

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## Glossary

- Client transition period:** This is a period of six to 12 months (dependent on the particular NDIS roll-out area) during which clients who have been contacted by the NDIA and found eligible will be given an approved NDIS plan. See Table 1.
- Extended transition period:** This applies only to HACC-PYP providers. It is the period of NDIS transition plus six months. The additional time is designed to ensure that all, or nearly all, **eligible** HACC-PYP clients have successfully transitioned to NDIS before any adjustment to HACC-PYP funding is implemented.
- In-kind funding arrangement:** Also called 'Method 1'. Under this arrangement, HACC-PYP providers continue to provide the same HACC-PYP services to all clients including clients with NDIS plan approved. These hours continue to be paid for by the department, not the NDIA. (From the point of view of the NDIA, this means that the services are being supplied to participants 'on an in-kind basis' rather than for cash.) The participant's NDIS plan will have a mix of in-kind and cash services. **This arrangement remains in place until the end of the HACC-PYP extended transition period.** At the end of the extended transition period, HACC-PYP funding is adjusted in a lump sum for all clients with an NDIS plan approved.
- Progressive cashing out:** Also called 'Method 2'. Under this arrangement providers will cease to provide HACC-PYP funded services to clients with an approved NDIS plan. All services in the person's NDIS plan will be delivered by organisations registered with the NDIA and will be paid directly by the NDIA. There will be no in-kind services in the person's NDIS plan. HACC-PYP funding will be adjusted each month to reflect the progressive transfer of clients from HACC-PYP to the NDIS, until transition is complete. HACC-PYP providers continue to provide HACC-PYP services to clients not eligible for NDIS and without NDIS plan approved.

# 1. Introduction

The implementation of the National Disability Insurance Scheme (NDIS) is a significant social reform, which when fully rolled out will double the funding available for people with disabilities in Victoria. Its implementation presents a number of challenges both for providers and for the Department of Health and Human Service (the department), especially during transition. This fact sheet provides information for Home and Community Care Program for Younger People (HACC-PYP) providers about transitional funding arrangements, nursing and allied health funding and reporting and monitoring. As the NDIS roll-out progresses further information will be provided.

## Action required

This fact sheet describes the two financial options for HACC-PYP providers to manage the adjustment of funds as the NDIS rolls out. Once you have read the fact sheet your organisation must choose which funding arrangement will work for you by responding to the two questions in the text box below.

Other funding in scope for the NDIS (such as Disability and Mental Health) will be adjusted according to the mechanism and timelines specific to those programs.

Please respond to the two questions in the text box below as soon as possible. **Please forward your response to the email address at the bottom of this page** as well to as your department Program Advisor. Your response will be shared with the National Disability Insurance Agency (NDIA) to ensure they have the information they need to populate people's NDIS plans.

1. Please advise the department whether your organisation:
  - a) intends to participate in the in-kind arrangements (described as 'Method 1' in this fact sheet), or
  - b) intends to opt out of the in-kind arrangement and progressively cash out hours of service as clients get NDIS plan approved (described as 'Method 2' in this fact sheet).
2. Please advise the department whether your organisation is registering as an NDIS provider (see Section 5 below).

Please respond via the email address: **haccpyp\_ndis@dhhs.vic.gov.au** with a copy to your Program Advisor.

## Overview

By June 2019, an estimated 21,000 HACC-PYP clients will have joined the NDIS. As this occurs, the department will adjust HACC-PYP funding based on the hours of service that clients receive.

Each NDIS area has a roll-out and transition end date. Because there have been delays with clients transitioning into the NDIS the HACC-PYP program has extended its in-kind period from 3 to 6 months (3 months in NEMA, Central Highlands and Loddon).

The NDIS is being rolled out progressively over three years to 30 June 2019, across 17 areas. Participants will enter the NDIS at different times, depending on the main type of support service they are currently receiving from the Victorian Government.

Typically, transition starts with people on the Disability Support Register (DSR) waiting list, some of whom may be receiving HACC-PYP services. People who have only been receiving HACC-PYP services may enter the scheme towards the end of their area's transition period.

If a HACC-PYP client is also receiving other government funded disability services, their transition date will be the date of the transition of those services.

