

## **Recommendation 2: Summary of submissions from residential care providers**

Following the Independent Review of Disability Support Services (Independent Review) in 2024, the DSS Taskforce (the Taskforce) was established to implement the Independent Review's recommendations.

The Taskforce is working to stabilise disability support services by making them fairer, more transparent, easier to understand and more consistent for disabled people.

Recommendation 2 of the Independent Review was to 'Freeze current levels of funding for residential facility-based care for 2024/25 pending commissioning and completion of a detailed and urgent review of the contract and pricing models.'

In November 2024, residential providers participated in a series of focused engagement workshops relating to Recommendation 2 (Residential Contract and Pricing Models). A [summary of the feedback and themes](#) from these workshops is available on the DSS website.

Residential providers could also share their thoughts through an online survey specifically designed for recommendation 2. This document is a summary of feedback received from this online survey.

### **Online survey**

The survey was launched on 29 October and closed on 22 November 2024. There were 20 respondents to the survey.

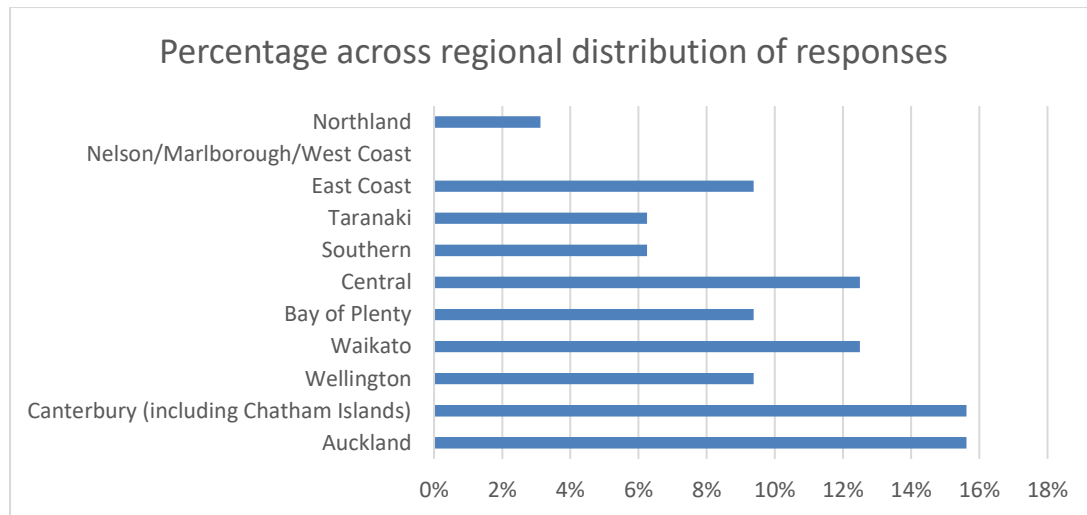
The survey had two parts. The first part asked respondents to provide feedback on the Independent Review. These questions were the same as those in the public survey. Responses to these questions were analysed along with the responses to the public survey and have been reported on in the [Responses to 2024 DSS survey and submissions | Disability Support Services](#) available on the DSS website.

The second part of the survey focused on residential care and asked about:

- potential alternatives to residential care
- addressing issues to better manage the cost
- improvements to the effectiveness of pricing and contracting
- prevention or delay of the need for people to enter residential care
- ensuring support is available to current residents to exit residential care where they could live in the community.

Given the survey was only open to residential providers, neither the connection to the community nor the region of the respondent is provided with quotes, as this could make responses identifiable.

Quotes have been copied verbatim and have not been corrected for spelling or grammar.



### **Ensuring the sustainability of residential care for those who need it**

Respondents felt that improvements could be made to early intervention, transport, and housing. Improved access to appropriate housing and transport would enable a disabled person to move around their community and support them to stay in their own home if appropriate.

“Transport, and an understanding of how transport impacts behaviour. Example, someone we support (2:1 service) has recently been assessed as needing a small wheelchair van. If she gets into a car she is in a lot of pain and has subsequently assaulted staff. However, we can't get the funding for the van, and I can't let staff be with her in a small car (health and safety risk). We try and use taxi vans where we can, but it's hard to get them. Therefore, she is stuck at home and bored. Now her assaultive behaviour is going up, therefore her support needs. Therefore, the cost of supporting her. The savings on the transport are not real.”

