Disability Support Services

**Community Residential Support Services
– Global Pricing and Band Allocation
Tools
Provider Briefing**

20 November 2025

Welcome and opening Karakia

Welcome and Introductions

Presenters:

Catherine Poutasi, GM Commissioning and Funding
Trish Davis, Director Contracts and Funding
Sara Kidd, Programme Manager
Cameron Mackintosh, Project Manager
Rachel O'Connor, Business Analyst

Opening Karakia

Whakataka te hau ki te uru,
Whakataka te hau ki te tonga.
Kia mākinakina ki uta,
Kia mātaratara ki tai.
E hī ake ana te atakura.
He tio, he huka, he hauhū.
Tihei Mauri Ora!

Disability Support Services

Introduction and overview

This session will cover:

Item:	Speaker:
• Community Residential Support Services Global Pricing Tool Overview	Catherine Poutasi Trish Davis
• Maintaining Facilities & Comment Sheet	Cameron Mackintosh
• Band Allocation Tool	Sara Kidd
• Q&A	Rachel O' Connor

Quick Recap: What we covered in the previous webinar

1. Why the new model was created – System was complex, inconsistent & lacked transparency
2. What the model changes – Moves from >2,000 individual rates to 6 banded rates per region, consolidating multiple revenue streams & bases prices on average reasonable costs not individualised costings
3. What stays the same for providers & disabled people – day to day support & care standards
4. Transition principles and Minister's directive – Continuity of care, service capacity, financial stability, realistic implementation

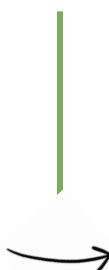[Webinars for providers | Disability Support Services](#)

INDEPENDENT REVIEW OF DISABILITY SUPPORT SERVICES

A Report to provide advice on the actions that should be taken immediately in the 2024/25 financial year to better manage the increasing cost pressures faced by Whaikaha – Ministry of Disabled People

28 June 2024

Phase One Report

What is the purpose of the new pricing model?

Fair and Reasonable Cost	Prices /Funding Levels are not Costs
The refreshed pricing system is based on a bottom-up build for a **fair and reasonable cost** of providing Residential Care in Group Homes services – making the system **fairer** for disabled people, providers, and DSS.	DSS is looking to pay fair prices (funding levels) to providers that cover reasonable costs. DSS will now pay a provider an **'average' price** that should cover the reasonable costs of providing care, but that **is not the same** as an individual's cost.

How does the model estimate Residential Care costs?

The GPT makes informed assumptions about the costs of delivering community residential support by a range of data, including:

- **Support worker remuneration** is based on the Pay Equity levels including oncosts. Care coordinator remuneration was benchmarked using carers site data.

- **Sleepovers** are included for all houses at the support worker labour rates (i.e., "wakeover" rates).

- **Food, laundry, household** supplies, market rentals, telecommunications, transport, and stationary costs are benchmarked against Household Economic Survey (HES) data from Statistics NZ.

- **Utility costs** are benchmarked against rates from major electricity retailers; insurance against major insurance companies; and water costs against utility provider rates.

- **Furniture and fitout** have been determined based on costs sourced from major furniture retailers.

- **Specialist services, office equipment, and lawn mowing / maintenance** are based on rates from current pricing tools, adjusted to reflect current costs.

- **Overheads** such as facilities management, administration and accounting were benchmarked based on aggregated carers site data. Management fees are calculated at 15%, based on the overheads of similar organisations and provider engagement.

Cost groups	Staffing	Client Related Expenses	Core Housing Costs	Maintenance & Utilities	Provider Overheads
Main cost components	Salaries & wages (Support worker, care coordinator, etc)	Food	Market rent by location	Insurance	Management staff
	Pay equity (to date)	Laundry	Furniture and fitout	Property maintenance	Admin & accounting staff
	Sleepovers / Wakeovers	Specialist services & therapy	Household supplies	Telecom	IT costs
			Transport Costs	Water & Power	
				Facilities management	

These prices cover the costs required for ~ 90% of individuals but excludes extraordinary support requirements which is part of an exceptions process.