**Table 1: Phase-in timeline**

DHHS Area	NDIS Roll-out Start Date	Transition period End Date	Extended transition period End Date
Barwon	(Fully rolled out)		
North Eastern Melbourne	1 July 2016	30 June 2017	30 September 2017
Central Highlands	1 January 2017	30 June 2017	30 September 2017
Loddon	1 May 2017	31 October 2017	31 January 2018
Inner Gippsland	1 October 2017	31 March 2018	30 September 2018
Ovens Murray	1 October 2017	31 March 2018	30 September 2018
Wimmera South West	1 October 2017	31 March 2018	30 September 2018
Inner Eastern Melbourne	1 November 2017	31 October 2018	30 April 2019
Outer Eastern Melbourne	1 November 2017	31 July 2018	31 January 2019
Hume Moreland	1 March 2018	30 November 2018	31 May 2019
Bayside Peninsula	1 April 2018	31 March 2019	30 September 2019
Southern Melbourne	1 September 2018	31 May 2019	30 November 2019
Brimbank Melton	1 October 2018	30 June 2019	31 December 2019
Western Melbourne	1 October 2018	30 June 2019	31 December 2019
Goulburn	1 January 2019	30 June 2019	31 December 2019
Mallee	1 January 2019	30 June 2019	31 December 2019
Outer Gippsland	1 January 2019	30 June 2019	31 December 2019

## 2. Transitional funding arrangements

### Two options for transition

HACC-PYP providers can choose between two options for managing HACC-PYP funds during the transition. The options are in-kind funding (also referred to as **Method 1**) and progressive cashing out (also referred to as **Method 2**). Examples illustrating the two options are in Appendix 1.

Other government disability funding (from Disability and Mental Health programs) will be managed under arrangements specific to those programs.

### Method 1: In kind funding arrangement

This arrangement offers the maximum funding stability and predictability during client transition. From the beginning of roll-out, organisations **continue to provide the same level** of HACC-PYP service to clients, regardless of their NDIS status, until the end of the extended transition period (see Table 1). Organisations must report all HACC-PYP hours via the HACC minimum data set (HACC MDS) in order to continue to receive the full HACC-PYP funding. The arrangement is the same regardless of whether or not your organisation has registered as an NDIS provider.

Once you have opted into the in-kind funding arrangement the NDIA will be advised. As any of your clients get an approved NDIS plan, their plan will include in-kind and cash hours of service.

If a participant's plan includes additional hours approved by the NDIS, these hours will be paid for in cash by the NDIA to a registered NDIS provider. These additional hours **should not be reported in the HACC MDS**.

#### How Method 1 works:

1. From the first day of transition until the end of the extended transition period, HACC-PYP funding continues unchanged.
2. HACC-PYP providers continue to provide HACC-PYP services to clients with an approved NDIS plan, clients testing their eligibility for NDIS and clients not eligible for the NDIS. Services will continue to be provided to these clients until the end of the extended transition period (see Table 1 for dates).
3. The HACC-PYP provider will **report HACC-PYP hours via the HACC MDS** including the hours provided to clients who have an NDIS approved plan, the hours to clients testing NDIS eligibility, and the hours to clients not eligible for NDIS.
4. The NDIS plan will identify the date on which the in-kind hours will transfer to cash. That date will be the end of the extended transition period, after which all services to NDIS participants will be provided by an NDIS registered organisation on the basis of cash on invoice.

#### Calculating funds adjustment for In-kind Method 1:

5. We will use a database (the NDIS ASR report) following the end of the HACC-PYP extended transition period to identify the clients with NDIS plan approved.
6. The statistical linkage key for clients with NDIS plan approved (including those who transitioned before the beginning of roll-out) will be matched to the most recent full year HACC MDS data.
7. We will calculate the percentage of hours provided to clients with NDIS plan approved and the percentage of hours provided to clients not eligible for the NDIS.
8. The relevant percentage will be applied to your funded targets to determine the funding adjustment for hours of service you have provided to clients with an approved NDIS plan.
9. Applying this percentage to funded targets provides the most accurate adjustment as it allows us to mitigate the impact of reported hours attributable to fee income, over/under reporting, other funding and council own-source contributions in the HACC MDS.
10. The funding adjustment will be applied 2-3 months after the end of the extended transition period and backdated to the end of the extended transition period.

11. The remaining HACC-PYP funds will continue to be provided for clients not eligible for the NDIS.
12. (See also Section 3 below on arrangements for HACC-PYP funded nursing and allied health.)

## Method 2: Progressive cashing out

Under this arrangement, your organisation will cease providing HACC-PYP services to clients as they transition to the NDIS. As a result, your HACC-PYP funding will be adjusted each month until transition is complete.

Once you have opted for the progressive to cash arrangement the NDIA will be advised. As your clients get an approved NDIS plan, their plan will **only** include cash for hours of service.

### How Method 2 works

1. HACC-PYP providers will continue to provide HACC-PYP funded services to the client until the date that the client has an approved NDIS plan.
2. HACC-PYP funds will be adjusted each month to reflect the hours of services provided to clients with an approved NDIS plan. The first month's adjustment will reflect those clients who transitioned to the NDIS before that area's roll-out period commenced ('early entrants').
3. It is critical that clients with an approved NDIS plan make this fact known to your organisation and take immediate steps to activate their plan and begin receiving services from an NDIS registered provider (which might be you). There are a number of factors that can slow this process but ideally the time between NDIS plan approval and plan activation should be as little as possible. Your organisation should monitor SigBox provider reports to assist with identifying clients who have an NDIS approved plan.
4. If your organisation is a registered NDIS provider, the client may choose you to provide some or all of the NDIS supports in their plan.
5. If your organisation is not a registered NDIS provider, the client will need to find an alternative provider, with support from the NDIA and Local Area Coordinator (LAC).

