



Policy costing

Make functional assessments a Medicare Benefits Schedule item	
Person/party requesting the costing:	Joint Standing Committee on the National Disability Insurance Scheme
Date costing completed:	6 August 2021
Expiry date of the costing:	Release of the next economic and fiscal outlook report.
Status at time of request:	Submitted outside the caretaker period
	<input checked="" type="checkbox"/> Confidential <input type="checkbox"/> Not confidential
<p>Summary of proposal:</p> <p>The proposal would fund a new bulk-billed Medicare Benefits Schedule (MBS) item to perform National Disability Insurance Scheme (NDIS) functional assessments for current and prospective participants with the following options.</p> <ul style="list-style-type: none"> • Option 1: All potential entrants to the NDIS would be eligible to receive a one-off assessment. • Option 2: All NDIS participants would receive regular assessments (adults every three years and children under 18 every year) to inform planning decisions. • Option 3: All NDIS participants with a psychological disability would receive regular assessments every three years. <p>The assessments would be undertaken by health care professionals from a range of areas including general practitioners, consultation physicians, occupational therapists, clinical and registered psychologists, physiotherapists, speech pathologists and other allied health providers. Individuals would be able to select their own health care professional to undertake the assessment. Participants would also be able to choose a suitable place for their assessment, including at home, in a consultation room or by video conference.</p> <p>The proposal would have effect from 1 July 2022.</p>	

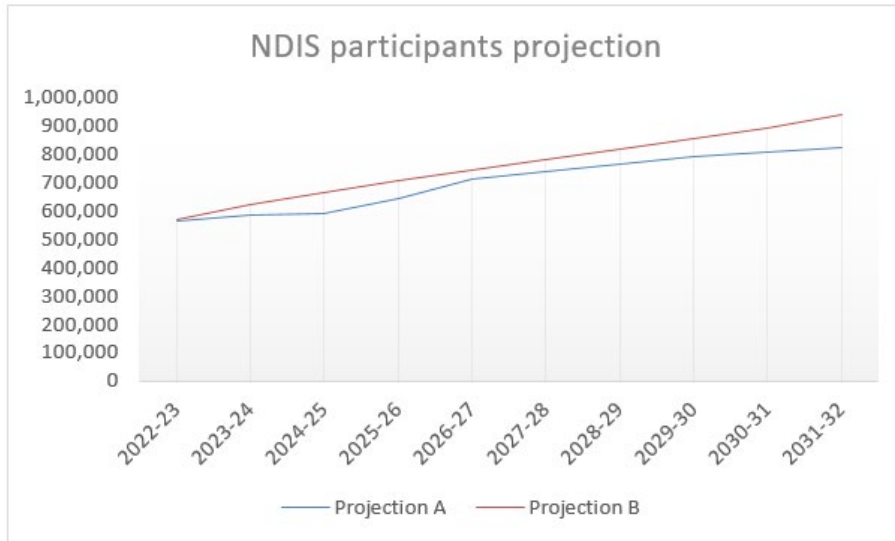
Costing overview

All options would be expected to decrease the fiscal and underlying cash balances over the 2021-22 Budget forward estimates period. The impacts are predominantly driven by increases in administered expenses. The Parliamentary Budget Office (PBO) estimated the financial impacts under each option as a range, providing a lower and upper bound to Australian Government expenses. The PBO choose to present a range of estimates because of the high level of uncertainty regarding increased demand for NDIS assessments in response to the proposal.

In addition, there is a high degree of uncertainty regarding the baseline number of NDIS participants in future years. Given the importance of the NDIS to the overall fiscal position, in this costing, the PBO has used two NDIS participant projections over the medium term.

- Projection A: A PBO baseline projection in line with the budget forward estimates provided by the Department of Social Services for the forward years. Until 2026-27, the number of participants would approach the level projected in the Scheme Actuary’s *Annual Financial Sustainability Report* July 2021 published by the National Disability Insurance Agency (NDIA), with participant growth then converging to population growth by 2032-33.
- Projection B: The Scheme Actuary’s baseline projection from the *Annual Financial Sustainability Report* for the forward estimates period and the medium-term.