There is a difference between the **cost of providing care** to an individual and the **banded rate price paid** to a provider.

Pricing model testing

DSS confidentially tested pricing assumptions with a mix of DSS-contracted Community Group Home providers to make sure the model reflected reasonable costs and identify issues about funding and what could be done to improves things.

Pricing assumptions were tested across three key areas:

Overheads and IT Costs	Care / Support worker costs	Property arrangements

- What is included in your management overheads (e.g. allocation of central costs).
- The proportion of costs to total staffing costs.
- The scale and composition of annual and recurring IT costs.

- How care hours / rosters are translated into staffing budgets.
- The different rostering / staffing approaches employed for larger versus smaller houses.

- Whether organisations owned or leased the properties it used for group homes.

This feedback informed the final pricing model.

The model does not reflect exactly Providers Business Models

- The model uses banded rates, where the **average price** may be more or less than the funding allocation for any individual.

- It moves away from our previous system where the rate we paid **must be** spent on supporting an individual.

- For most providers, these banded rates <u>average out over time and across a mix of residents.</u>

- The banded rates reflect an average price for a range of care and support needs.

- Providers will be paid for each person they support but will have more flexibility to use their **total funding pool** to provide support across the people in their care.

Current Banded Rates for the 25/26 Financial Year set using the GPT

Northern Region

Band	Rate
Northern 1	$327.81
Northern 2	$414.57
Northern 3	$494.93
Northern 4	$643.75
Northern 5	$842.06
Northern 6	$893.61

Midlands Region

Band	Rate
Midlands 1	$320.77
Midlands 2	$424.40
Midlands 3	$531.32
Midlands 4	$654.72
Midlands 5	$855.44
Midlands 6	$939.00

Central Region

Band	Rate
Central 1	$324.31
Central 2	$438.99
Central 3	$528.79
Central 4	$661.55
Central 5	$847.99
Central 6	$905.70

Southern Region

Band	Rate
Southern 1	$318.08
Southern 2	$408.66
Southern 3	$494.85
Southern 4	$635.00
Southern 5	$838.23
Southern 6	$911.54

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Pricing model treatments

Item	How its treated in the new pricing model
Pay Equity (Advance Interim Payments).	Pay equity is now included in the labour costs that make up the rate.
Sleepovers for Community Residential	Sleepovers are now included in the single rate.
Day Activity Contributions. Additional payment for those people (primarily 65+) who do not attend day services of vocational training.	Day Activity Contributions (DAC) are incorporated in funding for 24-hour cover.
Client Contributions. Contributions made by disabled people (directly or indirectly) to the cost of CGH supports from their Superannuation, Supported Independent Living, or other benefit payment.	Rates are client contribution inclusive.
GST	No change.

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Pricing model treatments

Item	How its treated in the new pricing model
Residential based Respite Services.	Not included. Funded another contract.
Day Services and Vocational Services.	Not included. Funded another contract.

How do existing resident rates transition to the refreshed prices?

To map individuals in care from existing prices to revised prices, individuals were matched based on known characteristics to a new price using the following steps:

Existing Person in residential care with Existing Rate

Existing Person	Region	House Size	Rurality	Existing Day Rate	Care Ratio
A	Northern	3-bed	Urban	310	*Unknown*

1   Identify known data

Identify known care information about each individual in care (i.e. regional location and group home size).

#	Region	House Size	Rurality	Match?
1	Northern	3-bed	Urban	Y
2	Midlands	2-bed	Rural	N
3	Northern	3-bed	Urban	Y
4	Southern	2-bed	Urban	N
5	Northern	3-bed	Urban	Y

2   Match to closest day rate

Use the known existing daily price paid by individual to identify the closest matching day rate.

