Disability Support Services

MINISTRY OF SOCIAL DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

Community Residential Support services – Global Pricing and Band Allocation Tools Provider Briefing - Transcript

20 November 2025

Catherine Poutasi
Tēnā koutou katoa. Talofa lava. Welcome to another instalment of Disability Support Services. Today we're taking you through the Community Group Home Global Pricing Tool and Band Allocation Tool. I'd like to open with a 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!

Welcome everyone. Ko Leuluaiali'i Catherine Poutasi. I'm the General Manager of Commissioning and Funding at Disability Support Services. I'd like to introduce you to my co-presenters today. We have Trish Davis, who is the Director of Contracts and Funding. Sara Kidd, who is our Program Manager. Cameron Mackintosh, who is our Project Manager, and Rachel O'Connor, who is our Business Analyst. We are recording this session to share on our website with people who are unable to attend. Your face and voice will not be recorded, but your Team's avatar and name might be shown.

Please feel free to not attend today if you do not consent to this recording.

I'd like to just run through what we're going to cover today. The session will be about the Global Pricing Tool. We'll provide an overview to you. We'll also touch on maintaining facilities and comments sheets and we'll also end with the Band Allocation Tool and finally some questions and answers.

So, a quick recap in terms of what we covered in the last or previous webinar before we focus on implementation. We talked about why the pricing model needed to change. The independent review showed that the system had become complex, inconsistent, and lacked transparency. The new model addresses this by moving

from more than 2,000 individual rates to six banded rates per region. We're consolidating multiple revenue streams and basing prices on average reasonable costs, not individualised costing.

I also want to emphasise what doesn't change. Disabled people should not see any difference in their day-to-day support provided and care standards will remain the same. And importantly, no provider will receive less funding in the 25-26 financial year under the Minister's directive.

We explained that only people with exceptional needs will move to exceptional rates and everyone else will be allocated a band through the Band Allocation Tool, which supports consistent and fair allocation nationwide.

Finally, in the last session, we introduced the transition principles, which were continuity of care, service capacity, financial stability, realistic implementation, and strong support from disability support services throughout the shift to the new model.

Today's session builds directly on that foundation. Now that we've talked about the what and the why, today we're moving to the how and that's the Global Pricing Tool itself, the Band Allocation Tool, and the Global Pricing Tool processes and how they interface with updating homes, updating people's residences and what providers need to do for a smooth transition.

I also wanted to touch on the purpose of the new pricing model. So, you'll remember that DSS funding has grown from 1.2 billion in 2015–2016 to 2.7 billion in 2025–26.

Residential care funding has grown about 10% in each of the last five years. There have been multiple transparent pricing models and now we are focused on providing fair and reasonable costs. The funding levels are not the same as costs.

So DSS is looking to pay fair prices or funding levels to cover reasonable costs. We will pay providers an average price that should cover the reasonable costs of providing care, but it's not the same as the individual's costs.

So how does the model estimate residential care costs? On the left-hand side is what we have included, and on the right-hand side there are cost groups. What we've included includes staffing—salaries and wages, pay equity, sleepovers and wakeovers. We've also included client-related expenses like food, laundry, and specialist services. We've included core housing costs, which are market rents by location, furniture and fit-out, and household supplies.

We've also included in the model the maintenance and utilities and finally the provider overheads such as management of staff, admin, and IT costs. These are all the components that make up the Global Pricing Tool.

Again, there is a difference between the cost of providing care to an individual and the banded rate price paid to a provider. These prices cover the costs required for about 90% of people who are currently in the system and accessing community group homes.

There will be an exceptions process.

I wanted to go through how we came up with the Global Pricing Tool because we've had a lot of good questions. We went through a confidential testing process and looked at pricing assumptions with a mix of currently DSS-contracted community group home providers, and we wanted to make sure that the model reflected reasonable costs. We wanted to identify issues about funding early on and what we could do to improve things.

Some of the pricing assumptions were tested across key areas. One was overheads and IT costs. We asked what is included in management overheads such as allocation of central costs. We asked about the proportion of costs to staffing costs. We also asked about the scale and composition of annual and recurring IT costs.