### Calculating the funding transfers for Method 2

1. Immediately before the start of transition in your area, the department will use your most recent statewide NDIS data to determine the number of HACC-PYP clients potentially eligible for NDIS.
2. The statistical linkage key for potentially eligible clients (including those who transitioned before roll-out began) will be matched to the most recent full year HACC MDS data.
3. We will calculate the percentage of hours of service provided to clients potentially eligible and the percentage of hours to clients not eligible for the NDIS.
4. The relevant percentage will be applied to your funded targets to determine the funding adjustment for hours of service to clients potentially eligible for the NDIS.
5. Applying this percentage to funded targets provides the most accurate adjustment as it allows us to mitigate the impact of reported hours attributable to fee income, over/under reporting in the MDS, other funding and council own-source contributions.
6. This adjustment will be divided by the number of HACC-PYP clients potentially eligible for the NDIS to determine the value of an average HACC-PYP service package per NDIS-eligible client.
7. At the end of each month the department will identify the number of HACC-PYP clients with an approved NDIS plan.
8. This number will be multiplied by the value of an average HACC-PYP service package for an NDIS client to determine the amount of funds to be adjusted that month.
9. HACC-PYP targets and funding will be adjusted in your HACC-PYP service plan approximately 2-3 months later, backdated to the relevant month.
10. Funding will only be adjusted to reflect clients with NDIS approved plans.

## Financial Recompense

### Fees

When a HACC-PYP client has an NDIS approved plan, the HACC-PYP provider can no longer charge a fee. This is due to an NDIS rule against charging co-payments.

The department acknowledges that for HACC-PYP providers who opt into the in-kind arrangement, this can lead to a temporary loss of revenue from the date when a person's NDIS plan was approved until the end of the extended transition period. On some occasions this may also apply to providers who opt for Method 2.

As per the January 2018 letter to your organisation from Anne Congleton, Deputy Secretary, Community Participation, Health and Wellbeing, the department will consider financial recompense if this revenue loss impacts your organisation.

Financial recompense will be considered and progressed when the relevant NDIS area has been fully phased in. The department will provide a template to facilitate this process.

### Process for consideration of financial recompense for fees

The HACC-PYP provider compiles a list of clients for whom fee revenue was foregone, identifying for each client:

- Date of NDIS plan approved
- Hours of HACC-PYP activities provided as in-kind
- Evidence of fees levied prior to NDIS plan approved
- Request for recompense (either through redirection of existing unexpended HACC-PYP funds and/or request for additional recompense).

The department's process:

- Divisional Program Advisor will review the documentation concerning fee revenue foregone and analyse the request for recompense
- Divisional Program Advisor will negotiate with the provider to identify a method of recompense and forward this recommendation to the department's central office
- Central office will review all recommendations
- The HACC-PYP provider will be advised of the decision about recompense.

### Gap between NDIS plan approved and activated

For organisations opting for Method 2 (progressive to cash), HACC-PYP funding will be adjusted with effect from the date on which a client has an NDIS approved plan.

There may be a gap between the date of NDIS plan approved and the date when a client has identified their NDIS provider and activated their plan. On some occasions this may also apply to providers who opt for Method 1. For organisations that are registered to provide NDIS services this gap will be covered by the NDIA, but for organisations not registered to provide NDIS services the department acknowledges that this may have financial implications.

As per the January 2018 letter to your organisation from Anne Congleton, Deputy Secretary, Community Participation, Health and Wellbeing, consideration of financial recompense can be sought from the department if this revenue loss impacts your organisation.

Financial recompense will be considered and progressed when the relevant NDIS area has been fully phased in. The department will provide a template to facilitate this process.

## **Process for consideration of financial recompense for the gap between NDIS plan approved and activated**

The HACC-PYP provider advises the department of their intention not to register with the NDIS as early as possible.

The HACC-PYP provider compiles a list of:

- Date of NDIS plan approved
- Date of NDIS plan activated (or if not known the date on which the HACC-PYP provider ceased to provide services) and details of how providers have assisted clients to activate their plans
- Hours of HACC-PYP activities provided during this period
- Request for recompense (either through redirection of existing unexpended HACC-PYP funds and/or request for additional recompense).

The department's process:

- Divisional Program Advisor will review the documentation concerning HACC-PYP services delivered after funding was adjusted and analyse the request for recompense
- Divisional Program Advisor will negotiate with the provider to identify a method of recompense and forward this recommendation to the department's central office
- Central Office will review all recommendations
- The HACC-PYP provider will be advised of the decision about recompense.