#	Region	House Size	Rurality	Revised Day Rate	Care Ratio	Closest Match?
1	Northern	3-bed	Urban	400	2:3	N
3	Northern	3-bed	Urban	327	1:3	Y
5	Northern	3-bed	Urban	250	1:4	N

3   Determine unknown data

Determine the data that most closely fits with the known data and existing price paid.

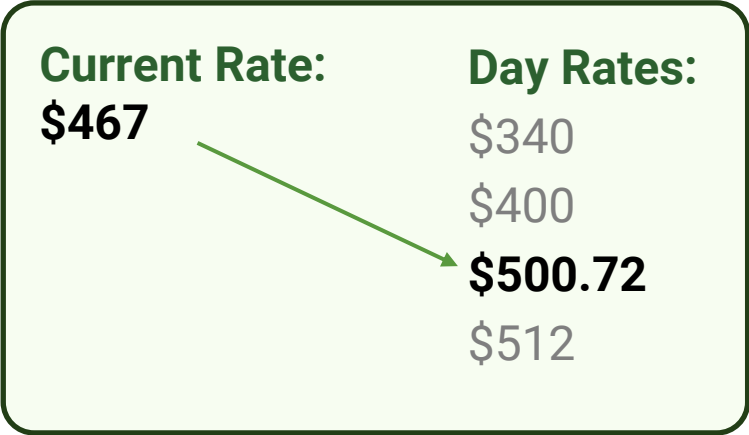| #	Region	House Size	Rurality	Revised Day Rate	Care Ratio	Match?
3	Northern	3-bed	Rural	327	1:3	Y

Example of Translation of Current Residents to New Rates

A resident is currently allocated $467 per day and lives in a 5-bedroom urban house in Auckland.
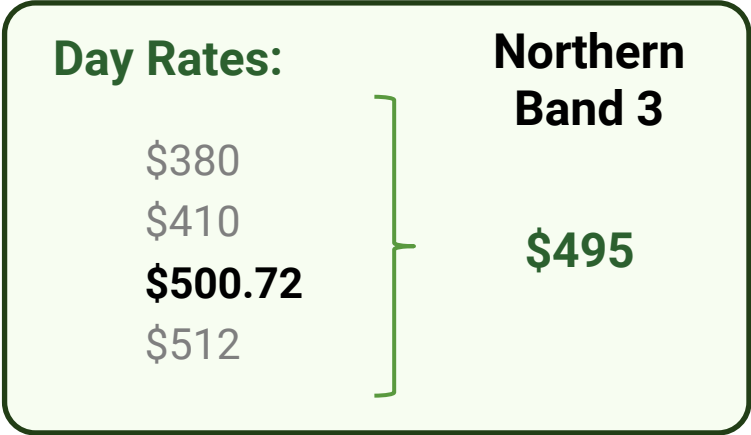
What we know

1. **Region: Northern**
2. **Location: Urban**
3. **No. Of bedrooms: 5**
4. **Current Rate: $467**

(incl PE, S/O, RSS, AIPs.)

Matching the rates

Current Rate: **Day Rates:**
$467 $340
                                     $400
                              $500.72
                                     $512

Based on a northern, urban, 5 bedroom house, we **found the closest day rate**.

Assigning the band

Day Rates: **Northern Band 3**

        $380
        $410
   $500.72   **$495**
        $512

Based on where the day rate was for the region this then determined the band. This is what is paid for the disabled person.

House size is the **total** number of bedrooms (including staff, and residents).

Could you clarify what the model uses for bedroom number?

- The **total** number of bedrooms in a house e.g., 7-bedrooms.

- Based on provider submissions, 50% of houses have a sleepover room or a noncommissioned bedroom.

- Not every room is expected to be occupied all the time, but providers will need to consider the efficient use of houses as part of their business. DSS covers 0.5 room vacancy in the rates.