We explored care and support worker costs as well—how care hours and rosters are translated into staffing budgets, and the different rostering and staffing approaches employed for larger versus smaller homes.

We also looked at current property arrangements and whether organisations or providers owned or leased the properties they used to support disabled people. This feedback informed the final pricing model.

Again, the model does not reflect exactly providers' business models, so we use banded rates where the average price may be more or less than the funding allocated for that individual. It moves away from our previous system where the rate we paid had to be spent on supporting the individual.

For most providers, these banded rates will average out over time and across a mix of residences. The banded rates reflect an average price for the range of care and support needs of a person. Providers will be paid for each person they support but will have more flexibility to use their total funding pool to meet the needs of people in their care.

It is not possible to trace every cost back to the model for every individual, and that's not the intention of the Global Pricing Tool. This will be familiar to you. We have sent this out and it is on our website.

These are the current banded rates for the financial year using the GPT. In the Northern, Midlands, Central, and Southern regions we have six bands and rates

associated with each band. We've replicated the regions from Health New Zealand, so those will be familiar to you.

And now I'd like to hand over to Trish, Director of Contracts and Funding.

Trish Davis

Kia ora. So does the pricing model treat the following areas—such as pay equity or advance interim payments. These have now been included in the pricing model and are in the labour costs that make up the rate.

Sleepovers have now been included into the single rate as well. Day activity contributions are additional payments for those people—usually over 65—who do not attend day services or vocational training. These have now been incorporated into the funding and the new pricing model client contributions. So, these have been different across depending what part of the country you're in.

So these were paid either directly or indirectly. Now and under the new model, all of the rates are client contribution inclusive GST. There is no change under the model.

In terms of how the following areas are treated under the pricing models, residential based respite services are not included, and they're funded through another contract, day services and vocational services. They also are not included and they're funded.

And they're funded under another contract. I'm just going to hand over to Cam now.

Cameron Mackintosh

Kia ora all. So now we're going to go through how our existing residents would transition to the new prices. Just a note here, this is for our existing providers. If you're a new provider, you can relax for this next couple of slides.

So, what the process for this was, we looked at known data for each of the residents. So, this included things like the region, the house size, whether it was a rural or urban location.

We then looked at the existing day rate that people were provided, noting that this includes all those things that Trish mentioned before, like your pay equity, sleepovers, all that information. And based on that we looked at what the care ratio for that person would be and ultimately what their final band would look like. So, if we go through an example on the next slide, we can kind of break this down a bit further. So, Rach.

Cool. So, for example, if we take a resident currently allocated $467 per day, they live in a 5-bedroom urban house in Auckland. So, what we know here is the region, northern location, urban 5 bedrooms and the current rate of $467. The next step was matching that rate to the closest day rate, and that was based on the filter of a northern urban 5-bedroom house. In this example it was $572.

When assigning the band, we then looked at that assigned day rate because $572 ultimately fit in the range for Northern Band 3. The final rate that we pay for that person is $495.

This is sort of where that overs and unders comes into play here, where you will end up with some people's day rates may be a little bit below that band or a little bit above, but ultimately it middles out at the rate we pay for that band.

One of the things that came up--a lot of providers have talked about--is around the house size.

What we use in this exercise was the total number of bedrooms in a house--for example 7 bedrooms.

Based on provider submissions, about 50% of houses have a sleepover room or a non-commissioned room. And so, within the model we built into this 0.5 vacancy cost for to cover vacancies in rooms.

Noting that for some facilities or houses there's no vacancies or no non-commission rooms, whereas others have staff available in there, yeah.

Next slide.

So I'll hand back to Trish. Thank you.

Trish Davis
Good. Thank you, Cam. OK, so there may have been a difference between June and October 20 twenty-five rates that some of you received advice about. So, we made a one-off advance payment.

And that was to those providers who were expected to see an increase from the 1st of July 2025 as the price freeze was lifted. The July payment was paid for the purpose of giving providers financial relief after the funding freeze.