Improving assessments was also recommended. Respondents suggested that:

- Assessments need to be holistic and consider the whole of a disabled person's life.
- Drawing on the knowledge of Needs Assessment Service Co-ordination organisations (NASCs) would support an understanding of the breadth of people's long-term and diverse support needs.
- Monitoring and evaluation (including lived experience of disabled people and their families) was also viewed as important, including the use of evidence to inform decisions on services and demand.

Standardized needs assessments and service coordination are needed. Data-Driven Decisions: Clear data on support needs and future projections is vital. Addressing Inequities:

Funding disparities between acquired and congenital disabilities must be resolved.  
Benchmarking: National benchmarks for overhead costs can help providers assess their pricing. Infrastructure Uniformity: Consistent support infrastructure is necessary for effective service delivery.

Respondents highlighted the importance of support for capability development for providers.

- More information, funding, and support should be given to providers so they can develop skills, build a strong workforce, and have less reliance on government or philanthropy.
- Funding should be increased and made more sustainable, consistent, and transparent.
- The costs of services, their delivery, and workforce development should be adequately met.
- Meaningful activities during the day are not available for some people in residential care and should be improved along with respite care for families and carers.

Understand the capability in the provider market - ID, Physical Disability, Behavioural etc. Explore partnerships with others- charities, philanthropists, investors. Capital costs can be jointly funded. Develop longer term trust-based contracts to meet the needs by region. This should cover ACC, health and education needs. Service delivery quality staffing for complex needs is more difficult. Work with high quality providers to manage costs and build to scale in each area. Understand the range of needs that need to be responded to. NASC and ACC understand this. Use the regional information you have.

access to meaningful sustainable day activities, how many people require support to stay at home and do nothing across the country, the numbers will be staggering as will the cost. Effectively services are paid to ensure people do little, instead of community integration. Funders are naive in stating that there is a place for everyone in the community at all times, this is not realistic especially when there is no community building actions.

Respondents highlighted the gaps between government agencies and the need for an all-of-government response.

- The consistency and coordination of contracts could be joined up across agencies, so providers have fewer transactions and improved trust. Reducing compliance, increasing efficiency in financial management, and changing the model of delivery to match current/forecast demand of composition and volume was also highlighted. Respondents also suggested rethinking and reviewing alternatives to residential care, giving more choice and control to disabled people.

Need to completely reevaluate the concept of residential care and start thinking about those supports in terms of 24/7 supported independent guidelines. In the medium term will have far better outcomes and cheaper. Need to stop think solely about a disability solution.

## **Improving the efficiency and effectiveness of pricing and contracting for residential care**

Respondents agreed there was a need to improve the efficiency and effectiveness of pricing and contracting. This was viewed as key to making funding more sustainable, consistent, and transparent. Respondents suggested:

- Contracts with providers should be aligned with the service delivery and workforce expertise required.
- There needed to be the same price for the same service and payments should be timely.
- Some respondents thought the same price should be paid regardless of location.
- The pricing model should transparently involve providers in the design process. This would help to ensure pricing is reflective of the costs of service delivery and the complexity of supporting different levels of impairment. It would also improve consistency and make it more in-line with the ACC pricing model.

*DSS needs to have a real conversation about cost of delivery. It can't all be driven from assessment without understanding true cost at the other end. They need to take into account the intricacies of cost too. Yes, it costs more to fund a behaviour support person across a service, but that can decrease costs at the other end.*

*The Ministry of Social Development (MSD) should consider adopting ACC's pricing model for residential support services. ACC uses real cost assessments and offers flexibility in contract management, including paying providers during vacancies to maintain responsiveness.*

Respondents highlighted the need for increased early intervention to help people remain living in their own home and to reduce the level of support required in residential care.

Earlier behavioural support access, technology utilisation, and applying multidisciplinary approaches early would all help to ensure appropriate support is provided when it is needed. This would help to prevent deterioration in independent living. Respondents also suggested improving assessments, so they are streamlined and more efficient.