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Difference between June and October 2025 Rates

June 2025
- Initial analysis to estimate the change in funding
- One-off Advance Payment to eligible providers
- Subject to change

June- Sept 2025
- Gathered more accurate housing information
- Validate and update key information (such as house size, house capacity and occupancy)

October 2025
- Refreshed set of rates based on more accurate data, specifically informed by the size of the houses

Minister's Directive:

No Community Group Home provider will receive less funding under implementation of the new Pricing Model for the 25/26 financial year.

We are fulfilling the Minister's commitment to a stable transition.

Funding will increase for some providers, and where the model indicates a decrease, a no-worse-off payment ensures providers remain fully supported in the 25/26 FY.

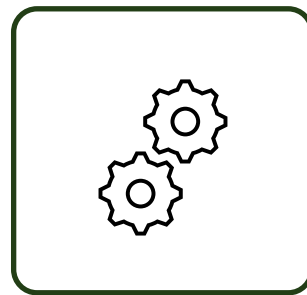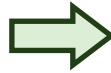# Maintaining Housing Information

Accurate housing information is a key part of the residential pricing model. Below is the process for updating homes (closing, creating, updating).
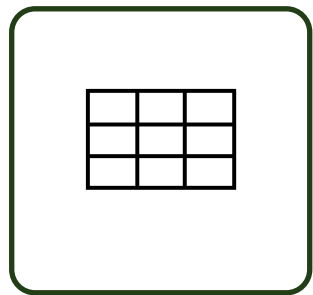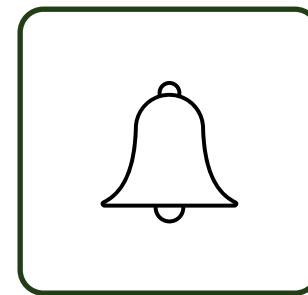
1. If there are changes to your houses, complete the DSS housing template.
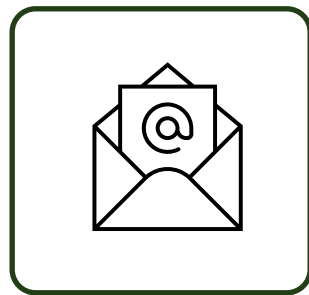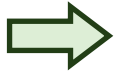
2. Send the completed housing template to:

DSS_contracting@msd.govt.nz

3. DSS will arrange the setup in our systems.

4. You will receive confirmation of setup and the facility ID.

The home can now have people assigned to it.

If DSS has not been notified of a new home, this will cause delays in service authorisations and payments.
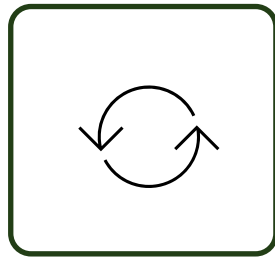
Housing Information Template

Disability Support Services

MINISTRY OF SOCIAL DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

CRSS Providers - Housing Information Template

By: Ministry of Social Development - Disability Support Services (DSS)

Provider Name:

Date Completed:

Instructions

- Use this file to record any changes for Community Residential Support Services (CRSS) homes. Ensure each unit has its own unique row, and add rows as required.

Definitions

- **Facility ID** - Only applicable for housing that is already setup in CCPS. Ignore for new homes.
- **House Type** - Select from dropdown list in cell.
- **Number of bedrooms in facility** - The total number of bedrooms in the house. For example, a four-bedroom house (3 service delivery, 1 staff) has 4 bedrooms.
- **Non-commissioned Bedrooms** - A bedroom not available for support/service delivery (Enter either 1 or 0) e.g., a staff room.
- **Service Bedrooms** - The number of bedrooms available for supports.
- **Current # of occupants** - The current number of occupants residing in the facility.

