Senate Community Affairs Legislation Committee

Public Hearing – 6 August 2024

NDIS Amendment (Getting the NDIS Back on Track No.1) Bill 2024

ANSWER TO QUESTION ON NOTICE

National Disability Insurance Agency

Topic: Review of Drivers of Intra-plan Inflation

Question reference number: NDIA IQ24-000051

Question asked by: Jordon Steele-John **Type of Question:** Spoken. Hansard Page: 12

Date set by the Committee for the return of answer: 7 August 2024

Ouestion:

Senator STEELE-JOHN: Thank you, Mr McNaughton. Mr Gifford, I know you're going to take a lot of itnotice, but can you confirm, in terms of this study—the 300 participants and the plans that you were looking into there and studying—if you were comparing financial year 2023-24 with financial year 2022-23. Was the difference between the two years the way in which you calculated the inflation?

Mr Gifford: Further to my answer before, I have confirmed that the plans we reviewed covered the 12-month period to September 2023. What we were reviewing were plans over that period where intraplan inflation had occurred. That is where a plan had been approved, as per the example I gave earlier, for \$100,000 for the year, but say, for example—this is just a hypothetical example—that \$100,000 was spent in nine months rather than the 12-month plan duration. What we're really comparing is what was approved in the plan and then what was actually spent in the plan, which is what—

Senator STEELE-JOHN: In a single year.

Mr Gifford: That's right, noting that some participants had multiple plans over that year. Senator STEELE-JOHN: Thank you, Mr Gifford, but did you compare in any way the size of the plan they had had in the previous year?

Mr Gifford: We didn't do it specifically as part of that study, but the point I made earlier is that over the past approximately three years we've observed seven to eight per cent intraplan inflation. In practical terms, that means that we observe, across the whole scheme, total plans growing by seven to eight per cent per year as a result of intraplan inflation, or participants overspending their plans. So, I'd need to take on notice exactly what was the comparison—

Answer:

A comparison of the size of a plan for the previous year was not considered as part of this study.