Figure 1: Comparison between baseline Projection A and B



The proposal would be expected to have an ongoing impact that extends beyond the 2021-22 Budget forward estimates period. A breakdown of the financial implications based on the PBO participants baseline projection from 2021-22 to 2031-32 is provided at [Attachment A](#). A breakdown of the financial implications based on the Actuary’s participants baseline projection from 2021-22 to 2031-32 is provided at [Attachment B](#).

Sensitivity and uncertainty

In addition to the uncertainty around the baseline number of participants in the Scheme over the medium term, there is very high uncertainty around the take-up rate of NDIS assessments as a result of the proposal and the broader effects from the proposed bulk-billed NDIS assessments. The analysis should be considered as indicative only and is subject to caveats, assumptions and sensitivities.

Government announcement

The Australian Government has awarded tender contracts totalling \$339 million over three years to eight companies to carry out independent functional assessments. However, as the Minister for the NDIS has subsequently announced that the independent assessment requirement would not proceed, the PBO did not include this measure in the budget baseline in costing this proposal.

Data limitations

The estimates in this costing are largely based on publicly available information including NDIS project participants and related MBS health diagnosis arrangements. More detailed information on the nature and source of NDIS medical reports was requested from the NDIA, however, the NDIA business system does not capture the nature or source of medical reports in a structured manner. These reports would be attached to a participants record, and referred to in free text comments if required.

For that reason, NDIA are unable to count the number of reports for any given time period. For the full response provided by the NDIA, please refer to [Attachment C](#).

Behavioural response

The estimates for all options are particularly sensitive to the number of potential additional applicants opting in to utilise the proposed assessment. The estimates are also sensitive to the assumed number of applicants using existing MBS health assessment services who switch to this new assessment service in response to the proposal. The estimates of the proposal are also sensitive to the assumptions about the take-up of the bulk-billing item by health assessment providers. The PBO considered the broader effects of the proposal, including the flow-on impacts to the NDIS and the public health system, however they have not been included in this costing, as these effects are highly uncertain.

Table 1: Make functional assessments a Medicare Benefits Schedule item – PBO baseline projection – Financial implications (\$m)^(a)

	2021–22	2022–23	2023–24	2024–25	Total to 2024–25
Option 1 – lower bound: One-off assessment for potential entrants to the NDIS					
Fiscal balance	-0.5	-46.0	-24.0	-10.0	-80.5
Underlying cash balance	-0.5	-46.0	-24.0	-10.0	-80.5
Option 1 – upper bound: One-off assessment for potential entrants to the NDIS					
Fiscal balance	-0.5	-169.1	-149.1	-132.1	-450.8
Underlying cash balance	-0.5	-169.1	-149.1	-132.1	-450.8
Option 2 – lower bound: Regular assessments for all NDIS participants					
Fiscal balance	-0.5	-755.4	-437.2	-434.2	-1,627.3
Underlying cash balance	-0.5	-755.4	-437.2	-434.2	-1,627.3
Option 2 – upper bound: Regular assessments for all NDIS participants					
Fiscal balance	-0.5	-925.5	-561.3	-556.3	-2,043.6
Underlying cash balance	-0.5	-925.5	-561.3	-556.3	-2,043.6
Option 3 – lower bound: Regular assessments for participants with a psychological disability					
Fiscal balance	-0.5	-59.0	-34.0	-34.0	-127.5
Underlying cash balance	-0.5	-59.0	-34.0	-34.0	-127.5
Option 3 – upper bound: Regular assessments for participants with a psychological disability					
Fiscal balance	-0.5	-69.1	-41.0	-40.0	-150.6
Underlying cash balance	-0.5	-69.1	-41.0	-40.0	-150.6