Status	CCPS Facility ID (Optional)	Facility Name	Unit Number	Street Number	Street	Suburb	City	Post Code	House Type	Number of bedrooms in facility	Non-commissioned Bedrooms	Service Bedrooms	HealthCERT Certified	Comments and notes (Optional)

Changing a Disabled Persons Home

Accurate housing information is a key part of the residential pricing model. Below is the process for updating a disabled persons home.
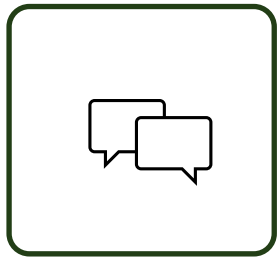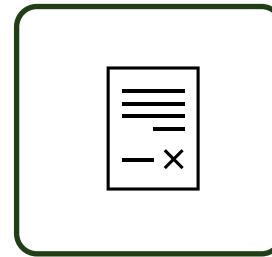
1. Before you can move a person, you must contact your local NASC and inform them of the proposed new home.
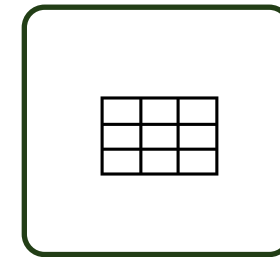
2. The NASC will then update the BAT/GPT with the new housing information.

This may lead to a change in the persons band.

3. A new service request and authorisation is generated and signed.

Note: this is required even if the rate/band does not change.

4. Once confirmed, **use the comments sheet** to inform Sector Operations of the persons new home here:

residential@health.govt.nz

Note: Because we have included a 0.5 fixed vacancy rate into the model for all homes, as people are coming and going, **only the person changing home needs to be reassessed**.

Comment Sheet

A comment sheet is a spreadsheet used to document residents' changes and must be submitted by the 10th of each month.

Region Name:	Provider – Northern	Invoice From Date:		Funder:	DSS	
Region ID:	[Region ID]	Invoice To Date:				
Client's Name		DOB	NHI	Start Date	Finish Date	New Facility ID (if applicable)	Comments
Example						5004352	Moved facility, no change to rate.

Examples of what is included

• Changing house

• Exits

• Entries

• Deaths, Holidays

Key Points

• DSS will provide the current facilities on record and the new Facility IDs in the next few weeks. December is a good opportunity to inform us of any updates.

• **Even if there are no changes, an empty comments sheet is still required each month.**

Band Allocation Tool "BAT"

- Supports NASCs and EGL-sites to fairly allocate funding for residential services against the new funding schedule

- Replaces existing TPMs and iCare with a nationally consistent tool.

- Will be **used from 1 December 2025** for new residential entries, re-assessments and when there has been a change in a person's situation.

- Will not be used for services outside of the contract service specification, such as Aged Residential Care, High & Complex (forensics) services, or Choices in Community Living.

How the BAT determines individual funding

- The BAT is primarily a service coordination tool. It supports the planning of a residential care service, by estimating the level of support required for an individual.

- The support requirements summarised by the BAT and the NASC will enter this summary into the Global Pricing Tool (GPT) to determine the appropriate funding level i.e. Band 1-6 or an Exceptional Rate.
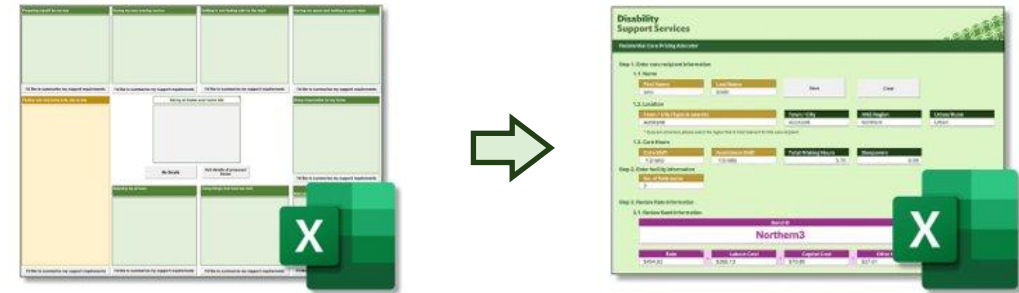
BAT outputs are entered into GPT

Information that informs the BAT

Conversations with the disabled person, their family and the potential provider.

