

Briefing to the Incoming Minister of Health the Hon Tony Ryall



The Ministry of Health is the principal funder of disability support services for people with intellectual disabilities and is responsible for ensuring effective access to healthcare for all New Zealanders.

This briefing outlines the challenges and opportunities IHC has identified for the incoming Minister of Health in the areas of:

1. Disability service provision
2. Health of people with an intellectual disability

IHC advocates for the rights, inclusion and welfare of over 50,000 people in New Zealand with an intellectual disability. IHC is well connected to the disability sector and works in partnership with organisations such as People First, the Disabled Persons Assembly and CCS Disability Action to advocate for the best disability and health system for people with an intellectual disability. IHC also delivers \$195 million of government contracts through our wholly owned subsidiary IDEA Services.

Challenges in the Current Environment

IHC's vision for people with an intellectual disability is that they live satisfying lives in the community. This means participating in and contributing to their communities and realising their full rights and responsibilities as New Zealanders.

Essential to achieving this vision are:

- sustainable, efficient, quality support services for people with an intellectual disability and their families and whānau
- effective access to healthcare for people with an intellectual disability
- an improved relationship with the Government and officials to address the challenges that currently face the sector.

There are serious issues impeding IHC from achieving our vision that are directly attributable to the lack of leadership and at times obstruction by the Ministry of Health and other government agencies. Separate funding streams across government are also creating considerable difficulty and complexity for families, individuals and service providers.

After 10 years of working parties, discussions and promises, IHC is now seriously considering legal avenues to redress some of our long-standing concerns with Ministry of Health funding and contracting practices. IHC wishes to work with the Minister of Health to address these issues as a matter of priority.

Opportunities for Partnership

People with intellectual and other disabilities need health and disability support services that:

- are flexible, responsive, and tailored to individual needs and preferences
- allow choice and control
- facilitate independence and autonomy
- enable contribution to the economy and community
- are measured by quality-of-life outcomes.

Current barriers to achieving this can be addressed by a focus on three core areas:

1. Implementation of a contracting and pricing model for disability support services that is sustainable, fair and supports quality service provision.
2. Development of a professional disability support workforce with pay rates and training and professional development that reflect the level of skill, knowledge and responsibility required to work in the sector.
3. Improving health outcomes for people with an intellectual disability.

IHC also strongly supports the Parliamentary inquiry recommendation that an appropriately resourced lead agency be appointed as a matter of priority. IHC favours an independent Disability Commission taking this role.

IHC welcomes the solutions set out in the Disability Issues section of National's Health Policy. We also support established external measures which we believe should be used to plan and implement actions in the next three years. These can be found in:

- the recommendations of the National Health Committee's report *To Have an Ordinary Life* for people with an intellectual disability
- the New Zealand Disability Strategy 2001 as it relates to this portfolio
- the 2008 Parliamentary inquiry recommendations on how to improve the quality of care and support services for people with disabilities.

We have outlined in more detail how progress can be achieved in the attached three pages.

About IHC

IHC was formed in 1949 by parents who wanted better lives in the community for their children. IHC is now the largest disability services provider in New Zealand and a leader in the disability sector. This includes having the largest housing portfolio outside government.

IHC:

- Delivers \$195 million of government contracts through our wholly owned subsidiary IDEA Services and \$10.5 million of services supported by fundraising
- Employs almost 6500 staff
- Provides disability support services for over 6350 people with intellectual disabilities and their families
- Advocates for the rights, inclusion and welfare of over 50,000 people in New Zealand with an intellectual disability.

Final Words

IHC is aware of the impact of the global financial crisis on the priorities of the incoming Government. A recent OECD report highlights, however, that investment in support for disabled people is a true 'win-win' policy. Investment in disability services supports participation in the community and the workforce, leads to higher incomes and raises the prospect of higher economic output in the long term.

IHC believes that even in the current economic climate there is significant opportunity to maximise the efficiency of spending on health and disability support services while improving opportunities for choice, control and independence by people with an intellectual disability and their families. We look forward to working with the incoming Government to make this happen.