This was lifted on the 1st of July.

The first translation gave us the June figures and then when we updated our housing information using the data that we requested from providers, such as house size, house capacity, and occupancy.

We then completed a second translation exercise, which gave us the October rates. Just going to hand over to Cath.

Catherine Poutasi
Thank you, Trish. So, the Minister's directive has been that no community group home provider will receive less funding under the implementation of the new pricing model for the 25-26 financial year. We're 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 provide ensures providers remain fully supported in the 25-26 financial year.

I'll hand over to Cam.

Cameron Mackintosh
Awesome. So now we're going to go into more of the operational side of things, I guess. So, this is around maintaining housing information. As you're all aware, having accurate housing information is a really key part of this new residential pricing model and so we're really keen to keep the list of facilities and the information about it as up to date as possible.

So, the process for that looks like this. If there are changes to your houses, you would complete the DSS housing template. It's on the next slide and we'll show that in a little bit, but for now, bear with.

Once you complete that template, you'll send it to this e-mail address DSS_contracting@msd.gov.nz. We will then arrange set up in our systems. This is in CCPS so that the people can be assigned to that facility when processing payments and also in Socrates so that they can be allocated.

And then you will receive confirmation of the setup and the facility ID. And once this is done, the home can now have people assigned to it. In the bottom right, there's a bit of a call out here and it's quite an important one.

If DSS has not been notified of the new home, then this will cause delays in processing people. When we are getting a request then we need to have that facility set up so.

The general rule of thumb is--as soon as you know about a new facility or one closing down--the more notice that you can give us, the better.

So, if we look at the template on the next slide, this is what it looks like for the incumbent providers. This should look somewhat familiar. This was a spreadsheet we sent out earlier this year.

For the new ones, it's nothing too groundbreaking. I didn't have to spend too much time on the design. What we'd be looking at here is, under that status drop-down, whether it's a new or an update or removing or closing for the facility name and unit and street number.

Address information is fairly self-explanatory, and for the house information we've got some definitions that will be available in the template.

So next slide.

Cool. So, this is about changing a disabled person's home. Once again, accurate housing information is a key part, and as we go forward into this new model, we're looking at making sure that all of our people have up-to-date address information.

What this process looks like is, before you can move a person, you must contact your local NASC and inform them of the proposed new home. The NASC will then update the BAT and GPT with the new housing information.

Depending on the change, this may lead to a change in the person's band. From there, it's a pretty business-as-usual process of generating a new service request that you will receive and sign, and once that process is confirmed, the service authorization is shared. Then, this last part—which is very critical—in the comment sheet you'll need to inform Sector OPS of the change that's occurred at the residential@health.govt.nz e-mail address.

So, the two main things here are: when you want to move someone, reach out to your NASC; and once that process is confirmed, inform Sector OPS on the comment sheet. So, what does that look like, you ask?

Here's an example of what the comment sheet will look like.

Again, not the prettiest Excel you've seen, but an important one. In the top left you'd have your provider's name and region, your region ID, and then we've done an example here of an example person with a new facility ID.

And the comments: move facility, no change to rate. What that does is allow Sector OPS—when they check if a new eligibility has come through from Socrates—and they see in the comment sheet that this person has moved, they can transfer them to the correct setup in our systems.

A few other examples of things that would be included in here: changing house, exits, entries, deaths, holidays, and new rates as well potentially.

But I do want to call out that no rates can be changed unless it's been processed through the NASC. When it is confirmed by the NASC, you can put it in this comment sheet, but we can't change the rate until the eligibility has come through from the NASC.

Over the next couple of weeks, we are setting up your facilities in our systems and generating new facility IDs for them, and so in early December we will share with you the spreadsheets of your existing facilities that you've shared with us and the facility ID as well. This will also be a good opportunity to test out the new housing information template and let us know of any new facilities you've had since we last reached out to you.

One last important thing to note is that even if there are no changes, an empty comment sheet is still required. The Sector OPS team has a tracking template, and this makes life a lot easier if they're informed that there has been no change.