Information about the intended facility from the facility spreadsheet i.e. location and number of bedrooms.

Captured by the BAT

The service specification – the framework for enquiry

*The Ministry purchases community residential support services (the Services) for people with disabilities who need this level of support, so that they can enjoy a good quality of life and live in a place that **feels like home**.*

*...**home** [that] is accessible, homely, clean, well maintained and provides privacy and autonomy*

Home

*Putting people at the centre of support enables them to have **greater choice and control over their home** and environment.*

What the BAT explores to determine support needs

The domains of "home" that are explored as part of the service specification

Preparing myself for my day

Having my own evening routine

Settling in and feeling safe for the night

Having my space and making a space mine

Feeling safe and being safe, day-to-day

Being responsible for my home

Enjoying my privacy

Doing things that keep me well

Maintaining connection and sharing connection
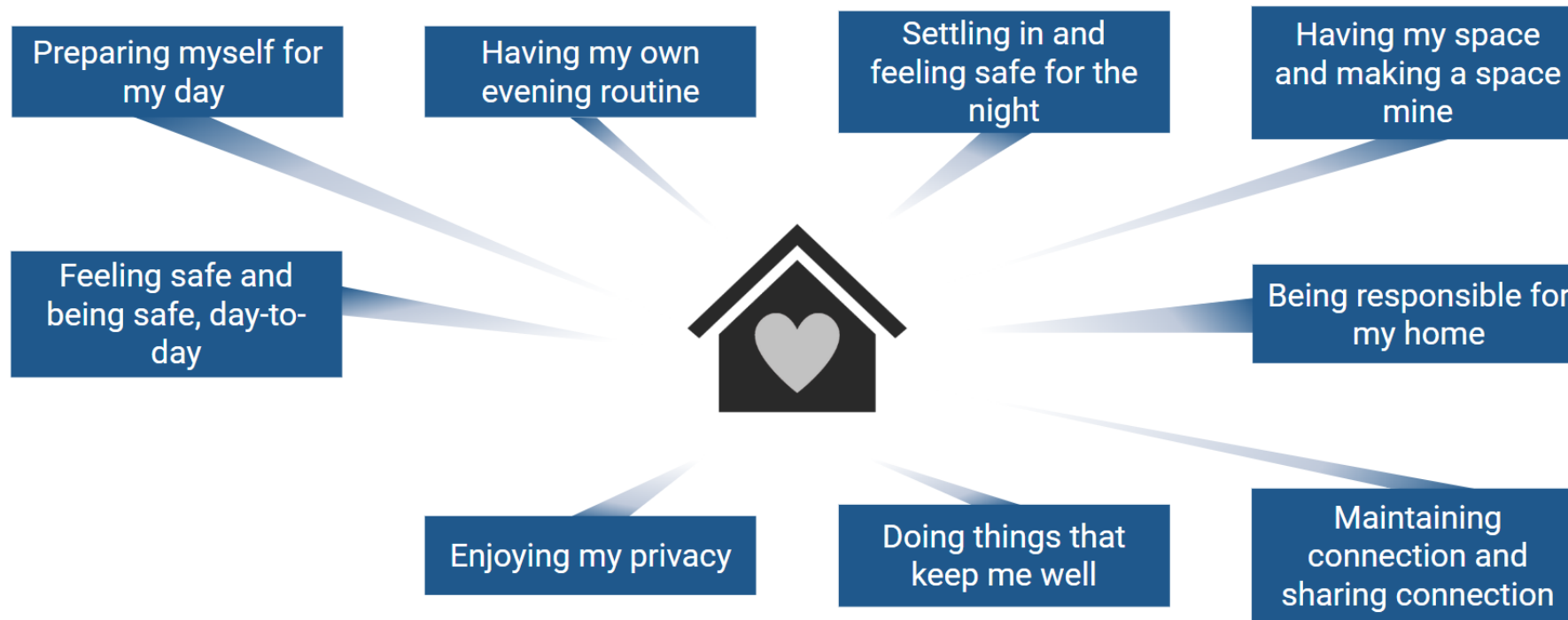
The Global Pricing Tool

