

# What can and can't go in a service agreement?



## **The Terms of Business state:**

Registered Providers and Participants (except for those that are self-managing) cannot contract out of the Price Guide. Where there are any inconsistencies between the Service Agreement and the Price Guide, the Price Guide prevails.<sup>1</sup>

**Cancellation fees:** Participants can only be charged for cancellations if it's late notice, which is after 3pm the day before the support. The fee can be up to 90% of the price of the scheduled support. Personal care and community access support providers can charge up to 12 times per year. Therapists can charge for no more than 6 hours of cancelled support in any service booking.<sup>2</sup>

**Community access / personal care provider travel:** Providers can charge up to 20 minutes travel time per shift (except if the shift is the worker's first for the day). In remote areas (MM4 or MM5 – more remote than you might expect!), this is up to 45 minutes.<sup>3</sup>

## **ADDITIONAL FEES**

Providers can choose to charge less than these (or to not charge them at all!) but they cannot charge more than the amounts outlined below.

1 Terms of Business, p.2

2 Price Guide, p. 18

3 Price Guide, p. 15

**Therapy provider travel:** Providers can charge all participants for up to 20 minutes travel, except for the final participant of the day, who they can charge for up to 40 minutes (i.e. 20 minutes to and from the appointment). In remote areas, therapy providers can set their own travel pricing rules with each participant.<sup>4</sup>

**Establishment fees:** Organisations who provide at least 20 hours of personal care/community access supports per month to Participants who are new to the NDIS can charge an “establishment fee”. This fee is:

- \$500 for Participants who have not previously been supported by the provider
- \$250 for Participants who were being supported by the organisation before becoming an NDIS Participant
- \$250 in cases where the Participant switches to a new provider in the year

**GST:** Most items are GST exempt and GST should never be added to an NDIS price (for the very few items where GST is applied, the NDIS prices already include it).

**Additional fees:** With the exception of the fees above, providers cannot add any additional fees including credit card surcharges, ‘gap’ fees, late payment fees, exit fees or administration fees.<sup>5</sup>

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<https://training.disabilityservicesconsulting.com.au/>



<sup>4</sup> Price Guide, p.16

<sup>5</sup> Price Guide, p.11

## OTHER CONDITIONS

**Payment timing:** Providers can only claim for supports after they've been delivered.<sup>6</sup> Participants should not be charged for deposits/bonds or any prepayments. Watch out for scheduled payments in advance that might not be linked to scheduled supports (e.g. two hours of case notes every week, regardless of how much reporting is required)

**Providing a copy of the plan:** Providers cannot require Participants to provide a copy of their NDIS plan. It's always the Participants decision who they share their plan with.

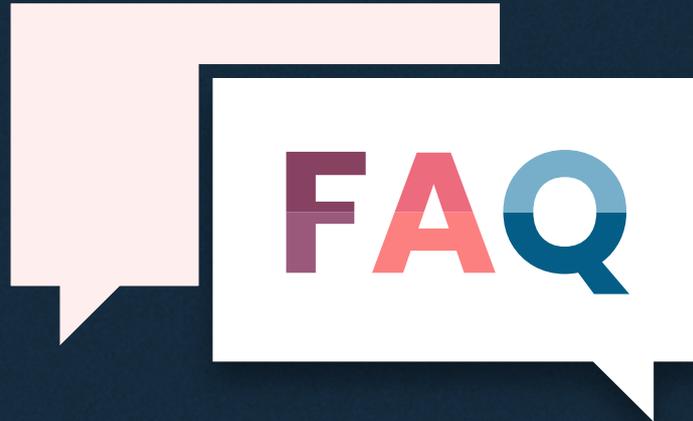
**Reporting:** Most Support Coordinators and Therapists will charge for the time they spend writing reports. If Participants think the amount of reporting time outlined in a service agreement is excessive, they should ask for more information about how this time will be spent. They might also negotiate with the provider if they believe the report is unnecessary.

**Ending a service agreement:** Providers must give Participants a minimum of 14 days notice if they are going to stop providing services.<sup>7</sup>

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<sup>6</sup> Terms of Business, p.4

<sup>7</sup> Terms of Business, p.2



## Service Agreements: FAQs

### What information should a service agreement include?

Service agreements need to include<sup>8</sup>:

- the supports that will be provided
- the cost of those supports
- how, when and where the Participant requires the supports to be delivered
- how long the Participant requires the supports to be provided
- when and how the Service Agreement will be reviewed
- how the Participant and provider will deal with any problems or questions that may arise
- what the Participant's responsibilities are under the Service Agreement
- what the provider's responsibilities are under the Service Agreement
- what notice is needed for the Participant or provider to change or end the Service Agreement and how this is done.
- complaint handling and dispute resolution processes<sup>9</sup>

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<sup>8</sup> <https://providertoolkit.ndis.gov.au/51-service-agreements>

<sup>9</sup> Terms of Business, p.2

### **How should a service agreement be written?**

The best service agreements are concise (no more than a few pages!) and written in plain language. As a minimum, the NDIS Practice Standards state that providers must support people “to understand the service agreement and the conditions in it using the language, mode of communication and terms that the Participant is most likely to understand”.<sup>10</sup> Providers will be regularly audited against this requirement.

### **Who can sign a service agreement?**

A service agreement can only be a legally binding contract if it's signed by a Participant who has the legal capacity to sign or someone who has the authority to sign on their behalf.<sup>11</sup> A service agreement is not valid if signed by anyone else (e.g. Support Coordinators, House Supervisors, family members without legal authority).

### **Are service agreements compulsory?**

No – but they are best practice.<sup>12</sup>

### **Can a provider make up our own rules?**

Participants and providers might create some of their own conditions that they include in the service agreement, for example if the Participant will use some of their Core budget to pay for transport. However, the rules about additional fees on the first two pages of this document cannot be changed (NB: a provider can charge less but not more than these amounts).

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<sup>10</sup> NDIS Practice Standards, p.14

<sup>11</sup> <https://www.alrc.gov.au/publications/11-other-issues/incapacity-and-contract-law>

<sup>12</sup> <https://providertoolkit.ndis.gov.au/51-service-agreements>