## **Evaluating the options**

Method 1 offers your organisation an extended period of stable HACC-PYP funding throughout the NDIS transition. This will facilitate forward planning for any reorganisation of staff and service mix that may be required. However, NDIS clients will stay with their current HACC-PYP provider for their existing HACC-PYP services until the end of the extended transition period.

Method 2 offers a faster transition process to NDIS for clients. However, there is less financial stability for the HACC-PYP provider, since monthly funding adjustments will vary according to numbers of HACC-PYP clients that gain NDIS approved plans during the month.

The HACC-PYP provider should evaluate the relevance of the two financial arrangements to determine which arrangement will work best and then advise the department as soon as possible (see Action Required on p3).

## **Support during transition**

During NDIS roll-out, HACC-PYP clients may seek support from their existing provider with whom they feel comfortable. HACC-PYP providers have a role to play in encouraging clients to test their NDIS eligibility and in supporting them to prepare for their NDIS care plan meeting.

HACC-PYP providers that do not register with the NDIA should encourage clients to work with the NDIA and the Local Area Coordinator (LAC) to identify a new provider.

HACC-PYP providers that do register with the NDIA should encourage their clients to make a decision about which service providers they will nominate.

## **Provider support for clients**

Your organisation can help make the client's experience of transition as smooth as possible. This can be done by continuing to provide existing HACC-PYP services to clients as they check their NDIS eligibility and go through the planning process.



If your organisation is not a registered NDIS provider, you should advise your client about the need to find and tell the NDIA which registered NDIS provider they have nominated to take over from you. If you have opted to remain in kind (Method 1), this will be at the end of the extended transition period. If you have opted for Method 2, it will be as soon as the person has an approved plan.

Some people may be reluctant to make changes to their existing arrangements or may wish to retain the relationship with a particular home-care worker who has become familiar with their needs. It may be helpful to let clients know that it is likely they will get additional services under the NDIS (based on recent data from NEMA and Central Highlands) and encourage them to test their eligibility.

All HACC-PYP organisations are encouraged to monitor Sigbox provider reports to identify clients with NDIS status 'Access Met' in order to help them prepare for their NDIS care plan meeting. It is critical that clients understand what services they are currently receiving and what services they need.

Should the client seek your support to work with the NDIA and/or the LAC to identify a new provider, it is acceptable to use your HACC-PYP funding for this purpose. However, you need to negotiate this arrangement in advance with your Program Advisor and receive approval in writing. You should report the hours of client support through the HACC MDS assessment, regardless of whether you are funded for assessment.

## Department support for providers

A provider's performance against HACC-PYP output targets will be treated flexibly by the department during transition **where performance is impacted by transition**.

HACC-PYP funds can be repurposed to help clients test their eligibility for the NDIS, including gathering evidence about their need for NDIS services, or any other mutually agreed purpose. HACC-PYP providers that would like to put in place flexible arrangements must negotiate and quantify these arrangements with their Program Advisor in writing.

Funds earmarked for HACC-PYP assessment for people aged under 65 can be used to support potential NDIS eligible clients during transition. The time spent on these services can be reported as hours of HACC assessment in quarterly HACC MDS reports.

## Remaining funds after NDIS roll-out

Funding associated with clients who do not transition to the NDIS will continue under HACC-PYP to ensure clients have access to the services they need, in line with current eligibility requirements. Ongoing HACC-PYP funds will also be available for services that use volunteers to deliver social support, and to provide nursing and allied health services to NDIS participants. See section 3 below.

After the end of the NDIS transition, providers may wish to renegotiate the service mix of their continuing HACC-PYP funds. Providers should contact their Program Advisor to discuss the options. Service providers and the department will need to work together to consider the demographic characteristics and service needs of clients under 65 who are not eligible for the NDIS. For example, it is likely that less funding will be needed for client assessment; the provider could therefore redirect a portion of HACC-PYP assessment funds to other kinds of service.

## 3. Nursing and allied health

Under the NDIS, nursing and allied health services are treated differently to other disability supports. The NDIA decides whether a particular type of service relates directly to the person's **disability** or whether it relates to an associated **health condition**. The NDIS does not provide funds to treat health conditions; rather these conditions remain the responsibility of the health system. However, this distinction is not necessarily clear in practice. Further advice will be provided by the department and the NDIA as the roll-out progresses.

## Home nursing funds

HACC-PYP funds that are currently being used to provide nursing services to individuals who become NDIS participants will be retained by the provider to continue to provide these services under HACC-PYP .

## Allied health funds

Based on the experience of the Barwon trial, it is assumed that most HACC-PYP allied health clients who transition to the NDIS will have allied health (described as therapeutic support) in their plan.

For these clients, some HACC-PYP allied health targets and funds will be adjusted for clients with an NDIS approved plan and some HACC-PYP allied health targets and funds will remain in HACC-PYP to deliver allied health services to HACC-PYP clients, including people who have become NDIS participants. More detailed guidelines for providers will be developed as the NDIS roll-out progresses.