Contracting and Pricing Model

Challenges	Opportunities
<ul style="list-style-type: none"> • The contracting approach to the purchase and delivery of disability support services has caused a system that is complex, unsustainable and inefficient. • The Ministry of Health pricing model for IDEA Services Limited, IHC's services arm, has not had a systematic review since its introduction in 2004. • Any price adjustment from the Ministry over the past three years has not reflected actual changes in wages, rental, transport and other costs. • The Future Funding Track is inefficient as it is not based on NGO community services provision. This is compounded by the Purchasing Framework for disability support services which does not ensure sustainability. • There is still no robust pricing methodology for home support, day services, respite care and behaviour support services. • The disparity in Ministry of Health funding for disability supports compared to ACC needs to be addressed. • The individual needs assessments process has limited the responsiveness and flexibility of disability support services. When services are tightly defined, the capacity of providers to respond to people's needs is diminished. • The current frameworks for monitoring disability services lack consistency, reward compliance at a minimum safety level and are often based on outdated models. 	<ul style="list-style-type: none"> • IHC supports National's policy to establish multi-year funding contracts for NGOs that provide disability support services. • IHC asks for a review to address these problems (similar to the costing model review announced in the National Party Aged Care policy). IHC could provide significant leadership and expertise in such an exercise for disability support services. • The 2008 recommendations of the Parliamentary inquiry and the National Health Committee recommendations in its 2003 report <i>To Have an Ordinary Life</i> provide a blueprint for change that aligns with National's Disability Policy.

Workforce

Challenges	Opportunities
<ul style="list-style-type: none"> • Endemic difficulties with recruitment and retention. Starting pay for a disability support worker, averaged across the disability sector, is \$13.23 per hour or \$27,518 a year. • The sector remains without an industry-wide career framework for all support workers which is accessible and transferable across the health and disability sector. • The 2008 Employment Relations Authority determination that a sleepover allowance is a breach of the Minimum Wage Act 1983 has far-reaching implications, not only for IDEA Services but much more widely across a range of industries in New Zealand. The potential fiscal risk to IDEA Services, as assessed in 2008, is over \$80 million (includes six years' retrospective payment). 	<ul style="list-style-type: none"> • IHC supports National's policy to work with the sector to address staffing issues over time, including improved training and career pathways. • IHC offers to draw on our experience and work with the incoming Government to develop an industry-wide career framework for all support workers that is accessible and transferable across the health and disability sector. • IHC is appealing the Employment Relations Authority sleepover decision, and is keeping the Ministry of Health fully informed of legal proceedings and outcomes. The Government may need to consider retrospective legislative change to the Minimum Wage Act to manage this risk to the Crown. • IHC and the intellectual disability sector have established a tripartite working group comprising the unions (CTU, PSA and Service and Food Workers), providers (including IDEA Services Limited) and the Ministry of Health to work on a proposal for gaining parity with workers doing similar work in District Health Boards.

Poor Health of People with an Intellectual Disability

Challenges	Opportunities
<ul style="list-style-type: none"> • The National Health Committee (NHC) 2003 report to the Minister of Health and the Minister for Disability <i>To Have an Ordinary Life</i> found that many adults with intellectual disability have health conditions that can be relieved or cured, but which are not appropriately diagnosed or managed. • It also found that many people with an intellectual disability are over-medicated, use outdated medication or are being treated with psychotropic medicines, even though they have not been diagnosed with a psychiatric condition. • These findings confirmed other international evidence that people with intellectual disability have significant health disparities. • Over the last 10 years, IHC has funded an annual health assessment tool for people in our services. This has found that 73% required health actions. This demonstrates both the value of health assessments and the need to address the health disparities experienced by adults with intellectual disability. 	<ul style="list-style-type: none"> • The Ministry of Health made a commitment to implement the NHC health recommendations in late 2008 as a result of Ministerial direction and advocacy by IHC and others. • The Ministry is due to report to the Minister of Health by the end of March 2009 on options to address the <i>Ordinary Life</i> health care recommendations. • The Australian Government funds annual comprehensive health assessments for people with an intellectual disability with a tool that can readily be used here. Over the medium term the impact of this can be evaluated and monitored so other complementary measures can be formulated and implemented to reduce health inequalities people with intellectual disability experience.