

Delivering a functional NDIS eMarket



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The 2011 *Productivity Commission Report into Disability Care and Supports*, which led to the establishment of the National Disability Insurance Scheme (NDIS), identified the need for a NDIS eMarket to drive innovation across the economy, deeming this necessary for the scheme to scale and thrive.

That is, the eMarket was identified at the very beginning as essential for scheme sustainability.

The Productivity Commission determined that a key factor in the successful transition – from the old block-funded and service-centred models of delivery to a person-centred model – was the ability for participants to genuinely exercise choice and the development of a properly operating market of providers.



It emphasised that gaining data insights through this new market was essential, and that innovation was critical. Pursuing the same approaches that have failed for a century would not lead to changed outcomes.

For full transparency, during my time as the head of the National Disability Insurance Agency (NDIA) Technology Authority, one of the initiatives I was responsible for was the strategy and co-design leadership of the eMarket initiative to facilitate the interaction between NDIS participants, disability services providers, the innovation sector, and the broader market.

Co-design, led by people with disability, underpinned the entire strategy.

However, notwithstanding the immense strategic and economic importance of the eMarket, the blistering politics around the NDIS would have the eMarket overtaken as a whole-of-government IT function (which it was not), and then dumped.

In my opinion, this catastrophic void is one of the most serious impediments to scheme sustainability.

This void obscures market transparency; impedes jobs growth; and is a break on economy-wide innovation beyond the disability sector.

Examples of these distortions are provided in the discussion below, in my submission to the Joint Standing Committee on the NDIS Inquiry into NDIS ICT Systems (JSCNDIS) which is protected by Parliamentary Privilege, and in my six-part policy series on Defending the NDIS published in InnovationAus.com.

What is the NDIS eMarket?

The NDIS eMarket was planned to be a comprehensive market operating model of services to support a highly accessible engagement between people with disability, their families, and providers.

It would make it easier and more efficient for NDIS participants to find and access the services they need to support their daily lives, and would enable NDIS providers, businesses and community organisations to showcase their services and products to people with disabilities through an online community marketplace.

The eMarket would be underpinned by an information platform that would support information discovery; encourage industry innovation; and help build local community capacity. It would not replace or compete with other online marketplaces and services.

For Australian businesses, the NDIS eMarket would present broader exposure to a purchaser provider ecosystem that would demand industry innovation and expand opportunities to establish new trading partners and collaborative business arrangements.

This would provide economic benefits flowing through to job opportunities, skills development, employment of people with disability and business sustainability.

One of the key components of the eMarket would be the NDIS services and price catalogue, the key asset developed and controlled by the NDIA that sets the NDIS price in the market.

People would readily be able to compare the NDIS price, with prices offered across the market.

People would easily be able to ask questions about an item or its price, and receive information in plain, easy-to-understand language, in many languages, including pictorial and interactive formats.

People would be able to provide feedback and glean insights from the feedback provided by other people. The focus was capacity building via enhanced accessibility.

The eMarket would operate 24x7 and like any modern market, be available whenever a person needed it, avoiding the midnight anxiety and the unnecessary and incomprehensible interactions with the NDIA that are restricted to weekday business hour operations.

In my 2018 JSCNDIS submission, I stated:

"The data and business intelligence that will be made available through the NDIS eMarket will be essential for ensuring the scheme sustainability. Sharing and monitoring information on disability market growth and services gaps will enable an effective actuarial analysis of the scheme performance, reporting and compliance requirements."

"The Productivity Commission also noted that market evolution would be a factor in the pace of adoption of self-directed funding."

"Should the NDIS eMarket not proceed, there is a risk that the delays in transitioning to a genuine person-centred model with choice and control, will impact the rate of adoption of self-directed funding, which will in turn drive higher costs."

"The Commission also noted evidence of the benefits of an efficient market to the budget in the long term, with the combination of informed participants and a competitive and effective market ultimately leading to better outcomes for participants through more timely, targeted and better quality supports, which ultimately supports scheme sustainability through downward pressure on lifetime costs."

Current status

The NDIS eMarket did not proceed. This is an appalling situation.

Instead, what the Australian community has been left with is a cadaverous, inert and incomprehensible spreadsheet which is the NDIS services and price catalogue, that has defied more than A\$100 billion in supports over this period.

