

Unregistered NDIS providers are in the firing line—but lots of participants have good reasons for using them

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There has been a lot of [debate](#) recently about the quality, safety and cost of National Disability Insurance Scheme (NDIS) services. Some of it relates to the types of providers people purchase services from.

Some NDIS service providers are registered with the [NDIS Quality and Safeguards Commission](#). To be registered, service providers must undertake compliance and auditing processes, which can be time-consuming and expensive. Some providers choose not to do this.

All NDIS participants can purchase supports from registered providers, but some (those who are self-managed or plan-managed, rather than NDIS-managed) can also buy services from providers who are unregistered. Around two-fifths of NDIS spending goes to unregistered providers. Unregistered providers tend to be smaller operators than registered providers, and more numerous. For NDIS participants who are plan-managed, [only 10%](#) of their providers are registered but they represent 60% of payments.

We interviewed [30 NDIS participants and plan nominees](#) who use unregistered providers, to find out why they do so. What is different about their experiences with this type of provider? And what do they see as some of the benefits of using unregistered providers?

The types of services used

We recruited interviewees of different ages and genders from around Australia [via social media](#) with the help of disability advocates and [community organisations](#).

Interview participants purchased four main types of services or supports from unregistered providers (also called non-registered providers). Each comes with its own considerations for risk, quality and safety.

1. Consumables

Purchasing basic pieces of access equipment, [medical supplies](#) and

assistive technologies from unregistered providers often represented significant cost savings and reduced delays, with no difference in the quality.

2. Household services

Participants did not experience discrimination or an elevated sense of risk in the delivery of non-disability household services such as cleaning or gardening services delivered by unregistered providers. They liked the option of being able to use local and small businesses and said this helped them feel more connected to the community. There were often cost savings and improved service quality.

3. Allied health and other therapies

While many allied health providers and therapists such as occupational therapists, physiotherapists and psychologists are not NDIS-registered, these providers typically hold registration or accreditation with appropriate professional bodies. Interviewees generally felt NDIS registration would not provide greater safety or quality.

4. Support workers

Unregistered support workers can be employed as sole contractors (such as via online platforms), through a provider who is unregistered, or through direct employment. This category of supports is arguably the most controversial in discussions about registration given some of these supports involve personal care often delivered in domestic contexts.

Some groups have expressed [concern](#) unregistered support workers might increase risk for participants and workers as they are less closely regulated. The argument has been made this might increase potential for

abuse and exploitation of both participants and workers, although some recent and shocking [cases of abuse](#) have involved registered providers.

But for many of our participants, using unregistered support workers equated to more flexible shift times, increased choice of workers, greater consistency with workers, and the ability to set worker wages. They said it meant they could move away from "agency rule book" limitations, and they felt more empowered within the support interaction.

Several participants told us they'd had negative experiences with support workers from registered agencies. They spoke of high staff turnover and "just anyone" being sent for shifts. They described feeling safer and better supported when they chose their own support workers through unregistered pathways.

Unregistered providers are sometimes the only option

Some NDIS participants find it not only desirable to purchase services from unregistered providers, but essential.

Interviewees described push factors (reasons they preferred to avoid registered providers) and pull factors (reasons they preferred or required the services of unregistered providers).

Push factors included negative experiences with or perceptions of registered providers. These often related to services they had received in the "bad old days" of pre-NDIS block-funded services, where they had little or no choice in service provision and coordinators acted as gatekeepers. Interviewees described bad behaviour by some registered providers, incompatible "[deficit](#)" culture (where people with disability are framed around what they can't do, not what they can), invasive scrutiny of their lives, inflexibility, "price gouging", and distrust of large

organisations.

Pull factors included perceptions of better, more person-centred service, flexibility, innovation, choice, empowerment, social inclusion, and improved cost-effectiveness associated with using unregistered providers. Contrary to public perception, many of the participants we spoke to said using unregistered providers allowed them to be more cost-savvy with purchases.

But some interviewees reported having to do work to support some unregistered workers with things such as getting an ABN, invoicing, insurance, and tax and superannuation obligations.

'Thin markets'

"[Thin markets](#)" also contribute to these decisions. A lack of providers, long waiting lists, or a lack of registered providers with the required expertise meant interviewees often had no choice but to use unregistered providers.

The supply of support workers has also been affected by COVID and related policy responses, as well as some people are leaving disability care to work in aged care. Using unregistered [support workers](#) helps increase the pool of available staff.

Upset at the thought of losing unregistered services

The participants we interviewed had concerns about what would happen if they were only allowed to use registered providers.

Nearly everyone mentioned inconvenience or hassle, but there were far stronger reactions too. "It would be absolutely devastating," a participant

we'll call Davina* said.

"I'd lose everything," said Harriet, while Kim said she would "be extremely upset". Gabrielle predicted "it would be chaos". Yasmin said the thought make her "feel sick in my stomach" and Owen got "anxious just thinking about it".

Choice and control

Ultimately, the ability to use unregistered providers is about exercising choice and control through the NDIS. In light of this, we've [set out](#) the implications and some possible ways to preserve two kinds of providers in the disability service market. This affords NDIS participants the "[dignity of risk](#)" in choosing freely between registered and unregistered providers.

Our findings indicate both clients and providers may need support to navigate the unregistered provider space. [We suggest](#) helping NDIS participants and providers to understand their options, legal rights and obligations.

For NDIS participants this would mean they get a clear sense of what they should expect in terms of quality and safe services and how to speak out if they feel something is wrong. This would be of benefit not just in using unregistered providers, but also registered providers. For providers and workers, building capacity would give them a better sense of their responsibilities and the processes for delivering effective services, and help guard against exploitation.

Indeed, capacity development of NDIS participants is likely to have positive implications far beyond the unregistered provider space. It would work towards continuous improvements and benefits across the entire scheme.

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