And so just something to keep in mind.

Next slide.

Cool. I'll hand over to Sara.

Sara Kidd
Kia ora everyone. My name is Sara and I'm just going to take you through the Band Allocation Tool or what we often refer to as the BAT. So, the BAT is a tool that supports the NASCs and EGL sites to fairly allocate funding for residential services against the new funding schedule.

It will replace the existing TPMS and I-Care with a nationally consistent tool. It will be used from the 1st of December of this year for all new residential entries, reassessments, and when there has been a change in a person's situation.

It will not be used for services outside of the contract service specification, such as aged residential care, high and complex services, or Choice and Community Living.

So how does the BAT determine individual funding? The BAT is primarily a service coordination tool used by the NASC and EGL sites. It supports the planning of a residential care service by estimating the level of support required for an individual.

The support requirements are summarised by the BAT, and the NASC or EGL site will enter this summary into the Global Pricing Tool to determine the appropriate funding level—for example, band one to six, or whether it's an exceptional rate.

Information that goes into the BAT generally comes from conversations with the disabled person, their family, and the potential provider. It also uses information about the intended facility that this person may be living in, from the facility spreadsheet that will be provided to the NASC and EGL sites.

This is where the information provided to DSS Contracting around new facilities really comes into operation. All of this information together is captured by the BAT by the NASC service coordinator or the EGL site.

So what does the BAT explore to determine support needs?

Through the service specification of the contract, disabled people are provided with a number of choices about how a residential care arrangement might work for them, and the residential care service specification has the concept of “home” at its centre. Part of the service definition states that the ministry purchases community residential support 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. Residential providers should be expected to provide a home that is accessible, homely, clean, well maintained, and provides privacy and autonomy; and that putting people at the centre of support enables them to have greater choice and control over their home and environment.

To deliver on the service specification, the Band Allocation Tool works through what makes for a good home in general, and specifically for the person being assessed—what disability-related challenges they may experience in living well in a residential home, and what support is necessary to overcome those challenges and enjoy a good quality of life in a place that feels like home.

There are a number of dimensions to being at home and home life that are explored through the Band Allocation Tool by the NASC and EGL site. These are referred to as domains:

• Preparing myself for my day — day-to-day practices that begin the home routine and meet expectations of quality care.
• Having my own evening routine — feeling comfortable with routines such as cooking, cleaning up, winding down, and being ready for the night.
• Settling in and feeling safe for the night — essential for comfort and quality of life.
• Having my space and making a space mine — having control and responsibility over one’s personal space.

• Being responsible for my home — understanding and taking part in how the home works and making informed decisions.
• Maintaining connection and sharing connection — being oneself, pursuing interests privately, and inviting others in.
• Doing things that keep me well — activities that support health and wellbeing at home.
• Enjoying my privacy — essential for comfort and can help prevent behaviours triggered by lack of privacy.
• Feeling safe and being safe day-to-day — ensuring homes are places of safety and applying proportionate risk management.

Once the support requirements for a person have been summarised by the Band Allocation Tool, this information is entered into the front end of the Global Pricing Tool by the NASC or EGL site.

This helps assign the funding that is the closest match within the pricing model for the person. A fictional example, Peter Doe, shows how the outputs from the Band Allocation Tool—name, location, care hours, and facility information—are considered together to generate the appropriate rate within the new funding schedule. In this example, the Global Pricing Tool has generated band three based on the inputs.

There may be instances where a rate can only be offered to a provider once it has been subject to a DSS-led quality review. A high-level overview of this process is illustrated. DSS has the discretion to set criteria for rates that must be quality-checked before they can be offered to a provider.

Catherine Poutasi
OK, moving on to next steps for incumbents or our existing providers, we have sent out your agreement already. For providers that may need an improvement plan, you will be sent your agreement by tomorrow. Those improvement plans may include a request for additional policies and.

