Ms Susan Cardell
Committee Secretary
Joint Committee of Public Accounts and Audit

via email: jcpaa@aph.gov.au

Dear Ms Cardell

Thank you for your letter of 11 December 2017 to the former Chief Executive Officer of the National Disability Insurance Agency (NDIA), Mr David Bowen, about the Australian National Audit Office (ANAO) *Report on Decision-making Controls for Sustainability - National Disability Insurance Scheme Access*. I apologise for the delay in responding to you.

The NDIA has accepted all of the ANAO findings and is working through a detailed implementation plan in relation to each of the issues raised.

The NDIA's response to the Committee's questions is attached to this letter.

Thank you again for writing.

Yours sincerely

Robert De Luca
Chief Executive Officer
National Disability Insurance Agency

27 February 2018

Encl.

Question 1

Information, training and guidance
Areas for improvement

Scope for the National Disability Insurance Agency (NDIA) to better align its public guidance on evidence requirements with its internal guidance and procedures.

1. Please provide an update on progress against this area for improvement.

NDIA Response

The NDIA is developing an enhanced public fact sheet on *Accessing the NDIS, Excellence in Evidence of Disability*. This will provide participants, families, carers and the general public detailed information about access and evidence requirements for the National Disability Insurance Scheme (NDIS).

The fact sheet will explain how the NDIA makes access decisions and the kind of evidence required to demonstrate different levels of functional impairment arising from a person's disability. The fact sheet also addresses support options for a person who does not meet the NDIS access requirements. The fact sheet will be specifically tailored to address issues that have been raised in the audit process and feedback received during the recent pathway review, including:

*   what information potential participants should collect;
*   the nature and currency of this information;
*   who should complete the required evidence and what their role is; and
*   the types of assessments that would be expected to demonstrate impairment.

The new fact sheet consolidates existing materials and will increase and improve information currently available for people considering what evidence is needed to access the NDIS.

This fact sheet will complement staff training to implement a more consistent approach to evidence. This training will help ensure consistency in how NDIA staff and Partners apply evidence requirements. Testing understanding of the evidence requirements will be checked through quality assurance processes for staff working in the NDIA access area.

The NDIA is also developing a stakeholder communications strategy to accompany the release of the fact sheet, and help share and embed knowledge across various groups.

Questions 2 and 3

Recommendation No. 1
Report paragraph 2.9

2. Has the NDIA implemented a 'comprehensive quality management framework' for access decisions? What are the key features of the framework, including how it addresses training, ongoing assessment of officer proficiency and decision quality and how the framework is being monitored?
3. If the framework is yet to be finalised, at what stage of functionality is the framework currently and what date is full implementation expected?

NDIA Response

The NDIA now has a quality management framework in place for access decisions. This framework consists of three elements:

1. *Quality checking of access decisions*
   The NDIA has deployed quality checking of access decisions in the Client Record Management system (CRM) and is rolling it out using a staged approach. This includes a pre-checking review rate of 100 per cent (beginner), 25 per cent (standard) and 5 per cent (expert). Additionally, relevant staff have attended and completed Business Assurance Framework (BAF) familiarisation training.

   The NDIA implemented quality checking in November 2017. As of 1 February 2018, quality checking has been rolled out to approximately 50 per cent of access assessor staff, and has resulted in 1,595 checks. The NDIA expects to have implemented this checking in full by the end of the financial year.

2. *Post-checking of Access Decisions*
   Quality checking of access decisions (as detailed above) will replace the post-checking quality assurance approach previously undertaken by the NDIA.

   System enhancements are planned to improve reporting on post-checking results, and will be integrated to the overall continuous improvement cycle for access staff.

3. *Monitoring quality in decision making*
   The NDIA has deployed BAF quality checking for access reporting and will test and validate this as part of BAF implementation.

   The NDIA is monitoring results and feedback provided to staff. This provides adjustments to skill tags, and the opportunity for more senior staff to coach and develop their teams.

The automated quality-checking regime is supported by three key improvements:

1. *Business Assurance Framework e-Assessments*
   The NDIA has commissioned and introduced *Quality Checking for Access Decisions - e-Assessments*. This assessment ensures that all staff undertaking Access Information Officer or Access Assessor roles have evidence of an assessed baseline level of knowledge prior to performing this function.

2. *Network of a Quality Development Officers*
   The NDIA has established a network of Quality Development Officers (QDOs). Trained QDOs are now operational, pre-checking access decisions. QDOs are required to pass the relevant e-Assessment module prior to undertaking quality checks. Feedback from quality checking is provided to access staff to ensure ongoing improvement in the accuracy of their work.

   Access Officer and Access Delegate e-Assessments are currently under development.

3. *Work Practices Improvement Project*
   The NDIA is currently enhancing staff work practices and associated resources based on findings from the initial implementation of the e-Assessments and quality director pre-checking work outlined above. This will include a redesign of current staff resources into a new role-specific 'staff manual' format.

   The NDIA has also made improvements to training record keeping. Training sessions and attendance are manually recorded and will be reconciled against the NDIA's learning program by team managers.

Question 4

NDIS entry and exit pathways
Areas for improvement

Scope to improve NDIA's ICT system.

4. How is the new ICT workflow management functionality (implemented July 2017) addressing the issues to the access process identified by the ANAO?