(a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

Table 2: Make functional assessments a Medicare Benefits Schedule item – Actuary’s baseline projection – Financial implications (\$m)^(a)

	2021–22	2022–23	2023–24	2024–25	Total to 2024–25
Option 1 – lower bound: One-off assessment for potential entrants to the NDIS					
Fiscal balance	-0.5	-94.0	-81.0	-69.0	-244.5
Underlying cash balance	-0.5	-94.0	-81.0	-69.0	-244.5
Option 1 – upper bound: One-off assessment for potential entrants to the NDIS					
Fiscal balance	-0.5	-170.1	-158.1	-148.1	-476.8
Underlying cash balance	-0.5	-170.1	-158.1	-148.1	-476.8
Option 2 – lower bound: Regular assessments for all NDIS participants					
Fiscal balance	-0.5	-770.4	-530.3	-561.3	-1,862.5
Underlying cash balance	-0.5	-770.4	-530.3	-561.3	-1,862.5
Option 2 – upper bound: Regular assessments for all NDIS participants					
Fiscal balance	-0.5	-940.5	-688.4	-709.4	-2,338.8
Underlying cash balance	-0.5	-940.5	-688.4	-709.4	-2,338.8
Option 3 – lower bound: Regular assessments for participants with a psychological disability					
Fiscal balance	-0.5	-61.0	-41.0	-43.0	-145.5
Underlying cash balance	-0.5	-61.0	-41.0	-43.0	-145.5
Option 3 – upper bound: Regular assessments for participants with a psychological disability					
Fiscal balance	-0.5	-71.1	-50.0	-50.0	-171.6
Underlying cash balance	-0.5	-71.1	-50.0	-50.0	-171.6

(a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

Key assumptions

The PBO has made the following assumptions in costing this proposal.

- The utilisation of proposed assessment services would be representative of additional applicants.
- All participants would opt into the new MBS item for undertaking NDIS assessments.
 - After consulting with the NDIA and Department of Health, the number of current applicants utilising MBS health assessment services to access the NDIS is unavailable, but is believed to be a small proportion of applicants utilising MBS services to undertake disability assessment more generally.
- The proportion of NDIS participants by disability types would grow to be consistent with the proportion of disability in line with the proportion of disability types published by the National Disability Insurance Agency.
- The permitted health professionals are Medicare approved and would bulk-bill the assessments.

- The scheduled price of the new MBS item is very similar to that currently charged by NDIS private providers, indicating that professionals could be expected to provide the same service at the bulk billed price.
- The scheduled price of the new MBS item would be set at \$320 per session in the first year and grow in line with the wage cost index as per the current MBS indexation arrangement.
 - The schedule fee of this new MBS item was based on similar MBS health assessment items including autism, intellectual, psychological and other physical assessments, with consideration of the cost of home visits and extra charges by health professionals.
 - Each session of this new MBS item would be at least one hour.
 - The assessment for different disability types would vary from eight sessions (eg autism) to two sessions (eg physical disabilities). The final cost of each NDIS participant’s assessment would depend on the complexity of assessment and the number of disabilities of the participant.
 - The assessment would not include the costs of intervention, parent psychological education, investigation and assessment, and management of comorbidities.
- For the lower bound, the projected number of NDIS participants uses published data by the NDIA.
- For the upper bound, a strong behavioural response was assumed by potential participants, due to the bulk-billing of the assessments. We assume a large number of new potential entrants seeking assessments and many of these subsequently being granted access to the NDIS. Any additional cost to the NDIS under the proposal from new potential entrants was not included in this costing due to uncertainty.
- All current NDIS participants would complete their first assessment within a 12-month period.
- The fiscal and underlying cash balance impacts for MBS expenses would be equal, due to the high prevalence of instant electronic rebate transfers at the point at which eligible services are rendered.

Methodology

Administered costs were estimated by multiplying the estimated price of each NDIS assessment by the projected number of services under each option.