Procedures or more information about finances and financial stability. A big thank you to all of those providers who have already countersigned their agreements. A large number have returned already, so thank you very much for being very efficient. As of the 1st of December, DSS will move current disabled people and homes to the new rates.

In mid-December, DSS will make the no worse off payment to those providers who would expect to see a decrease in this financial year as a result of the new rates. I just wanted to clarify this as part of our commitment to ensure that no provider is

worse off, but also these providers did not receive the payment in July that other providers did receive.

DSS will also send you a facility ID list that we ask you to check and confirm is correct. And in January, this is very important, your first payment will be made on the 20th of the month. So, we're paying you monthly instead of fortnightly.

Please note that this is a change to the way we have contracted with some providers in the past.

For any new providers, welcome to Disability Support Services. Your agreements are coming. We are just completing some final pieces of work in December. DSS will add your information into Socrates and will send you a facility ID list as well to complete. Socrates is our system to allocate a person to your services. In December and January, DSS will continue to onboard you and will introduce you to your local NASC. Please do not reach out to your local NASC yet. We will connect you once your agreement has been countersigned.

In terms of the process, the assessment and reassessment will be completed by your NASC with input, of course, from the disabled person, whānau, carers, and provider as required. I really wanted to stress this.

The reassessments are planned every three to five years, unless there is a change in the disabled person's needs. The NASC will then enter the assessment information and housing information into the Band Allocation Tool or Global Pricing Tool, and this will assign the person's band.

A new service request and authorisation is generated and signed. Note this is required even if the rate or band does not change. Once confirmed, you will use your comment sheet to inform Sector Operations, the team in Health New Zealand that operate and develop our contracts and make our payments, of the person's home at residential@health.govt.nz. Please do not forget to use the comments sheet. It's very important. This is required even if the home does not change.

We are confident that the information you've received today will enable many of you to understand the Global Pricing Tool itself and the Band Allocation Tool better, and I'm sure there will be questions.

I did just want to touch on the funding. We do have 60 million per annum, so we have 240 million over the next four years to implement the Global Pricing Tool, and that is going to be used for those price increases that people will see.

In terms of the implementation, I'd like to hand over now to any questions that you may have, and Rachel will coordinate that for us.

Rachel O'Connor
Hi Everyone, my name is Rachel. I am a business analyst here working in DSS and I'll be reading out of your questions and answering any I can or handing over to our other presenters. Can you please put your questions into the chat and then we will. If we run out of time, you can still send questions through to DSS_commissioning@msd.govt.nz and we will answer your questions there.

So, I will go straight into the questions we've already received. So, the first question was how many providers were involved in the confidential testing process, and I can answer that. There were 12 providers with a mix of small, medium, and large providers.

As this process matched current funding to the closest band, when and how will equity between providers be achieved?

Cath?

Catherine Poutasi
It would be good to get some further information about your definition of equity there, but Cam, were you going to answer that first?

Cameron Mackintosh
Yeah, I can give some comments on this. So, with this mapping exercise, we had to make some assumptions in terms of finding the correct or the most accurate band for each person, which was always going to be a few assumptions involved with that as people become reassessed with the Band Allocation Tool over time. There'll be a much more consistent way of assigning their rates with a lot more accurate information and all the context and everything that goes into each individual person's situation. So, while we've done our best efforts of mapping people to a new pricing model and new bands with a consistent tool that we're releasing. I'd expect if there are any inequities for this to be resolved over time with this new tool.

Catherine Poutasi
I might just add that the whole purpose of the tool was making sure that there's a consistent application and access to services across the country where we may have had inequities before with the 2,000 odd pricing tools or the way we've engaged with providers over the over the time. This ensures greater consistency nationally in terms of how we engage with providers and how we Commission and deliver community group home support services.

Rachel O'Connor
Thank you for those answers both. The next question, will we be provided with a new comment sheet template. Cameron?

Cameron Mackintosh
Yes, I think there's another question down there, but when we send out this new template, you'll receive a new template, and we'll include some instructions as well around things we've covered around submitting it before the 10th of each month and some of the other specific things around holidays and breaks and deaths and those sorts of instructions. So yeah, we'll be releasing that in the next couple of weeks. Cheers.

