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We have published our evaluation of the thin market trials. The evaluation was finalised in December 2022 and covers the period of each trial's implementation up to September 2022.

- Thin market trials evaluation report DOCX (1.9MB)
- Thin market trials evaluation report PDF (1.9MB)

To find out more about this research, you can email our research team at research@ndis.gov.au

Background

We set out to understand the effectiveness of 3 different types of market activities (formerly known as market interventions) to address the challenges for NDIS participants who live in remote and very remote areas.

Method

To understand the impacts of these market activities, we collected and analysed the following data:

- NDIS data about the extent participants in trial locations use their funded supports, which we compared to participants in other thin markets.
- A survey of service providers directly involved in thin market trials or that deliver funded supports in trial locations.
- Interviews with service providers, support coordinators, NDIA and Partner in the Community staff and State and Territory Government officials.

The types of market activities we looked at were:

- Market facilitation, which involves actions to improve connections between providers and participants such as focused engagement and sharing targeted data.
- Coordinated funding proposals, which are a way for multiple participants and their support coordinators to pool funding and purchase services as a group.
- Direct commissioning, which involves a formal contract between NDIA and a provider or panel of providers for longer-term service delivery to a group of participants.

Findings

We found that:

- Coordinated funding proposals—and under some conditions direct commissioning—are promising approaches to increasing participant use of funded supports in thin markets.
    - Coordinated funding proposals are appealing as they operate within the existing NDIS pricing and purchasing arrangements to increase the financial viability of NDIS service delivery in rural and remote locations.
    - Direct commissioning may be more successful for Core rather than Capacity Building supports, and in remote/very remote locations if market conditions are unfavourable for a coordinated funding proposal.
- Targeted LGA-level market facilitation projects appear less effective at overcoming the challenges for providers delivering services in thin markets such as assuring demand, logistical challenges and workforce shortages.
    - Rather, strategically coordinated market facilitation should be built into routine delivery of NDIS support services.