- The price of each NDIS assessment by types of disability was derived based on MBS health assessment services and NDIS approved disability assessment services, with consideration of complexity of disabilities, provider profit and other costs.
- For projection A: The number of NDIS participants for the PBO baseline projection was estimated using the 2021-22 Budget forward estimates numbers provided by the Department of Social Services. Beyond 2025-26, the PBO projected annual growth in participants would converge to population growth by 2032-33.
- For projection B: The Scheme Actuary’s baseline projection was provided by the latest *Annual Financial Sustainability Report*, published by the NDIA in July 2021.
- The number of additional NDIS assessment applicants resulting from the free assessment service was derived from the reports published by the Australian Bureau of Statistics and the Australian Institute of Health and Welfare.

The ongoing departmental impact was calculated by multiplying the number of additional MBS transactions administered by Services Australia. Departmental implementation costs were based on similar budget measures.

Financial implications were rounded consistent with the PBO's rounding rules as outlined on the PBO Costing and budget information webpage.¹

Data sources

Economic parameters and population projections were provided by the Department of Finance and Treasury as at the *Budget 2021-22*.

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¹ https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Budget_Office/Costings_and_budget_information

Attachment A – Make functional assessments a Medicare Benefits Schedule item – PBO baseline participant number projection – financial implications

Table A1: Make functional assessments a Medicare Benefits Schedule item – Option 1 – lower bound: One-off assessment for potential entrants to the NDIS – Fiscal and underlying cash balances (\$m)^(a)

	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	Total to 2024–25	Total to 2031–32
Expenses – lower bound													
Administered expenses	-	-46	-24	-10	-73	-96	-42	-38	-33	-29	-23	-80	-414
Departmental expenses	-0.5	..	..	..	..	-0.1	..	..	..	..	..	-0.5	-0.6
Total	-0.5	-46.0	-24.0	-10.0	-73.0	-96.1	-42.0	-38.0	-33.0	-29.0	-23.0	-80.5	-414.6

- (a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.
- .. Not zero but rounded to zero.
 - Indicates nil.

Table A2: Make functional assessments a Medicare Benefits Schedule item – Option 1 – upper bound: One-off assessment for potential entrants to the NDIS – Fiscal and underlying cash balances (\$m)^(a)

	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	Total to 2024–25	Total to 2031–32
Expenses – upper bound													
Administered expenses	-	-169	-149	-132	-136	-143	-141	-145	-145	-148	-153	-450	-1,461
Departmental expenses	-0.5	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.8	-1.5
Total	-0.5	-169.1	-149.1	-132.1	-136.1	-143.1	-141.1	-145.1	-145.1	-148.1	-153.1	-450.8	-1,462.5

- (a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.
- Indicates nil.

Table A3: Make functional assessments a Medicare Benefits Schedule item – Option 2 – lower bound: Regular assessments for all NDIS participants – Fiscal and underlying cash balances (\$m)^(a)

	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	Total to 2024–25	Total to 2031–32
Expenses – lower bound													
Administered expenses	-	-755	-437	-434	-896	-621	-595	-1,113	-640	-659	-1,230	-1,626	-7,380
Departmental expenses	-0.5	-0.4	-0.2	-0.2	-0.5	-0.3	-0.3	-0.6	-0.3	-0.3	-0.6	-1.3	-4.2
Total	-0.5	-755.4	-437.2	-434.2	-896.5	-621.3	-595.3	-1,113.6	-640.3	-659.3	-1,230.6	-1,627.3	-7,384.2

- (a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.
- Indicates nil.

