Joint Standing Committee on the National Disability Insurance Scheme

Integrity of the National Disability Insurance Scheme

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Abbreviations

ACCHO	Aboriginal Community Controlled Health Organisations
ACIC	Australian Criminal Intelligence Commission
ADA	Aged and Disability Advocacy Australia
ADLOs	Aboriginal Disability Liaison Officers
AFP	Australian Federal Police
AHPA	Allied Health Professions Australia
AHPRA	Australian Health Practitioner Regulation Agency
ANAO	Australian National Audit Office
AOPA	Australian Orthotic Prosthetic Association
APodA	Australian Podiatry Association
ASU	Australian Services Union
ATO	Australian Taxation Office
CDRP	Centre for Disability Research and Policy, University of Sydney
CEO	Chief Executive Officer
CoMHWA	Consumers of Mental Health WA
committee	Joint Standing Committee on the National Disability Insurance Scheme
Corporations Act	*Corporations Act 2001*
CYDA	Children and Young People with Disability Australia
DART	Data and Regulatory Transformation
DEA	Developmental Educators Australia
Department	Department of Health, Disability and Ageing
DIA	Disability Intermediaries Australia
EM	Explanatory Memorandum
Future Generations Bill	National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026
HRLC	Human Rights Law Centre
IDA	Illawarra Disability Alliance

IDRS	Intellectual Disability Rights Service NSW
Independent Review	2023 Independent Review of the NDIS
MHCA	Mental Health Carers Australia
Minister	Minister for the National Disability Insurance Scheme
MS	Multiple Sclerosis
NACCHO	National Aboriginal Community Controlled Health Organisation
NDIA/Agency	National Disability Insurance Agency
NDIS/Scheme	National Disability Insurance Scheme
NDIS Act	*National Disability Insurance Scheme Act 2013*
NDIS Commission	NDIS Quality and Safeguards Commission
NDS	National Disability Services
PWDA	People with Disability Australia
QDN	Queenslanders with Disability Network
RAM	Relationship Authorisation Manager
RCCs	Remote Community Connectors
Registration Taskforce	NDIS Provider and Worker Registration Taskforce
Royal Commission	Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability
SARRAH	Services for Australian Rural and Remote Allied Health
SIL	Supported Independent Living
Taskforce	Fraud Fusion Taskforce
VMIAC	Victorian Mental Illness Awareness Council

List of recommendations

Recommendation 1

6.20 The committee recommends the Department of Health, Disability and Ageing amend the National Disability Insurance Act 2013 to provide the National Disability Insurance Agency (NDIA) with regulatory powers necessary to fully verify and obtain identifying information from National Disability Insurance Scheme claimants where necessary.

6.21 These amendments would provide for appropriate information-sharing arrangements between the NDIA and the NDIS Quality and Safeguards Commission, and other agencies within the Fraud Fusion Taskforce, subject to appropriate information sharing safeguards.

Recommendation 2

6.22 The committee recommends that the National Disability Insurance Agency follows the approach of the Australian Taxation Office in applying strong verification controls, where a person acting on behalf of an NDIS provider wishing to access NDIS systems is required to verify their identity using the Relationship Authorisation Manager.

Recommendation 3

6.28 The committee recommends that the National Disability Insurance Agency and Services Australia, as lead agencies for the Fraud Fusion Taskforce, develop and implement improved governance and technical arrangements to facilitate seamless data and intelligence sharing between Australian Government agencies, and between Commonwealth, state and territory governments. The arrangements should provide for information sharing relating to tax, identification, government regulation and law enforcement, subject to appropriate information sharing safeguards.

Recommendation 4

6.34 The committee recommends the Department of Health, Disability and Ageing and the National Disability Insurance Agency consider amendments to the National Disability Insurance Act 2013 to provide for limited exemptions regarding the disclosure of protected NDIS information, to enable the sharing of information with relevant agencies relating to misconduct findings and penalties against individuals or entities. Any disclosure should be limited to authorised personnel and subject to appropriate information sharing safeguards, with public disclosure considered in limited circumstances and where appropriate to act as a further disincentive to misconduct.

Recommendation 5

6.35 The committee recommends the Australian Government consider strengthening information-sharing provisions between agencies in limited circumstances, to prevent individuals and entities banned in one sector of the care economy from continuing to operate in another.