*Understand that running a service is separate from supporting an individual, understanding that if issues are addressed earlier in a multi-disciplinary team long term cost can be saved, for example having training and quick access to behaviour support or PHO can support avoiding long term cost. Mental Health supports can avoid the need for higher support needs over a longer time. Being able to have 100% compatibility which means having the possibility to run smaller homes avoids a lot of escalation.*

Respondents outlined the benefit of supporting and funding capability development for providers. They also suggested increasing support for meaningful day activities and services so disabled people in care have somewhere safe and accessible to go, with meaningful activities.

If people had access to safe day services with structure you would see less cost in residential support services, and whanau would have people at home as many want.

Respondents emphasised the need to improve the all-of-government response and reduce gaps between agencies. They also highlighted a lack of coordination across government agencies.

Respondents suggested consolidating all disability-related funding under one agency to simplify transactions for disabled people, carers, and providers alike.

Monitoring and evaluation were also seen as needing improvement. This would include the use of evidence to determine demand and supply to set funding and consideration of the lived experience of disabled people and their families.

Frankly, who pays (I'm assuming this means what Govt ministry budget) is irrelevant - this is a responsibility of Government utilising tax revenue to not only protect but prioritise a focus on equity for all in our society.

Unified Funding Source: Create a single funding stream for all services, including community participation.

## **Increasing early intervention and support in the community**

Respondents emphasised the need for increased early intervention to help people stay living in their own home and to prevent or delay the need for people to enter residential care.

Early intervention needs to reach across services and funders with a multidisciplinary approach, especially when a disabled person has multiple impairments. Services and supports must be timely to prevent deterioration of a person's condition, particularly health services and rehabilitation.

Respondents thought younger disabled people should be supported to learn practical life skills. This could be achieved with proper investment in capability building using technology and local knowledge and expertise from the community to inform decision making.

Again, from the perspective of high and complex where I work - wrap around services from as soon as possible in the person's life. At this end of the spectrum, the person is seldom disability alone. If they had had good access to mental health services, child youth services earlier in their journey they may well not get as far as residential.

Expand early intervention services and ensure they are well-integrated into the overall disability support continuum. Consistent Diagnosis and Funding: Standardize the application

of diagnoses and funding across the country, eliminating unnecessary reapplication processes for individuals with ID.

Respondents recommended funding should be increased and made more sustainable, consistent, and transparent. Funding needs to be flexible enough to support families to continue to care for disabled people in the community as long as possible. Tolerance of risk should be increased for high needs support packages with trusted providers. This would help to reduce transactions and support simplification across funders.

Access to housing was viewed as a key issue. Respondents stressed that more housing needed to be accessible. There is currently not enough accessible housing for families to rent. This may impact negatively on their ability to look after a disabled family member at home. Incentives could be introduced for landlords to make properties rentable by disabled people. Assessments could also be improved, increasing consistency across NASCs, and reflecting the whole person across the life-course.

To delay residential care, families need flexible home care, employment, social participation, and respite care options. Lack of accessible housing also plays a role, as families often cannot modify rental homes.

Respondents recommended focusing on workforce skills and experience, workforce development, and the retention of staff by resolving pay equity issues.

Improving respite care and support for families/carers was also viewed as important. Families may delay or defer personal health treatment if there is no appropriate respite care available. This could increase the need for residential care if family carers have poor health and can no longer care for a disabled family member.

More information for families earlier in life to allow them to be able to plan for their loved one with a disability. providing support in home and respite for families would help them to be able to have their loved one stay at home longer.

Family carers delay surgeries due to no respite options, such as a family that waited for residential care before surgery. Flexible respite care, like swimming or community outings, prevents isolation and improves quality of life.

Respondents repeated the need for improved monitoring and evaluation and the use of data and evidence. This would support a better understanding of when intervention is most needed and would have the greatest impact.

Rolling out EGL nationwide was also suggested. Respondents also recommended improving services generally, such as improved support and opportunities for disabled people, particularly people with intellectual disabilities.

Keeping people safe was also outlined as key, both for the disabled person and/or their family/carers. Community residential care needs to remain an option for those people who do not have family or community supports and for those with very high

needs. Respondents pointed out that residential care can be a safer option than individualised support in the community.

Better data - Need to be able to 'track' those at risk of needing 24/7 supports from a really young age so we can intervene early

COMMUNITY residential SUPPORT needs to remain an option for people who are eligible and who chose this. Not everyone has the family net works and resources or desire to run their own supports through IF etc. You cant early intervention away a persons intellectual disability. People can live great lives with the right support and we need to trust them and their whanau's choices around this.