NDIA Response

The NDIA implemented the workflow management functionality for access in July 2017. This enables real-time monitoring of compliance with decision making timeframes. This has influenced how NDIA work is prioritised and allocated to the most appropriately-trained staff member.

Question 5

Recommendation No. 2
Report paragraph 3.55

5. Please provide commentary on how the business rules underpinning computer aided decision-making are now clearly documented and aligned with legislative and policy requirements?

NDIA Response

The business rules and associated processes underpinning computer-aided decision making are documented through a suite of task cards and quick reference guides, which are available to all staff through the NDIA's intranet.

These documents articulate the business processes which, along with the system logic, facilitate decision making that is consistent with legislative framework and documented policy.

Standard operating procedures have been developed to ensure that business rules, system logic and associated user documentation are updated in the event of change, including change in policy or legislative requirements.

Question 6

6. Please advise what improvements to the Client Record Management System have been implemented?

NDIA Response

The CRM has been subject to a number of changes and improvements since it commenced on 1 July 2016. These include identification and resolution of 40 priority change requests. These collectively seek to improve participant, provider and NDIA user experience, while ensuring computer-aided decision making is aligned with legislative and policy requirements.

Significant changes include capability to perform quality control and quality assurance checks on access and plan decisions, and improvements to data warehouse capabilities.

The NDIA maintains a detailed list of enhancements delivered through change requests.

Question 7

7. What is the new change management process? Has the new change management process been implemented and is it fully operational?

NDIA Response

The NDIA has developed a *Demand and Delivery Management Framework* (DDMF), which seeks to provide appropriate management and governance processes for system change, from idea, through solution delivery, to production and ongoing support.

The principle behind the DDMF is to align business and ICT changes, to ensure systems provide users with accurate information that aids improved decision making, in line with relevant legislation and policies.

The DDMF is currently in use and will continue to be updated to reflect lessons learnt and support continuous improvement.

In addition, the NDIA is currently building capability for an enterprise-wide Program Management Office, to provide independent oversight of project delivery.

Question 8

8. Has the system based tool NDIA Knowledge been finalised? If so, please provide explanatory text outlining whether the tool is achieving its intended outcome—to enable decisions to be tracked and traced to the point of origin? If not, at what stage of functionality is the tool and by what date is finalisation expected?

NDIA Response

The NDIA undertook detailed scoping when considering implementation of NDIA Knowledge. This included understanding, mapping and, where possible, improving systems and processes, including information storage, record keeping, and implementing standard operating procedures.

In February 2018, the NDIA decided to put implementation of NDIA Knowledge on hold, and consider other knowledge-management systems, which may be more fit for purpose.

The NDIA is currently considering the most appropriate knowledge management tool for current and future business requirements. During this period, improvements to existing processes continue to be put in place, based on findings from the original scoping exercise. Currently, information is filed across information platforms, including HPRM and PDMS.

The NDIA is also refreshing its governance model. A new feature is the decisions register, which will be a central point for all major decisions from the NDIA governance committees and be linked to communications to staff and other key stakeholders.

Question 9

Recommendation No. 3

Report paragraph 3.70

9. Has the NDIA conducted a review of its processes to include reassessments of the eligibility of participants who enter the Scheme under the disability requirements? If so, what are the outcomes? If not, why not and when is a review expected to be conducted?

NDIA Response

Reassessing the eligibility of participants who enter the NDIS under disability requirements is a component of plan review. This is targeted to those who enter under Early Childhood Early Intervention, and those whose plans contain capacity building that would increase their independence managing the impact of the impairment arising from their disability.

This has been a key focus of the refreshed approach to training provided to all service delivery staff since May 2017. The training emphasises the importance of understanding NDIS access requirements and ensuring greater consistency in the assessment of impairment over time. Training on the legislative processes for revocation has also been provided to staff.

Questions 10 and 11.

Internal reviews and appeals
Recommendation No. 4

Report paragraph 4.26

10. What quality control and assurance processes for internal reviews of access decisions have been implemented? What outcomes have been achieved?
11. Please advise whether the forward internal audit program includes activities to further analyse the adequacy of the quality assurance process for access decisions?

NDIA Response

In January 2018, the NDIA changed practice to ensure that all requests for internal review go directly to an independent decision maker for formal review and decision. Data on outcomes from these reviews is not yet available.

Work is continuing on improvements to staff training and to supporting communications, including letters to participants about internal reviews. In addition, a sample of internal reviews will go through a post-checking quality audit process for Quarter 3 and beyond.

Question 12

Quality and performance arrangements for access decisions
Areas for improvement

Scope for the NDIA to collect, analyse and monitor complaints data in greater detail.

12. Please provide an update on progress against this area for improvement.

NDIA Response

Since July 2016, the NDIA has had systems in place to collect, analyse and monitor complaints, including those that relate to access. A main theme across access complaints is timeliness making access decisions. The second most common theme is how decisions are made.

The fact sheet (referenced above) is designed to better explain how the NDIA makes decisions about evidence and access.

The NDIA intends to refine how it categorises complaints, to provide a clearer view of areas for action.

The Scheme Actuary currently reports on complaints in the Council of Australian Governments Disability Reform Council Quarterly Reports. These Reports are available on the NDIS website, at: www.ndis.gov.au/about-us/information-publications-and-reports/quarterly-reports.html.