Rachel O'Connor
Thank you. And then there is a follow-up question. The comment sheet for holiday--is that completed once the forty-two-day line has passed?

Cameron Mackintosh
Yeah, so that is something that I'll check with Sector Ops. We'll make sure to include that in the instructions with that new comment sheet template.

Rachel O'Connor
Thank you. Next question, if we have a six-bedroom home and we have three ACC clients and three DSS clients, will we receive the agreed rate for the three DSS clients?

Cameron Mackintosh
Yes, so. For the total house size for that set up, whether that's let's assume 6 bedrooms. Here we will pay the three DSS people. Their rates will be based on a six-bedroom home.

And the facility component of the rate will be assumed to be a six bedroom.

And that's because if we were to treat it as a three-bedroom house, then people would be getting paid a lot more for that facility component, noting that with larger house sizes, there's more economies of scale and with rent and expenses and stuff being able to be divided by more people and it becomes less per person. So, we've had to go with based on the total house size.

The facility component for DSS person, that is that.

Rachel O'Connor
Thank you, Cam. Next question: DSS Info mentions that data was drawn from the

Household Economic Survey towards the housing costs. However, the HES clearly show a significant gap between Auckland rent levels and rents and other northern regions. It appears as per data; Auckland rent is 46% higher than Northland. Why are the Auckland providers who are leasing houses disadvantaged by DSS by not factoring this essential cost?

Cameron Mackintosh
So I'm not aware of this specific data. However, and rolling out a national wide model, we have had to separate the country into the four health NZ regions and ultimately there will be ups and downs across all of these regions, with Auckland being higher than some other places in northern.

The same story could go for central as well, with Wellington house prices, I know my rent at the moments quite high in Wellington versus my home in Wanganui, so there aren't ups and downs of this process.

It's just a part of the model.

Catherine Poutasi
And I might jump in and add also that we have planned for an annual review of prices. So that will accommodate any adjustments or changes moving forward. It is a review; it's not a commitment to increase prices or funding levels. It is a review each year to look at those issues and prices.

Rachel O'Connor
Thank you both next question.

You talked about a 0.5 allowance at the start and at the point where you discussed people moving. Is that the same 0.5 allowance or is that cumulative?

Cameron Mackintosh
So the 0.5 is a flat vacancy rate that we pay across facilities.

And that is in place so that when someone is changing address, that only the person whose address is changing needs to have their rate checked--not the people that were in the in the House within before.

So DSS and this model have done an assumption around 0.5 effects 0.5 vacancy rate that we pay into each person's rate to allow for that moving of people and noting that, again, there's ups and downs of some bedroom or some housing arrangements

having zero vacancies and others occasionally having one or two vacancies potentially or non-commissioned rooms.

Rachel O'Connor
Thank you.

Next question: how will reassessments currently in Progress Pre-one December be treated? When will the masks start to use the new tool and what will this transition look like where some reassessments have been in progress for a number of months?

Catherine Poutasi
I was just going to say that reassessments will continue up until the 1st of December as per usual once people are reassessed whenever they're due to be reassessed by NASC and the pricing tool in the Band Allocation Tool will be applied, so nothing changes until the 1st of December.

Sorry, Cam again.

Cameron Mackintosh
Yeah.

Yeah, just building on that. So yeah, from one December onwards, that is when the Band Allocation Tool is used for people having reassessments before that we have a freeze in place without masks, which some of you may be aware of between I believe the 18 of November to the 30th of November. This was set up for our scripting process, so that people wouldn't fail when we scripted them. For any people that had an assessment due--they should have been reassessed before the 18th of November.

If not, then there may be a bit of a curly--assig them to their old band for those days and then putting them onto the new model from one December onwards.

Rachel O'Connor
Thank you both. Next question: I assume the banded rates are GST exclusive and yes, they are, they are GST exclusive.

The AI P and sleepover allocation seems to have been calculated based on the number of people we were supporting in July 2025. How will this be worked out for new people? We support going forward?