## 4. Monitoring and reporting during transition

During the extended transition period, your organisation is required to continue reporting via the quarterly HACC minimum data set (MDS). This covers all HACC-PYP clients under the age of 65. If you are an in-kind provider (Method 1), you should include data on all clients who have an NDIS plan but who continue to receive services on an in-kind basis, plus clients testing their eligibility and clients not eligible for NDIS.

Once the extended transition period has ended, your organisation should continue reporting via the HACC MDS for:

- HACC-PYP services provided to clients who are **not eligible** for the NDIS or are still waiting for an approved plan; and
- Services funded by HACC-PYP and provided to NDIS participants for nursing or allied health services that are not part of their NDIS plan.

## SigBox

### About SigBox

SigBox is an online data room used for the secure exchange of client data between the department and service providers. It is used for the state-wide client data collection process and the subsequent data refreshes. SigBox can be accessed by [visiting the SigBox website](https://dhhs.sig-box.com/login) <https://dhhs.sig-box.com/login>.

SigBox works best using either the Google Chrome or Mozilla Firefox browser.

When a new file is loaded to SigBox, each user with access will receive a notification advising of the new file. The notification includes details about which file has been added to SigBox and the user who added the file.

Guidance on using SigBox is available on the [Victorian Government's NDIS website resources page](https://www.vic.gov.au/ndis/resources.html) <https://www.vic.gov.au/ndis/resources.html>

### Updating client data

Service providers can update data through the client data refresh process. Contact your organisation's Local Engagement Officer (LEO) or Program Advisor if you have any questions about this process.

### Provider Reports

A Provider Report is produced twice-monthly by the department from data supplied by the NDIA. The report is a set of Excel spreadsheets customised for each organisation involved in the NDIS roll-out, and contains information that is essential to HACC-PYP funded providers during the NDIS transition period. It charts the progress of your clients

through the NDIS intake and assessment process, and includes a cumulative list of HACC-PYP clients who have an approved NDIS plan.

For the time being, your organisation will continue to receive a provider report twice a month in SigBox. Over time, these will be replaced by the Online Provider Report.

Relevant staff in your organisation should regularly check these reports during the NDIS transition period.

## NDIS Online Provider Report

The NDIS Online Reporting Tool was introduced in September 2017 and complements the provider reports distributed via SigBox. It can be accessed at any time, and includes easy-to-use filters and easy-to-read charts.

If you require assistance accessing the tool, please contact your Local Engagement Officer (LEO) or Program Advisor. A user guide has also been uploaded to SigBox which will help your organisation use the Online Provider Report.

### Accessing the NDIS Online Reporting Tool

The Online Reporting Tool can be accessed by [visiting the Tableau website](https://tableau.deloitte.com.au/#/site/NDISclientrollout/views/ProviderReportsProvider_1/Cover)  
<[https://tableau.deloitte.com.au/#/site/NDISclientrollout/views/ProviderReportsProvider\\_1/Cover](https://tableau.deloitte.com.au/#/site/NDISclientrollout/views/ProviderReportsProvider_1/Cover)>

If your organisation has previously accessed reports via SigBox you should have an auto-generated user name and password to access the online tool. For security purposes, users are advised to change their password after they log in for the first time.

If you are unable to access the online reporting tool, a request must be submitted by your organisation's financial signatory to the department's service agreement.

Requests for additional access (or updates to existing access) should be emailed to [NDIS Data](mailto:ndis.data@dhhs.vic.gov.au)  
<[ndis.data@dhhs.vic.gov.au](mailto:ndis.data@dhhs.vic.gov.au)>. Please copy your LEO or Program Advisor.

## 5. Registering with the NDIS

The introduction of the NDIS is significantly expanding service delivery opportunities. If your organisation wants to participate fully in the NDIS, you need to register as an NDIS provider.

Registration will enable your organisation to deliver services to NDIS participants on a cash basis, in addition to the in-kind arrangements, and will provide a framework to ensure quality services and safeguards for NDIS participants.

Choosing to register is a business decision. It does not affect the ability of HACC-PYP clients to transition to the NDIS.

If your organisation decides to become a registered NDIS provider, please notify the department and the NDIA as soon as possible.

### Steps to registration

The NDIS registration process for existing HACC-PYP providers is as follows:

1. Your organisation applies to the NDIA to become a registered NDIS provider, listing the registration groups or support services that you intend to provide to NDIS participants.
2. If your application indicates that you propose to provide only services (such as Household Tasks, or Therapeutic Supports) that are **out of scope**<sup>1</sup> of Victoria's interim NDIS quality and safeguards arrangements,

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<sup>1</sup> 'Out of scope' means that providers of household tasks or therapeutic supports for the NDIS do not need certification from the State's interim process.

the NDIA will proceed to consider the application and may write to you with a Certificate of Registration approving you as a provider of the services set out in the certificate.