Residential Care Pricing Allocator

Step 1. Enter care recipient information

1.1. Name

First Name	Last Name
Peter	Doe

1.2. Location

Town / City (Type to search)	Town / City	HNZ Region	Urban/Rural
Auckland	Auckland	Northern	Urban

^if you are uncertain, please select a town from the region most relevant for this care recipient.

1.3. Care Hours

Core Shift	Assistance Shift	Total Waking Hours	Sleepovers
1:2 ratio	1:2 ratio	7.50	9.00

Step 2. Enter facility information

No. of Bedrooms
3

Step 3. Review Rate Information

Band ID
Northern3

Rate	=	Labour Cost	+	Capital Cost	+	Other Cost
$494.93		$388.12		$79.80		$27.01

Funding allocated may be subject to DSS quality review
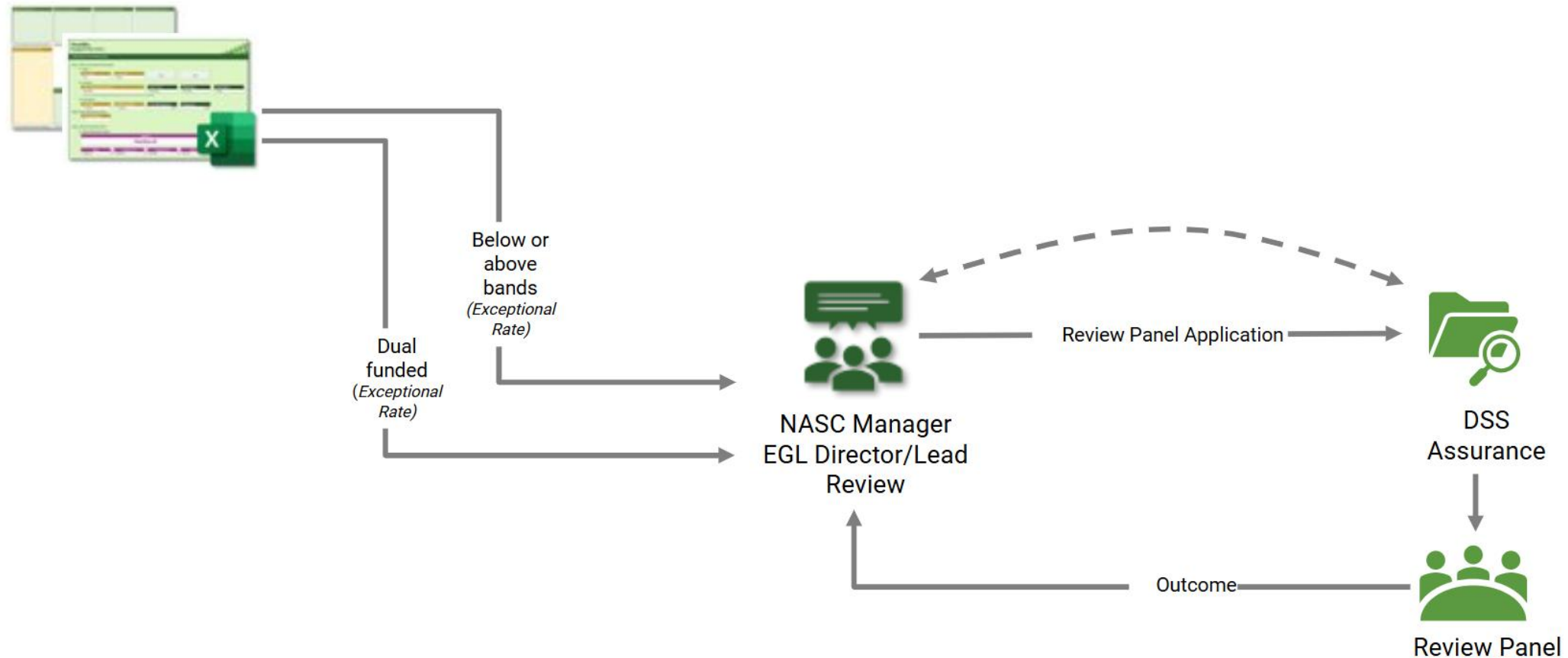
Next Steps - <u>Incumbents</u>