## **Providing support to exit residential care where appropriate**

Respondents suggested assessments should holistically reflect all the support needs for a disabled person and identify early whether they may be able to exit residential care. This approach would help ensure the right services and support are provided with the goal for the disabled person to live independently.

Support needs assessment should focus on discharge from the point of entry. Consider how this is done in other sectors (e.g., mental health), where objectives for exit from residential services are planned at the referral and entry phase. Providers need to demonstrate that the support provided is focused on building independent living skills.

Respondents highlighted the critical importance of a transition plan to be developed and put in place in advance. The plan should move at the pace of the disabled person and respect their choices in where and how they live. The option to return to residential care was also viewed as important. Respondents noted the importance of relationships between disabled people and staff to build trust. Community services need to be involved in the planning stage and provide follow-up to ensure life in the community is sustainable.

Smooth transition not just you're ready out you go. As an example, within my service we are working to transition one of our young residentials to the self-contained flat we have on-site and see how he goes out there with a bit more independence. At first, he was not in favour but lately, he has been talking about his readiness. That has been through constantly speaking with him at careplan time about how he feels etc.

Transition plans and support. Agencies that work together effectively for the outcomes of the client.

Respondents felt the current levels of funding did not support safety. They also felt the pricing model needed to move from bed occupancy to capacity to provide certainty to providers. In some situations, it may not be sustainable at low funding levels for a provider to retain an individual in care, and the pricing model should reflect the cost of exiting a person from care.

Consider fully funded beds as opposed to occupancy based funding model. Fully funded beds will ensure providers are not negatively impacted when people are discharged, objective is on throughput rather than keeping someone in a residential bed which results in loss of funding.

Respondents highlighted that community supports needed to be planned for and individualised. This would help to ensure adequate support for daily living, prevent social isolation and provide safety for the disabled person. Improving access to accessible and appropriate housing was also seen as an essential factor for disabled people to exit residential care. Respondents suggested a joined-up approach across funders and providers to ensure access to appropriate housing and transport. Others suggested stronger links to social housing, or a stronger mandate for the application of universal design.

1) access to safe secure, low cost housing 2) having effective sustained home and community services (HM & PC) 3) SL and HM PC 4) Meals on Wheels or other prepared meals  
NASC have stopped thinking outside of the box.

100% consistency of staffing support in their own home, a community living provider that focuses on establishing good, long-lasting relationships between client and staff.

### **Alternative ways to support people with higher needs**

Survey respondents recommended a focus on early intervention to help keep people living in their own home safely, for both the disabled person and/or their family/carers. Some respondents outlined the connection between early intervention and a social investment approach. This would include supporting people in their own homes and building on strengths to enable the moderation of support packages over time. A social investment approach was viewed as a way of reducing cost growth in the longer term and improving life outcomes for the disabled person.

Respondents pointed out that care in a disabled person's own home requires the support of their families. These families need to be supported. Respondents suggested there may be opportunities to use technology to give families greater choice and control. The use of an Enabling Good Lives (EGL) approach was also suggested.

Respondents outlined that keeping people safe may require residential care and, in fact, cost less than individualised support in the home. Some high needs disabled people may have challenging behaviours, requiring 24/7 care. Residential care may be a less costly option and provide more skilled staff and resources than continuing to provide care in the community. This should be considered on a case-by-case basis.

Better ways are clearly in a person's home, but for high needs clients with physical disability, it is not cheaper! That is an urban myth. If a client needs 24 hour support, it is more expensive to provide this in their home, than a large residential disability facility for example.

Usually by the time a person gets to residential care the family have tried to manage for a long time on their own under trying conditions. People with higher needs, require higher care and many providers support these people at a financial cost to the organisation because of their philosophy ethics and values. It is sometimes more cost efficient to have provided residential



care than support in the community. In answer to the question I do not see a less costly way to support these people with high needs.

## **Next Steps**

The findings from this engagement have informed the development of a pricing model for DSS-funded residential care services. Cabinet decisions on a final pricing model are expected in early 2025. The findings will also be used to inform longer-term work on the strengthening of DSS.