3. If your application indicates that you propose to provide services (such as Assistance with Personal Activities) that are **in scope** of Victoria's interim NDIS quality and safeguards arrangements, the NDIA will write back asking you to contact the department.
4. The department will check that you have been a provider of these services funded by the HACC-PYP and that you have met the HACC-PYP quality standards. The department will then issue you with a Certificate of Compliance.
5. You will upload the certificate onto the NDIA portal, as evidence of your status a Victorian Approved NDIS Provider of these NDIS support types.
6. The NDIA will proceed to consider the application and may write to you with a Certificate of Registration approving you as a provider of the services set out in the certificate.

## 6. Further information

For further information about the NDIS transition for HACC-PYP services, please contact the Department of Health and Human Services divisional health office in your local area.

If you have any questions about funding arrangements please contact the HACC-PYP team by [email](mailto:haccpyp_ndis@dhhs.vic.gov.au) <haccpyp\_ndis@dhhs.vic.gov.au>

For information about the NDIS roll-out in Victoria, [visit the NDIS rollout in Victoria webpage](http://www.vic.gov.au/ndis/rollout-in-victoria.html) <http://www.vic.gov.au/ndis/rollout-in-victoria.html>

## Appendix 1 – Transition from the client’s point of view

### In-kind funding arrangement (Method 1)

Table 1 shows how a person’s NDIS plan may include HACC-PYP in-kind services during the extended transition period, followed by services purchased with NDIS funding. In this example, the client Mr AB has been receiving four hours of personal care a week from his HACC-PYP provider. He lives in an area where client transition began on 1 November 2017 and will finish on 31 July 2018. The extended transition period ends 6 months later on 31 December 2018.

Date	Participant’s point of view	HACC-PYP provider’s point of view
1 Nov 2017		Roll-out begins in this Area
1 January 2018*	Mr AB is contacted by NDIA and found eligible. His status is recorded as ‘Access Met’.	<p>Provider monitors the Online Provider Report and notes Mr AB’s change of status to ‘Access Met’.</p> <p>Provider helps Mr AB to prepare for his planning discussion with NDIA or LAC.</p>
1 March 2018*	<p>Following discussions with the NDIA or LAC, Mr AB receives his approved NDIS plan.</p> <p>Mr AB’s first plan has a duration of 12 months. It includes 4 hours per week of Assistance with Personal Activities (corresponding to HACC-personal care) to be delivered on an in-kind basis for 10 months (i.e. until the end of the extended transition period). The plan also includes dollars for Mr AB to purchase Assistance with Personal Activities on a cash basis for the remaining 2 months of his plan.</p>	<p>Provider notes that the Online Provider Report shows Mr AB’s status as ‘Plan Approved’, with a date.</p> <p>Provider continues to deliver 4 hours a week of personal care using HACC-PYP funding, and reporting the hours delivered via the quarterly HACC MDS.</p>
Several weeks before 1 Jan 2019...	Mr AB, with support from NDIA or LAC and current providers, arranges for a registered provider to take over the HACC-PYP funded supports on 1 January 2019.	<p>Provider, if <b>not registered</b>, works with NDIA or LAC to assist Mr AB find an alternative registered provider to take over on 1 January 2019.</p> <p>Provider, if <b>registered</b>, may offer to continue providing services to Mr AB on a cash basis.</p>
1 January 2019	Mr AB’s HACC-PYP funded services cease on 31 December 2018. From 1 January 2019, Mr AB begins receiving similar services on a cash basis from the organisation he has chosen (i.e. from a HACC-PYP provider if registered, or from another provider).	<p>HACC-PYP extended transition period ends.</p> <p>Provider ceases delivering HACC-funded services. Department adjusts recurrent HACC-PYP grant to provider to reflect the reduced expenditure on clients who have transferred to the NDIS.</p> <p>Provider (if registered with NDIA and chosen by Mr AB) continues on a cash basis, invoicing the NDIA in arrears for remaining 2 months of his plan.</p>
1 March 2019	New NDIS plan for Mr AB begins.	Department advises the amount of HACC-PYP funds to be adjusted with respect to all clients who had an Approved Plan by 31 December 2018.

Note that if the participant is given additional hours of service in the NDIS Plan, the person would exercise their choice in purchasing these services using funds in the Plan.

## Progressive cashing out (Method 2)

**Table 2** shows how participant Ms CD begins drawing on funds in her NDIS plan, once it is approved. Services that were previously delivered with HACC-PYP funding now cease. This client has been receiving 4 hours of personal care a week from the HACC-PYP provider, in an area with a 12-month transition period.

