

# CHANGES, IMPACTS AND OPPORTUNITIES

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## THE CURRENT CONTEXT

- The evidence in Australia is that we have been relatively slow to move towards individualised funding as compared to other social economies. Self-Directed Funding, Self-Directed Care, also known as individualised funding, individualised care packages, personalised budgets, individualised support packages, self-managed care and direct funding is a choice that has been successfully operating in Canada, England, Scotland, Ireland, Wales, New Zealand, and the USA since the 1990's.
- There is significant evidence indicating that individualised funding or consumer directed care service models can result in greater empowerment, satisfaction and improved service outcomes (Beatty et al. 1998, Glendinning et al. 2000, Tilly 2000, Carmichael & Brown 2002, Hagglund et al. 2004, Laragy 2004, Stainton & Boyce 2004, Foster et al. 2005, Kim et al. 2006, Carlson et al. 2007, Grossman et al. 2007, Schore et al. 2007, Wiener et al. 2007).

# THE BENEFITS

- Generally, the positives are related to people having a better understanding of the service system; the fact that funding packages that underpin it and the service options available to consumers are aligned; the formation of informal support groups (it gave families additional encouragement and assistance), and the fact that families no longer had to negotiate with Case Managers.
  - There are signs that the increased flexibility and control in conjunction with capacity building translates into better care outcomes for care recipients. A better relationship between support workers and care recipients plays an important role in this, as does the input of (organisational) staff.
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## FURTHER EVIDENCE

- A recent study (Ottmann, Laragy and Haddon 2009) indicated that people highlighted the importance of being able to employ their own support staff. Being able to select support workers seems to have positive effects on the quality of the relationship between support staff, care recipients and people/families and the continuity of care. Indeed, families assert that consumer directed care allows them to construct more supportive relationships around the person with a disability and that this leads to better care outcomes.
- Funding portability or the use of flexible funding packages that are given directly to the carer or family for a specified time period allows carers to make flexible choices and plan according to their needs (Ridley et al.), and lead to greater carer satisfaction (Caldwell & Heller 2003).

# WHY IS THIS IMPORTANT?

- Things are changing.... We may know when or even how, but they are changing.
- The establishment of the Centre for Community Service Effectiveness is aimed to improve knowledge on good evaluation practice, and assemble and disseminate evaluations based on the agreed measurement framework;
- The aged care system will be modified to ensure that all older Australians needing care and support have access to person-centred services that can change as their needs change and that it be **consumer-directed**, allowing older Australians to have choice and control over their lives;

# WHAT ARE THE CHANGES?

- An Australian Seniors Gateway Agency will provide information, assessment, care co-ordination and carer referral services. Initial care coordination services would be provided, where appropriate, as part of the Gateway. If required, case management would be provided in the community or in residential aged care facilities by an individual's provider of choice.
- The current system of discrete care packages may be replaced with a single integrated, and flexible, system of care provision
- Individuals will be given an option to choose an approved provider or providers.

# WHAT ARE THE CHANGES?

- The NDIS should fund all people who meet the criteria for individually tailored supports.
- NDIS would enable people to:
  - choose directly the service provider/s that best meet their needs;
  - choose disability support organisations that would act as intermediaries on their behalf when obtaining services from service providers;

## WHAT ARE THE CHANGES?

- Under the O'Farrell Government, people with a disability won't be dictated to by bureaucrats when it comes to the services they receive. This will put carers and people with a disability in control of their funding arrangements.
- "Individualised funding packages will give people with a disability more choice and control over their lives and futures, including how the system supports them."

## WHAT ARE THE CHANGES?

- 2011-12 remains a transitional year, with the Commonwealth assuming full funding responsibility for HACC services for clients aged 65 and over (Indigenous Australians aged 50 and over);
- NSW will retain all Funding Agreements with HACC providers, regardless of the age of their clients, until at least 30 June 2012.

# PERSON CENTRED PLANNING AND INDIVIDUALISED FUNDING

- These are different:
  - PCP is a philosophy; they way services are planned, delivered
  - Individualised Funding is a methodology; they way the above is funded
  - You can provide services in a person-centred manner and be funded in a block
  - You can be funded in a block and not provide person centred services
  - In an individualised funding model, services would need to meet the needs of the customer

# THE CUSTOMER?

- Are we uncomfortable calling people customers?
- What else do we call people we provide services to?
- Do you have a problem being called a customer when you want service or feel that you have not received satisfaction with a product or service?