Table A4: Make functional assessments a Medicare Benefits Schedule item – Option 2 – upper bound: Regular assessments for all NDIS participants – Fiscal and underlying cash balances (\$m)^(a)

	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	Total to 2024–25	Total to 2031–32
Expenses – upper bound													
<i>Administered expenses</i>	-	-925	-561	-556	-1,033	-667	-694	-1,259	-751	-778	-1,384	-2,042	-8,608
<i>Departmental expenses</i>	-0.5	-0.5	-0.3	-0.3	-0.5	-0.3	-0.4	-0.6	-0.4	-0.4	-0.7	-1.6	-4.9
Total	-0.5	-925.5	-561.3	-556.3	-1,033.5	-667.3	-694.4	-1,259.6	-751.4	-778.4	-1,384.7	-2,043.6	-8,612.9

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

Table A5: Make functional assessments a Medicare Benefits Schedule item – Option 3 – lower bound: Regular assessments for participants with a psychological disability – Fiscal and underlying cash balances (\$m)^(a)

	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	Total to 2024–25	Total to 2031–32
Expenses – lower bound													
<i>Administered expenses</i>	-	-59	-34	-34	-70	-48	-46	-86	-50	-51	-96	-127	-574
<i>Departmental expenses</i>	-0.5	..	..	..	..	..	..	-0.1	..	..	-0.1	-0.5	-0.7
Total	-0.5	-59.0	-34.0	-34.0	-70.0	-48.0	-46.0	-86.1	-50.0	-51.0	-96.1	-127.5	-574.7

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- .. Not zero but rounded to zero.
- Indicates nil.

Table A6: Make functional assessments a Medicare Benefits Schedule item – Option 3 – upper bound: Regular assessments for participants with a psychological disability – Fiscal and underlying cash balances (\$m)^(a)

	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	Total to 2024–25	Total to 2031–32
Expenses – upper bound													
<i>Administered expenses</i>	-	-69	-41	-40	-76	-48	-50	-94	-54	-56	-103	-150	-631
<i>Departmental expenses</i>	-0.5	-0.1	..	..	-0.1	..	..	-0.1	..	..	-0.1	-0.6	-0.9
Total	-0.5	-69.1	-41.0	-40.0	-76.1	-48.0	-50.0	-94.1	-54.0	-56.0	-103.1	-150.6	-631.9

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- .. Not zero but rounded to zero.
- Indicates nil.

Attachment B – Make functional assessments a Medicare Benefits Schedule item – Actuary’s baseline participant number projection – financial implications

Table B1: Make functional assessments a Medicare Benefits Schedule item – Option 1 – lower bound: One-off assessment for potential entrants to the NDIS – Fiscal and underlying cash balances (\$m)^(a)

	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	Total to 2024–25	Total to 2031–32
Expenses – lower bound													
<i>Administered expenses</i>	-	-94	-81	-69	-68	-66	-63	-68	-68	-74	-84	-244	-735
<i>Departmental expenses</i>	-0.5	..	..	..	..	..	..	..	..	..	..	-0.5	-0.5
Total	-0.5	-94.0	-81.0	-69.0	-68.0	-66.0	-63.0	-68.0	-68.0	-74.0	-84.0	-244.5	-735.5

- (a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.
- .. Not zero but rounded to zero.
 - Indicates nil.

Table B2: Make functional assessments a Medicare Benefits Schedule item – Option 1 – upper bound: One-off assessment for potential entrants to the NDIS – Fiscal and underlying cash balances (\$m)^(a)

	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	Total to 2024–25	Total to 2031–32
Expenses – upper bound													
<i>Administered expenses</i>	-	-170	-158	-148	-149	-149	-148	-155	-156	-164	-174	-476	-1571
<i>Departmental expenses</i>	-0.5	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.8	-1.5
Total	-0.5	-170.1	-158.1	-148.1	-149.1	-149.1	-148.1	-155.1	-156.1	-164.1	-174.1	-476.8	-1,572.5

- (a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.
- Indicates nil.