Whatever the figure, the \$30 billion or \$50 billion per annum NDIS pivots on this not-fit-for-purpose spreadsheet, an antiquated relic of a bygone era.

Everything revolves around it.

And, it is beyond comprehension that at the very time that massive expenditure was taking place on digital consultants, the development of algorithms, contracts for independent assessments, and automated RoboNDIS plans – this critical services infrastructure affecting the entire sector would be left festering for years.

The catalogue, the jewel in the crown, is comprised of extraordinarily dense PDF, word and CSV documents that have no intelligence; are not interactive; are not explanatory; and utterly fail accessibility standards.

A level of incomprehensibility that makes a mockery of the *United Nations Convention on the Rights of Persons with Disabilities*. Remember this is built for people with disability.

Want to do a price comparison between a NDIS price and an everyday market price or perhaps what someone else is paying?

There is simply no transparency as to prices across the market or market pricing feedback to the catalogue.

And this not only translates into red tape but creates the conditions for the special NDIS price mark-up.

An example of this is the recent story told by an NDIS participant on Twitter, a story that has been shared and liked many thousands of times: 'I crashed my wheelchair today and broke my cup holder. Online I go to see if I could replace it. The exact same cup holder I was charged \$60.00 plus installation fee (\$180) by a NDIS service provider was on sale at Anaconda for \$6.00 NOT a Typo.'

What followed was an outpouring of similar stories.

Another person spoke about batteries for a scooter: \$600 from a NDIS disability services provider, or \$125 from a battery store.

And, another person shared that their father needed two short ramps for their home. The provider quote was \$3,800 but a family member was able to purchase Australian standard equipment found elsewhere, for less than \$500.

This is the tip of a price gouging iceberg affecting every product and service, including health and allied health pricing.

You see, it's not the participants ripping off the NDIS. It's the market preying on this lack of transparency created by the NDIA's analogue and antiquated conceptualisation of the pricing catalogue. That it has no feedback function is inherently defective. That it is inaccessible is a breach of human rights.

Because while NDIS participants are horrifically and too easily demonised in the media and across Australian society for costing too much – including my family – the very mechanism that determines the costs and controls the market, is defective.

And from a red-tape perspective, it is outrageous in the current economic climate, that providers say they employ additional people just to manually manipulate this data mess into their systems.

The array of static historical versions, addenda and explanatory documents in various formats residing in the NDIS website, creates a multitude of transparency and traceability problems for providers, participants, and legal processes.

And over time, the continuing growth of historic versions of static documents does not support a transparent time series analysis of the movement of prices.

How can there be any pretence of understanding NDIS sustainability with this gaping void? For more than a decade, the need for a NDIS eMarket has been identified and documented.

Making it happen

Throughout the NDIS eMarket work, there had been extensive discussions in the public arena, including industry briefing sessions, workshops and numerous conferences, as to potential models for the eMarket (such as if it should be government owned and operated or via a services utility delivered by an experienced eMarket operator).

On the public record, Australia Post was such an entity before work was abruptly stopped. Australia Post offered a trusted and recognised Australian brand; commercially operated with government oversight; was an experienced eMarket operator; provided physical presence including in regional locations; and managed distribution networks necessary for the reliable delivery of products and equipment.

I led the NDIA Technology Authority in the detailed planning and documentation of requirements in preparation for a commercial engagement.

I still believe this strategy would work. But this is not about the government building its own.

I continue to be of the view that it is not the core business of government to build, own and operate an eMarket of this magnitude.

Government does not have the commercial or operational eMarket experience or expertise.

In expertise, there is deep commercial, innovation and service delivery operational eMarket expertise in the private sector. Equally, such a project must be based on co-design together with people with disability.

The NDIS eMarket should be delivered through an experienced commercial eMarket operator but, due to the scale and data insights, this would take on some of the characteristics of a utility.

Appropriate governance would be necessary regarding consumer protection and market behaviour; to safeguard the stewardship and protection of data; to guarantee service availability in remote and regional areas; to promote inclusive employment of people with disability, Indigenous and culturally and linguistically diverse (CALD) communities; and to drive innovation in assistive technology and accessibility.

To continue to not take action in delivering the NDIS eMarket, is to forfeit scheme sustainability. What we are witnessing is the consequences of this void.

This NDIS eMarket project would be of such national significance that it should be considered as the next horizon of the NDIS: national, local and even to one left behind. And, it is eminently achievable well within the first term of this government.

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