

Fact sheet

Community Group Home Pricing Model

Information for disabled people, their whānau and carers

April 2025

Disability Support Services (DSS) is changing the way it pays residential service providers.

DSS has developed a simpler way to pay residential providers for the supports and services we fund. This is called the Community Group Home Pricing Model.

This follows the work DSS has completed in response to [Recommendation 2 of the 2024 Independent Review](#) into DSS.

This recommendation called for an urgent review of pricing and contracting for residential care.

The urgent review found that the previous system for paying providers was too complicated and not as fair as it should be. DSS is focusing on getting the basics right in how we pay for services.

The new pricing model will:

- be more consistent, transparent, fair, and financially sustainable
- help us better understand how much DSS needs to pay for residential care services
- involve less administration.

Ensuring disabled people in residential care continue to get the services and supports they need is our top priority.

DSS will work with providers to support them to transition to this new model.

Will there be changes for disabled people in residential care?

Disabled people in residential care should not notice any changes.

The pricing model only changes how we pay providers for residential services for disabled people. This means that disabled people in residential care should not notice anything different in the support they get because of these changes.

The first point of contact for disabled people will continue to be their provider, Needs Assessment and Service Coordination organisation (NASC), or Enabling Good Lives (EGL) site.

What will NASCs and EGL sites continue to be responsible?

- Determining eligibility for DSS support, and what that support looks like.
- Communicating and working with disabled people and their families.
- Assessing needs.
- Allocating supports – this may be residential, or it may be at home in the community.
- Looking at natural supports and other government funded supports.
- Prioritising support to those with the highest needs within their total available budget.

In terms of any changes to future budgets available to NASCs and EGL sites, those budgets are set following the Government's annual Budget announcements (in May).

The new pricing model only applies to Community Group Home providers. It does not apply to DSS providers of Aged Residential Care, residential care of children and young people in Oranga Tamariki, or providers of High and Complex Services.

DSS is working with those providers on different ways to improve paying for services.

Who has DSS engaged with to develop the pricing model?

This work is about making administrative changes to how we pay residential providers for the services we fund. It focuses on making our funding arrangements for residential care fairer.

Disabled people, whānau and carers should not notice anything different as a result of these changes.

DSS recognises the importance of engaging with disabled people and their carers on decisions that affect them. Extensive community consultations on flexible funding and assessments have been occurring alongside the more targeted engagements with providers to develop this model.

DSS is committed to making disability support services better, now and into the future.

There will be opportunities for the disability community to have their say about how we strengthen residential services in the future. This includes work to improve the quality and safety of the disability supports we fund, and on providing more options for disabled people.

Find out more

More information on the Community Group Home Pricing Model, is available on our website:

www.disabilitysupport.govt.nz/cgh.