

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
SOCIAL SERVICES PORTFOLIO
2016 – 2017 Supplementary Budget Estimates Hearings

Outcome: National Disability Insurance Agency

Question No: NDIA SQ16-000072

Topic: Financial abuses and the NDIS

Hansard Page: Written

Senator Siewert, asked:

What steps are being taken to ensure that financial abuses do not occur through the National Disability Insurance Scheme, as it's rolled out?

Answer:

The National Disability Insurance Agency (the Agency) has a business integrity capability that includes preventing, detecting and controlling financial abuse.

Approach

The Agency's approach is aligned with the Commonwealth Fraud Control Framework. The Agency has a comprehensive Fraud Control Policy which is reviewed annually and approved by the NDIA Board. The Agency applies an insurance-based approach to the risk of financial abuse where its weight of effort is focussed on prevention and deterrence.

The Agency's structures its activities around three 'pillars':

- The prevention and deterrence of poor practices, non-compliance and illegal activity;
- Timely detection of inappropriate or illegal incidents and allegations; and
- Response with appropriate enforcement actions or referrals to other agencies.

Prevention

Prevention activities are informed by analysis of both strategic and operational intelligence sources. The Agency collects a broad range of formal National Disability Insurance Scheme (NDIS) data, feedback from participants, their families and carers, independent information sources, and anecdotal information from on-ground sources. This allows the Agency to focus on areas of concern and threat and from which preventative or detective controls can be designed or strengthened.

Insight from monitoring supports intervention by collecting the information that the Agency needs to (a) administer and enforce regulation of markets and providers and to identify; and (b) respond to examples of financial abuse or sharp practices.

Targeted, risk-based education programs promote compliance and help eliminate fraud and poor practices. These are delivered to staff, community partners, providers and third parties. All Agency staff are provided with fraud awareness training as part of their induction.

Information on reporting alleged fraud is provided on the Agency's website. A 'whistle-blower' facility is also in place in support of public interest disclosure measures.

Detection

The Agency detects potential fraud and poor practice matters through its intelligence network, including regional operations, a dedicated fraud reporting hotline, data analytics and business assurance activities.

Response

All incidents and allegations of non-compliance, fraud or sharp practice undergo preliminary assessment by Agency staff. Identified irregularities in behaviour are subject to further enquiries and investigative responses in accordance with Commonwealth's Fraud Control Framework. The Agency may refer serious non-compliance matters to external investigators, including law enforcement agencies where applicable.

Continuous review

The Agency regularly reviews the nature and complexity of all compliance-related matters to inform its prevention activities, strengthen controls and increase detection. It also liaises with other Commonwealth, state and territory agencies and law enforcement bodies to share and gain insights into trends and issues.

As the NDIS expands, the Agency's approach and capabilities will ramp up to support the scale, complexity and timetable of transition to a \$22 billion scheme.