Table B3: Make functional assessments a Medicare Benefits Schedule item – Option 2 – lower bound: Regular assessments for all NDIS participants – Fiscal and underlying cash balances (\$m)^(a)

	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	Total to 2024–25	Total to 2031–32
Expenses – lower bound													
<i>Administered expenses</i>	-	-770	-530	-561	-1,024	-608	-648	-1,268	-740	-791	-1,531	-1,861	-8,471
<i>Departmental expenses</i>	-0.5	-0.4	-0.3	-0.3	-0.5	-0.3	-0.3	-0.6	-0.3	-0.4	-0.7	-1.5	-4.6
Total	-0.5	-770.4	-530.3	-561.3	-1,024.5	-608.3	-648.3	-1,268.6	-740.3	-791.4	-1,531.7	-1,862.5	-8,475.6

- (a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.
- Indicates nil.

Table B4: Make functional assessments a Medicare Benefits Schedule item – Option 2 – upper bound: Regular assessments for all NDIS participants – Fiscal and underlying cash balances (\$m)^(a)

	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	Total to 2024–25	Total to 2031–32
Expenses – upper bound													
<i>Administered expenses</i>	-	-940	-688	-709	-1,173	-757	-796	-1,423	-896	-954	-1,706	-2,337	-10,042
<i>Departmental expenses</i>	-0.5	-0.5	-0.4	-0.4	-0.6	-0.4	-0.4	-0.7	-0.4	-0.4	-0.8	-1.8	-5.5
Total	-0.5	-940.5	-688.4	-709.4	-1,173.6	-757.4	-796.4	-1,423.7	-896.4	-954.4	-1,706.8	-2,338.8	-10,047.5

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

Table B5: Make functional assessments a Medicare Benefits Schedule item – Option 3 – lower bound: Regular assessments for participants with a psychological disability – Fiscal and underlying cash balances (\$m)^(a)

	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	Total to 2024–25	Total to 2031–32
Expenses – lower bound													
<i>Administered expenses</i>	-	-61	-41	-43	-78	-45	-48	-93	-53	-57	-109	-144	-628
<i>Departmental expenses</i>	-0.5	..	..	..	-0.1	..	..	-0.1	..	..	-0.1	-0.5	-0.8
Total	-0.5	-61.0	-41.0	-43.0	-78.1	-45.0	-48.0	-93.1	-53.0	-57.0	-109.1	-145.5	-628.8

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- .. Not zero but rounded to zero.
- Indicates nil.

Table B6: Make functional assessments a Medicare Benefits Schedule item – Option 3 – upper bound: Regular assessments for participants with a psychological disability – Fiscal and underlying cash balances (\$m)^(a)

	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	Total to 2024–25	Total to 2031–32
Expenses – upper bound													
<i>Administered expenses</i>	-	-71	-50	-50	-86	-53	-55	-101	-61	-64	-117	-171	-708
<i>Departmental expenses</i>	-0.5	-0.1	..	..	-0.1	..	..	-0.1	..	..	-0.1	-0.6	-0.9
Total	-0.5	-71.1	-50.0	-50.0	-86.1	-53.0	-55.0	-101.1	-61.0	-64.0	-117.1	-171.6	-708.9

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- .. Not zero but rounded to zero.
- Indicates nil.

Attachment C – Make functional assessments a Medicare Benefits Schedule item – National Disability Insurance Agency (NDIA) data limitations

The NDIA business system does not capture the nature or source of medical reports in a structured manner. These reports would be attached to a participants record, and referred to in free text comments if required. For that reason we are unable to count the number of reports for any given time period.

When access is met however, the NDIA's business system does capture the reason (the section of the Act under which requirements are met). Almost 59,000 access requests received between 1 July 2019 and the 30 June 2020 met access under s24 of the Act (met disability requirements). 43,700 of these were from "New" Participants (not recorded as having been part of an existing state or commonwealth program). It is relatively safe to assume that some form of report like evidence would have been required by the delegate in order for them to make a determination in the majority of these "New" cases at the very least.

This is not to be read as meaning only these cases would have included such evidence. It is also highly likely that many of the applications that did not result in access being met would have included some form of written evidence as part of their application, however, the figures provided above are specifically for participants who have gained access to the Scheme.

Response provided by the NDIA to the Parliamentary Budget Office 30 July 2021.