TechnologyOne resource paper

10 point Action Plan for successful transition to Consumer Directed Care
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We participate in only seven key markets: government, local government, financial services, education, health and community services, utilities and managed services. For these markets we develop, market, sell, implement, support and run our preconfigured solutions, which reduce time, cost and risk for our customers.

For 27 years, we have been providing our customers enterprise software that evolves and adapts to new and emerging technologies, allowing them to focus on their business and not technology. Today, our software is available on the TechnologyOne Cloud and across smart mobile devices.

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About this resource paper

This paper provides some practical ideas about how your organisation can successfully prepare for, and transition to, individualised funding and CDC. The topics covered relate to the issues and concerns raised by providers during presentations on business practices for individualised funding conducted by Dyson Consulting Group (DCG) in 2015.

Successfully transitioning to the NDIS

The successful transitioning of your organisation to Consumer Directed Care (CDC) requires a multi-faceted approach. There is no part of your business that the CDC, and individualised funding more broadly, will not affect. Maintaining ‘business as usual’ is unlikely to be an effective strategy for the majority of agencies. International and Australian experience indicates that the transition is likely to take longer than anticipated - as it entails significant culture, workforce and service model and business practice changes. So if you haven’t already done so, it is important to start this transition now.

However some agencies are unsure where to start and what they need to do. Below you will find some suggestions.

What should we do?

Your organisation needs a clearly articulated Action Plan that details how you will make the transition. This plan should be multi-pronged and be regularly reviewed. As a minimum the Action Plan should cover:

1. Engaging with the Board and senior management and reflecting and decision-making
2. Developing or modifying participant data management systems
3. Reviewing and developing effective business management practices and operations
4. Developing stringent cash-flow management processes
5. Reviewing services and supports
6. Reviewing and adjusting workforce arrangements
7. Developing effective outcomes and reporting processes
8. Creating marketing and information products
9. Continuing to focus on compliance
10. Looking for opportunities for partnerships.
Integrating your client management system with your other business systems can help you leverage and manage large amounts of data.

Action item #1: Client data management

The better you understand the needs and preferences of current and potential users of CDC the better business decisions you will make. You need to know the characteristics and needs of current and potential individuals. This information will also assist you to develop more individually tailored support models.

To operate effectively each agency will need a robust client management system (that ideally is well integrated with your business systems). As a minimum the client management system should include the following data:

- Details about the client (contact details, age, gender, condition/s, support needs, complexity, preferences (e.g. preferred workers), alerts (e.g. worker safety, health issues)
- Types of services delivered to each individual (including when and where and by whom) and at what cost
- Assessment and outcome reporting data

It may be useful to also:

- Explore population and socio-demographic data in your current area and any areas you are considering for expansion
- Consider conducting a needs analysis to better understand the types of services clients would wish to purchase (as opposed to narrow service types based on funding streams) and what the key things they look for when choosing a support provider

Action item #2: Business practices and systems

- A robust business system that allows you to calculate your service costs is essential when operating in an environment of individualised funding, such as CDC. This should factor in direct and indirect costs. Regular and accurate statements and invoices will also need to be generated for the client. This will require the use of real-time processes to accurately record the total amount of funds and expenditure (supports purchased either from your agency or others, equipment and other expenses), and the funds remaining.

- You will also need to comply with the requirements regarding Home Care Agreements Service agreements between you and the client. These agreements are mandated by legislation (the User Rights Principles Act 2014) and must detail:
  - The services to be provided, including the start date, level of Home Care Package, use of CDC, documented care plan
  - The costs of services and any additional charges
  - The roles and responsibilities of the various parties (including those related to relating to issuing and paying invoices, notifications in changes supports and support workers, complaints process, exiting process etc.)
Action item #3: Cash-flow management

In the new paradigm - ‘Cash is king’ and stringent cash management will be required. Like all businesses, it is essential that you have sufficient fiscal resources to cover your outgoings while at the same time receiving funding in arrears and possibly carrying bad debts. Some providers estimate that you will require at least three months cash-flow on hand.

If significant fiscal issues exist, you may need to consider possible partners, merges or in a small number of cases ceasing operations. Unlike the old paradigm where some organisations with cash-flow issues would sometimes ask government departments for additional funding, this will not be possible with individualised funding or under CDC.

