

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: Budget Savings - Actuarial Underpinnings

Question reference number: NDIA IQ24-000040

Question asked by: Hollie Hughes

Type of Question: Spoken. Hansard Page: 2

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

Question:

Senator HUGHES: Is there a breakdown per year to show how much we save through the scheme?

Mr McNaughton: There is.

Senator HUGHES: If 2024-25 is less than the five per cent, what about the years going forward?

Mr McNaughton: In 2024-25 the saving is approximately 3.9 per cent. By the 2027-28 year we are at about 4.6 per cent. As I said, there is some allowance for the saving to increase over time. It's reasonable to expect that over time providers—and, to a degree, participants as well—will become more familiar with the provisions, and behaviour will shift.

Senator HUGHES: Alright. Mr Gifford, could you table the actuarial data behind this \$8.4 billion saving over the forward estimates?

Mr Gifford: Yes. I can give the precise figures on notice, if that's okay.

Answer:

The table below shows the percentage savings in Scheme costs allowed for in the 2024–25 Budget which are expected to arise from the reforms, to control intra-plan inflation over the forward estimate period.

	2024–25	2025–26	2026–27	2027–28
Savings in Scheme costs (%)	4.0%	4.4%	4.4%	4.4%