Cameron Mackintosh
So yeah, in the mapping exercise we looked at your current—was it AIPs?

Rachel O'Connor
Correct. Any sleepovers?

Cameron Mackintosh
Yeah. We took the total amount of funding provided to each provider under the AIP pay equity and sleepover and RSS and incorporate it into their rates.

Going forward, the Band Allocation Tool considers that information and therefore when the BAT is used for people being reassessed, those assumptions and funding are incorporated into those rates, which makes it a cleaner one figure.

Rachel O'Connor
Thank you.

How many providers have decided not to continue under DSS services post 30-11-2025—i.e. have not submitted an RFT and what will happen to those residents?

Catherine Poutasi
If for any provider that hasn't submitted, we will be when we're already supporting those residents to move from one provider, one home to another, and it was a small number who didn't apply for anyone who's not wanting to sign their agreement, for example, then we would work with them individually.

Rachel O'Connor
Thank you. When will the payments change to monthly from the current payment schedule?

Cameron Mackintosh
So based on your existing payment cycles, it'll depend by each provider.

For providers that were paid fortnightly, depending on whether that cuts across one December, then at 1 December we would recalculate your final payment up until that period and pay you as standard in December.

For providers that were in monthly,

they will get paid for the services that they delivered in November and December.

So, for the new contracts, for the services that you deliver from one December onwards, that will be paid and the 20th of January.

But whatever your current payment cycle is, it will get paid out as normal in December.

Rachel O'Connor
Thank you.

As the banded rates are client contribution inclusive, can DSS confirm whether work and income will continue to pay the residential support subsidy directly to providers or whether this will be paid through DSS after one December?

Cameron Mackintosh
I'll have to come back to that question, sorry.

Rachel O'Connor
No worries. I'll move on to the next one and we will be releasing these questions in a FAQ after the end of this webinar.

In a three-bedroom house, when only one client lives because they can't live with anyone, how will you manage those rates?

Cameron Mackintosh
So for that scenario.

The facility component of that person would still be treated as a three-bedroom.

However, the care ratio for them would be a 2:1 care ratio, which

most of the time would end up as an exceptional rate.

So, when there is a high care ratio, even with the one room being filled in a three-bedroom house, they will end up with quite a high rate because of the labour component and likely an exceptional rate in that example.

Rachel O'Connor
And then I'm going to do one more question. Please continue asking questions through the commissioning inbox, and we will answer everyone we can, but this will be the last question for our great presenters that we've had today.

We are told there will be unders and overs. However, if someone's funding is over, how do we maintain this when they are reassessed?

Cameron Mackintosh
I guess my comments there would be--when they are reassessed

the rate that they're currently on--if nothing changes, then they would remain on that rate.

If they were changes to their circumstances, then that need to go through the Band Allocation Tool.

We're assuming that the rates for the most part that we're putting people onto from 1 December are accurate.

So. Yeah, not much that there.

Catherine Poutasi
I might just add, it is the reassessment by NASC that would change a band for a person either up or down. So, if the person's needs change, so will the band and the allocation and the funding appropriately. And in terms of the RSS, I believe nothing's changing. So, it will still be directly going to the provider is my understanding.

Rachel O'Connor
I'd like to thank both of our question and answers answerers today and all of our presenters who presented some great content. If you do have any questions, please flick them through to dss_commissioning@msd.govt.nz. We also have some more additional resources on our website. We have the FAQ: Community, Residential Support Services Q&As that we have previously published and our previous webinars. I'll hand back over to Cath now to close this off with a closing karakia.

Catherine Poutasi
Thank you very much for your time today. We appreciate it. Again, if you have any questions, we're here to answer them. We're wanting to work with you moving forward. We do appreciate that this is a significant change and we're keen to walk with you through this change.

I'll close with a Karakia.

Kia whakairia te tapu
Kia wātea ai te ara
Kia turuki whakataha ai
Kia turuki whakataha ai
Haumi ē. Hui e. Tāiki ē!

Thank you for your time.