	Participant's point of view	HACC PYP provider's point of view
1 November 2017		Roll-out begins in this Area
1 January 2018*	Ms CD is contacted by NDIA and found eligible. Her status is recorded as 'Access Met'.	Provider monitors the Online Provider Report and notes Ms CD's change of status to 'Access Met'.  Provider, if <b>not</b> registered, informs Ms CD that she will need to find an alternative provider. If requested by the client, the provider may support Ms CD to liaise with NDIA or LAC to find an alternative registered provider to take over as soon as practical after 1 March 2018.
During February 2018	Following discussions with the NDIA or LAC, Ms CD receives her approved NDIS plan, dated 1 March 2018.  Ms CD's plan has a duration of 12 months before review. It includes 4 hours per week of Assistance with Personal Activities (corresponding to HACC personal care).  Ms CD, with support from NDIA or LAC and current providers, arranges for registered provider(s) to take over on 1 March 2018.	
1 March 2018*	Ms CD's NDIS plan, with cash for all 'reasonable and necessary' services, comes into effect.  Ms CD commences with the new provider, or remains with the current provider (if registered) on a cash basis.	Provider notes that the Online Provider Report shows Ms CD's status as 'Plan Approved', with a date 1 March.  Provider, if registered, may offer to continue providing services to Ms CD on a cash basis from 1 March.
May 2018		Department adjusts HACC-PYP funds to the provider with respect to Ms CD, with effect from 1 March 2018.
1 March 2019	Second NDIS plan for Ms CD begins.	

\* Depending on the phasing schedule, a person may be initially contacted by the NDIA at any time. Weeks may pass between date of Access Met and date of Plan Approved.

## Appendix 2 – Frequently asked questions

Please note, these Frequently Asked Questions will be regularly updated as NDIS roll-out progresses.

### Who is eligible for the NDIS?

To access the NDIS, an individual must:

- have a permanent disability that significantly affects their ability to take part in everyday activities;
- be aged less than 65 when they first access the scheme; and
- meet certain requirements for citizenship and residency.

For more information, visit the NDIS' Access Requirements webpage <https://www.ndis.gov.au/people-disability/access-requirements.html>

### What programs are in scope for NDIS?

Disability client services are in scope. Mental Health services are in scope.

The following HACC-PYP activities are in scope:

- Linkages packages
- Domestic assistance
- Personal care
- Respite
- Delivered meals
- Property maintenance
- Planned activity group
- Allied health.

### How will clients be contacted?

The department has compiled a database on potentially eligible clients. It is based on a state-wide client data collection involving all disability, mental health and HACC-PYP providers in October 2016. This data is updated through regular client data refreshes. The NDIA is using this database to contact people and to determine their eligibility. Clients not on the list will need to submit an Access Request Form to the NDIA.

### How many HACC-PYP clients are likely to be eligible for the NDIS?

It is estimated that about 21,000 HACC-PYP clients in Victoria will be eligible for the NDIS. The experience of the NDIS trial in the Barwon area shows that HACC-PYP clients eligible for NDIS tend to include:

- People with support such as Individual Support Packages (ISPs)
- People on a Linkages package
- People getting personal care or respite, or attending a planned activity group.

### Can clients join the NDIS before the transition period begins?

Yes. People on the Disability Support Register or Early Childhood Intervention Service waiting list who have been identified as having an urgent need for NDIS services may be offered the opportunity for **early transition**. Some of these people may also be getting HACC- PYP funded services.

An assessment is completed when a person gets into NDIS and any relevant services, including HACC-PYP, are included in the NDIS assessment and plan.

## **What happens if a HACC-PYP client does not wish to join the NDIS?**

Some people may be reluctant to change their existing arrangements with HACC-PYP providers. For example, they may wish to retain the relationship with a particular home-care worker who has become familiar with their needs.

Your organisation should encourage the person to test their eligibility, and explain that the HACC-PYP program cannot guarantee ongoing delivery of current services, as these will be delivered by registered NDIS providers.

## **How will HACC-PYP funding be affected by people who transition early?**

HACC-PYP financial arrangements do not commence until the NDIS area commences roll-out. This means that clients who transition before roll-out starts (early entrants) move immediately to NDIS on a cash basis. You will continue to receive your HACC-PYP funding for these clients until the relevant adjustment date. That is, if your organisation has adopted method 1 (in kind), you will see the adjustment at the end of the extended transition period. If your organisation has adopted method 2 (progressive to cash) the funding adjustment will be effected at the beginning of roll-out.

This arrangement will remain in place only while the numbers of HACC-PYP early entrants remain low.

HACC-PYP providers must negotiate the use of any uncommitted funds with their Program Advisor in writing. HACC-PYP funds can be repurposed to help clients check their eligibility for the NDIS, including gathering evidence about their need for NDIS services, or any other mutually agreed purpose.

## **Will HACC-PYP output targets be affected by the NDIS transition?**

If your organisation has adopted **transition Method 1** (in kind), targets against HACC-PYP funding will not change during the extended transition period and you will continue to provide the same level of HACC-PYP service as before roll-out. After the extended transition period has ended, adjustments to HACC-PYP targets and funding will be based on the number of clients with NDIS care plan approved and hours of service they receive. If not all HACC-PYP clients have transitioned to NDIS at the end of the extended transition period, your HACC-PYP targets and funding will be adjusted monthly until all eligible clients have transitioned.