Further the move to CDC is likely to reduce your fundraising revenues. If current services are being propped up by fundraising dollars, you will need to review whether this is a sustainable business model and make any necessary adjustments.

A review of your assets will be warranted and use this information to develop strategies for what you will do if some assets are no longer required.

Action item #4: Service and support models

As you are aware, funding and supports will be individually tailored under CDC. When funding is no longer tied to program types but to client goals and outcomes, both clients and providers have greater flexibility in what is provided, by whom and when. So a review of your current service offerings will be needed and any necessary adjustments made to ensure that they promote choice, control and deliver individually tailored supports.

This does not however, mean that group-based options will cease. Group-based supports will continue to have a place – as they provide value-for-money for the individual client and also sources of social support, but it is possible that fewer clients will choose them.
Action item #5: Workforce arrangements

Your organisation needs a nimble workforce that provides the right types of supports and at the time the client chooses. The skills needed by workers may change.

Workforce arrangements will also change, in part this is due to less predictable cash-flow combined with client-driven demand. Greater use of part-time casual workers is also likely. So you will need to identify the strategies you will use to explain these changes to your workforce and made any necessary changes to workplace agreements in place.

Workforce attrition is also possible, as some clients may decide to directly employ your workers or some workers may choose to set up their own business. Recruitment and retention strategies will be needed.

With workers operating more flexibly in the community monitoring and supervising staff and record keeping can be an issue. Consider using technology (phone-based, computer based or GPS systems) and providing tablet computers etc.

Action item #6: Outcomes and reporting processes

Under CDC there is an increased focus on reporting and monitoring client outcomes. If you do not currently have systems in place, you will consider how you will do this. Some possible options include developing standard report templates and use of standardised outcome measures.

Action item #7: Marketing and information products

Traditional provider websites tend to focus on the organisation. This approach will no longer be effective. Websites and marketing products should provide a focus on the information potential and current participants will want to know, including what you offer, costs and the benefits of using your service etc.

Undertaking a thorough environmental scan of the current providers operating in your area (and any other areas that you may be considering expanding into) will also be helpful. This will allow you to identify service gaps, areas of overlap and key differences. When this information is combined with your knowledge about current and future participants, you can develop effective marketing processes and products based on your unique selling proposition. While websites will be a major marketing tool, also develop other methods (DVDs), written products, as there is evidence that not every potential client is computer literate or has ready access to the internet.

Action item #8: Compliance

Registered CDC providers will need to comply with relevant legislative and regulatory requirements. While the existing systems (standards, complaints, safeguards and protections etc.) will continue it is likely that these will be strengthened. For example, the use of the Commonwealth decision making model where an aged care consumer has a cognitive impairment.

TechnologyOne mobile apps support service providers through convenient mobile requisitions, workflow approvals and business reporting.
Action item #9: Boards and Senior Management

It is essential that the Board and senior management group are well informed about CDC, including the Home Care Packages Programme Guidelines and Home Care Agreements.

There is also a need for you to make time to discuss the potential impacts on your organisation and the individuals and families you support. It is likely that this will be a time of uncertainty for many organisations but it also provides a good opportunity to reflect and review the organisation. This is essential to allow you make the necessary decisions regarding your viability or service and support options.

Action item #10: Partnerships

While there is much focus within the sector regarding the competition that results from individualised funding and CDC, there are also many opportunities for forging effective partnerships. These may be formal or informal arrangements. These partnerships may be based on business practices (e.g. an organisation with good IT business systems may create invoices for another agency) or services and support arrangements. If your organisation decides that working in partnership could be useful, identify any possible partners and the focus/scope of this arrangement.

Summary

Consumer Directed Care offers much promise to deliver dignified supports to older Australians, but also represents a significant change for service providers.

The suggested actions in this paper have been drawn from Dyson Consulting Group’s work with many agencies. We trust they will help you to transform your organisation.

When scoping for partnerships, promote your most valuable points. This could be a strong brand, a particular speciality, a niche service, a geographical advantage or a robust IT system for managing CDC administration.
Transforming Business, Making Life Simple

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