# CUSTOMER VERSUS CLIENT

- Typically, a customer is viewed as a person who pays money in order to purchase services or goods from another person, company, or organisation. While a client is also a person who purchases services and goods, a client generally receives long-term benefits or services from another person or organisation whether or not they pay for them.
- Clients, therefore, tend to have long-term relationships with their service providers.
- While clients look to the organisation and the service-providers within the organisation for advice and professional knowledge, today's customers seek this advice and knowledge from other sources long before they connect with a service-provider organisation.

# CLIENTS OR CUSTOMERS?

- Whether organisations have overtly acknowledged it or not, many not-for-profits have operated with two classes of clients in mind. One major category of “clients” includes those entities that provide the primary revenue stream for the organisation: government, foundations, and other funding agencies. The other category of clients are the service receivers: people with disabilities, older people, marginalised communities, etc. Serving the first category of clients has required elaborate and costly organisational processes, staffing, record-keeping, reporting, etc.

## CLIENTS OR CUSTOMERS?

- Each funding agency expects the organisation to operate under strict and complex regulatory requirements. Meeting these requirements has necessitated heavy investments in processes and staffing. Records have to be maintained. Reports have to be produced. Certification and licensing visits by regulatory bodies have to be hosted. Often, this first category of clients has received far greater attention from the organisation than the clients to whom they provide services.

# WHAT DOES A CUSTOMER-CENTRIC ORGANISATION LOOK LIKE?

- The customer-focused organisation – an organisation that fully utilises consumer data as a strategic asset – will set the criteria for success among not-for-profits over the next decade. Successful customer-driven organisations will take advantage of two significant and intersecting trends. The first trend is the growing sophistication of the new consumer and their ability to manage information as a resource in their interactions with service-providers. The new consumer is an active and sophisticated consumer – one who uses new technologies and new forms of interaction to become informed and identify choices.

# WHAT DOES A CUSTOMER-CENTRIC ORGANISATION LOOK LIKE?

- The second trend is the continued development and adoption of information and communication technologies by organisations. New forms of gathering, integrating, and displaying information will provide new pathways to the consumer and new channels for highly personalised interaction and service relationships. Together, these two trends challenge the traditional organisational models of not-for-profits and the role of the customer in the service provider-consumer relationship.

# WHAT CAN WE LEARN?

The Ritz-Carlton story and those of other successful customer service organisations have some common elements to them. These include

- High degree of personalisation in their interactions and service delivery.
- Elevate service to an art form.
- Listen: identify customer preferences, expectations, and requirements and incorporate them into product or service design and delivery;
- Align people, processes, and technology with identified customer expectations;
- Instead of hiring people to merely fulfill functions, hire people to be part of the organisation's purpose and vision. Say to them, "Here's our heart . . . Do you want to join us?" Select people to be part of a dream;
- Value customer loyalty more than customer satisfaction;
- Make it convenient for customers to access your services;
- Minimise "red tape" that a customer has to endure to receive your services;

# HOW WILL THIS LIKELY IMPACT ON CASE MANAGEMENT?

- Consumer-directed
  - How do customers differ from clients?
- Individuals should contribute to the cost of their personal care according to their capacity to pay
  - How will people's expectations change when they pay for services?

# HOW WILL THIS LIKELY IMPACT ON CASE MANAGEMENT?

- Individuals should be given an option to choose an approved provider or providers
  - How will you market what you do?
  - How will they differentiate?
- Carers and people with a disability in control of their funding arrangements
  - Who will be the purchaser?
- Case management would be provided in the community or in residential aged care facilities by an individual's provider of choice
  - How do you become a provider of choice? What if you are not?

# CASE MANAGEMENT IN THE NEW WORLD

- There will be a need to be more “market driven” which will incorporate aspects such as;
  - Customer service as opposed to client focus;
  - Moving from outputs to outcomes and then impacts;
  - Need to base your practice on evidence;
- There will be a need to articulate value in the eyes of the customer
  - Need to discern difference between purchaser and receiver;
  - Need to quickly identify the customer and elicit what they want

# WHAT DO WE NEED TO CONSIDER AND POSITION OURSELVES FOR THE FUTURE?

- Relationship Management will be a critical aspect of the new paradigm:
  - Understanding their needs and exceeding them;
- The focus will be on delivering 'value'
  - Value is seen through the eyes of the person or the purchaser. It may have little to do with outputs;
- Combining the two, as people become more comfortable with choice, case management (services) needs to be seen as facilitating or enhancing choice.

# SUMMARY

The changes will require us to shift our thinking and adopt a new paradigm that is more market-focused; driven by our understanding of who the customer is and what they want; delivering value to them so that they want to use you more and being able to articulate the benefits and impacts of your intervention (differentiating you from others).

Successful organisations will be those that adapt more readily and move more quickly towards this paradigm.



Relationships Matter  
Experience Counts  
Trust Delivers

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