It is expected that the HACC-PYP extended transition period of six months is sufficient for most if not all clients to have transitioned before the in-kind arrangement ends.

If your organisation has adopted **transition Method 2** (progressive to cash) your HACC-PYP targets and funding will be adjusted on a monthly basis according to the number of clients with NDIS plan approved and hours of service they receive. Targets and funding will be adjusted each month until all eligible clients have transitioned.

## **How does the NDIS differ from HACC-PYP funding arrangements?**

The NDIS is based on the principle of individualised funding, meaning that funding is allocated to a person with disability who can then choose who will deliver their services. Consequently, the transition of HACC-PYP clients to the NDIS involves a significant change to your organisation's funding arrangements and business processes.

Under the current funding arrangements, the HACC-PYP program allocates grants to providers as part of a service agreement which sets out the agreed number of service hours to be provided. These hours are paid at standard unit prices for each activity, plus any block grants.

By contrast, when the NDIS is fully rolled out, the NDIA will pay registered providers in arrears for services delivered to individuals, on receipt of a payment request. Each individual will have an NDIS plan which includes a budget for particular supports.



## **After roll-out, can HACC-PYP funds or Community Health Program funds be used to deliver services to NDIS participants?**

HACC-PYP funds should **not** be used to provide services, such as personal care, to an NDIS participant after the in-kind period. This is because state-funded community care services are not intended to substitute for services funded by the NDIS.

However, if you are a provider of **nursing or allied health**, it may be appropriate to use funding from HACC-PYP or the Community Health Program (CHP) to provide these services to an NDIS participant if the participant **does not have** an allocation of funds for these purposes in their plan. This is because the NDIS is not a provider of health services. Health services will continue to be the funding responsibility of other programs.

A request from an NDIS participant should be treated as a normal referral or self-referral.

To determine whether to supply the requested service, the normal criteria in the HACC-PYP or CHP guidelines should be applied, namely:

- Decide whether the person is eligible (an NDIS participant is very likely to meet eligibility criteria because of their level of disability);
- Decide whether the type of service requested is appropriate to HACC-PYP or CHP;
- Determine if the service is included in the person's NDIS plan; and
- Decide what priority the person has, compared to other referrals.

## **Our organisation gets allied health funds from several sources. How will we be affected by the NDIS?**

Only HACC-PYP funds will be transferred to the NDIA as a result of clients entering the NDIS. Community Health Program (CHP) funding is not affected, and neither is Commonwealth Home Support Programme (CHSP) funding.

If your organisation has pooled its HACC-PYP and CHP funds to provide allied health services, it is important to **separate the funding for reporting purposes**. For under-65s, report via the HACC MDS or the Community Health MDS, as appropriate. For over-65s, report to the Commonwealth's DEX system for clients funded under the CHSP, or to Victoria's Community Health MDS as appropriate.

## **Can a HACC-PYP client choose another provider during the in-kind period?**

Yes. While the default position is that HACC-PYP clients will continue to receive relevant services from their current HACC-PYP provider on an in-kind basis, if the client would like to seek another provider during the in-kind period, they should notify the NDIA or LAC who will then notify the department. The NDIA may need to add more funding in the participant's plan as a result of this change.

## **What happens if a HACC-PYP client moves to another NDIS provider during the in-kind period?**

If your organisation is an in-kind provider of HACC-PYP, your funding will only be adjusted at the end of the extended transition period. If a client moves, you should not allocate their funding to another client, because the funds for this client will be a component of the funding adjustment at the end of the extended transition period. You should negotiate the use of these funds in writing with your Program Advisor. HACC-PYP funds can be repurposed to help clients check their eligibility for the NDIS, including gathering evidence about their need for NDIS services, or any other mutually agreed purpose.

## **Can we charge fees to clients who join the NDIS during the in-kind period?**

No. Once a client has received an approved NDIS plan, the NDIA prohibits the charging of co-payments (such as a HACC-PYP fee) for any service in their NDIS plan.

The department acknowledges that for HACC-PYP providers who adopt the in-kind arrangement this can lead to a loss of revenue from the date of NDIS plan approved to the end of the extended transition period.

As per the January 2018 letter to your organisation from Anne Congleton, Deputy Secretary, Community Participation, Health and Wellbeing, consideration of financial recompense can be sought from the department if this revenue loss impacts your organisation.

**Financial recompense can only be considered when the NDIS area is declared fully phased in.** Please see section 2, 'Financial recompense' for further detail.

### **What range of services will our organisation provide to remaining HACC-PYP clients?**

The range and quantity of HACC-PYP services will be determined by the size of the remaining HACC-PYP client group and funding. The service mix and output targets will be subject to renegotiation with your Program Advisor in the usual way. The department will work to ensure that any remaining HACC-PYP funds are optimally spent to meet client needs.

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