

Unit Pricing Framework

Project Implementation Update No. 3

The Implementation Teams have been busy working with individual organisations on transitioning to the Unit Pricing Framework. Visits to organisations commenced on 30 August 2011 with 38 organisations (or 44%) of the 86 organisations scheduled to be visited having been completed to date.

The process of translating current funding and service arrangements to the unit pricing framework is generally progressing well. Service providers understand the rationale and principles behind the move to a unit price framework and have actively participated in the translation process, identification of potential issues and clarification of processes.

Visits to date have isolated a number of concerns and most of these have been readily resolved. There are however a number of more complicated issues which have been identified and are currently in the process of being addressed.

Community Access Services – The introduction of unit pricing presents many positive opportunities for organisations to work flexibly to respond to the needs of clients and provide a range of options for people to participate in community based activities. Visits to service providers have highlighted the need to focus on the development of processes and practices that will enable new allocations for Community Access services to be made, the opportunity for clients to transfer between service providers and the management of capacity within programs.

These are complex issues and all affected service providers have been invited to attend a Community Access Workshop on 24 November 2011 to discuss and hopefully resolve these matters.

Equipment Services – KPMG recommended a model for a new state-wide program for the provision of equipment and assistive technology. The new program TasEquip will be implemented over the next few years. The implementation of TasEquip will have implications for a number of services currently translating to a unit price.

It is essential that a clear and consistent process is developed with these organisations in relation to the short, medium and long term expectations of what government is currently purchasing and is likely to purchase in the future. The Unit Pricing Implementation Team has requested that the Unit Pricing Steering Committee provide advice and guidance to both the Implementation Team and the TasEquip change manager to ensure collaborative and constructive approaches with affected organisations are maintained.

Accommodation Support Services – Service visits have identified several examples of supported accommodation delivery models where the application of the unit price framework is not straightforward. These models include where support for units attached to group homes is funded by an Individual Funding Agreement or an Individual Support Package and/or where support levels in attached units are lower than the lowest level covered by the unit pricing framework. The Implementation Team is currently clarifying these issues and it is anticipated they will be resolved by the end of October 2011.

Family Support Services - Family Support services will transition to a unit price. Those services that are Alliance funded through Gateway providers as well as those that have funding agreements directly with Disability and Community Services (DCS) will be included. Gateway providers will liaise with their partner organisations throughout the transition process. The unit price for Family Support Services has been calculated using the same principles as for comparable community service types. Using observed costs of labour and adding in known operational overheads it is possible to arrive at a level of funding that correlates to an expected number of hours of direct client care. This will clarify what is expected to be delivered for the funding provided. Service visits with Gateway providers and with other Family Support providers will provide an opportunity to discuss any issues.

Further updates on this Project will be provided on a monthly basis.