PROVIDERS: Nov 2025

1. Sign the Agreement
2. Review Improvement Plan - if required
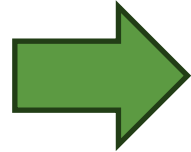
DSS: Dec 2025

1. Move current residents to new rates
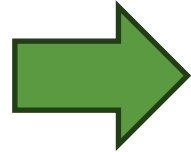2. No worse off payment
3. Send facility IDs list
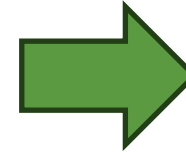
Jan 2026

1. First Payment under the new contract on the 20th

Note: All providers will be moving to a monthly payment schedule on the 20th of each month.
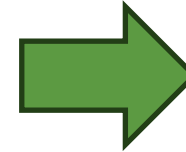
Next Steps – New Providers

PROVIDERS: Nov 2025

1. Sign the Agreement

2. Review Improvement Plan if required

DSS: Dec 2025

1. DSS will setup your information into our systems

2. Send facility IDs list

DSS: Jan 2026

1. Continuing Onboarding Process- introduction to local NASCs etc

# New Entrant/Reassessment steps post 1 December
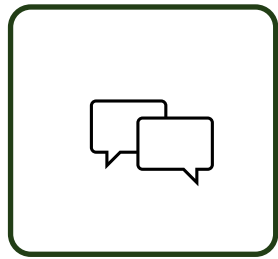
1. Assessment/Reassessment completed by local NASC with input from disabled person, whānau, provider as required.

NOTE: Reassessments are planned every 3-5 years unless there is a change in a disabled person's needs
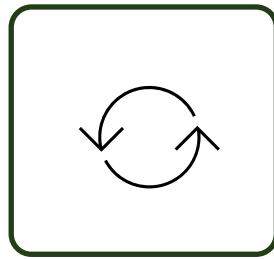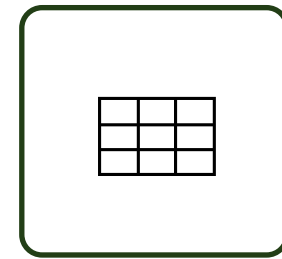
2. The NASC will then enter the assessment information and housing information into the BAT/GPT.

This will assign the person's band.
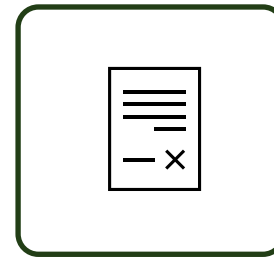
3. A new service request and authorisation is generated and signed.

Note: this is required even if the rate/band does not change.

4. Once confirmed, **use the comments sheet** to inform Sector Operations of the persons home here:

residential@health.govt.nz

Note: This is required even if the home does not change.

**Disability
Support Services**

Any questions?

You can also reach out to the DSS Commissioning Team at:

dss_commissioning@msd.govt.nz

Additional Resources

FAQ Community Residential Services Support

Webinars for providers | Disability Support Services

Closing Karakia

Kia whakairia te tapu

Kia wātea ai te ara

Kia turuki whakataha ai

Kia turuki whakataha ai

Haumi ē. Hui e. Tāiki ē!