Recommendation 6

6.42 The committee recommends the Department of Health, Disability and Ageing work with the National Disability Insurance Agency and the Attorney-General's Department to consider amendments to the Crimes Act 1914, to provide stronger penalties for fraud and related offences involving the exploitation, abuse or neglect of a person with disability or another vulnerable person.

Recommendation 7

6.47 The committee recommends the Department of Health, Disability and Ageing and the National Disability Insurance Agency consider amendments to the National Disability Insurance Scheme Act 2013, to establish a legal framework of mandatory reporting and penalties for individuals or entities offering, soliciting or receiving kickbacks and inducements, or otherwise engaging in collusive behaviour, in the National Disability Insurance Scheme.

Recommendation 8

6.57 The committee recommends the Department of Health, Disability and Ageing and the National Disability Insurance Agency develop and implement a framework for managing conflicts of interest in the provision of services across the National Disability Insurance Scheme.

6.58 The framework should provide mechanisms for managing conflicts of interest in relation to commissioned service models for plan management providers and support coordinators.

Recommendation 9

6.63 The committee recommends the Department of Health, Disability and Ageing and the National Disability Insurance Agency amend the National Disability Insurance Scheme Act 2013 to specify that reports or assessments developed for the purposes of National Disability Insurance Scheme eligibility assessment or reassessment, can only be completed by clinicians who are registered with relevant professional bodies.

6.64 The committee further recommends that appropriate information sharing arrangements be implemented across relevant government agencies, in order

to support the identification and verification of health practitioners engaging with the NDIS, including for any relevant compliance activity, subject to appropriate safeguards.

Recommendation 10

6.74 The committee recommends the NDIS Quality and Safeguards Commission, in line with Recommendations 10 and 11 of the NDIS Provider and Worker Registration Taskforce, commence implementation of an NDIS worker registration scheme. The registration scheme should focus on entry-level worker prerequisites, worker qualifications, and ongoing professional development requirements, with a list of suitably qualified care workers to be made publicly available in support of NDIS participants making informed choices about their care.

Recommendation 11

6.80 The committee recommends the Department of Health, Disability and Ageing and the National Disability Insurance Agency consider amendments to the National Disability Insurance Scheme Act 2013 (NDIS Act) to provide stronger protections and enhanced safeguards for individuals who disclose misconduct in the National Disability Insurance Scheme.

6.81 To the extent possible, the amendments should harmonise the NDIS Act with the whistleblower protections in the Corporations Act 2001.

Recommendation 12

6.86 The committee recommends the Australian Government continue to invest over the forward estimates in Aboriginal Disability Liaison Officers and Remote Community Connectors, to support participants, strengthen local engagement, and assist in identifying and reporting fraud, non-compliance and sharp practices.

Chair's Foreword

1.1 The National Disability Insurance Scheme (NDIS) has transformed the lives of hundreds of thousands of Australians with disability and their families, and the broader disability community. Since it began in 2013, the Scheme has become one of our nation's most significant social reforms, providing people with disability greater choice, control and access to the supports they need.

1.2 As the NDIS has grown, so too has the responsibility to ensure it remains safe, sustainable and trusted. The integrity of the Scheme is fundamental to its success – protecting participants, ensuring quality supports are delivered safely and effectively, and maintaining confidence in a Scheme designed to improve the lives of Australians with significant and permanent disability.

1.3 On 25 March 2026, the Joint Standing Committee on the National Disability Insurance Scheme (the committee) agreed to undertake this inquiry following a recommendation from the Minister for the National Disability Insurance Scheme, Senator the Hon Jenny McAllister.

1.4 The committee's inquiry considered the measures required to further strengthen the integrity of the NDIS, maintain public trust, safeguard participants and ensure people with disability continue to access high-quality supports.

1.5 The committee heard that integrity risks within the NDIS have evolved alongside the growth, scale and complexity of the Scheme itself. As the Scheme has expanded, governments, agencies and regulators have progressively developed new safeguards, oversight mechanisms and compliance capabilities to respond to emerging challenges.

1.6 The submission from the National Disability Insurance Agency, the NDIS Quality and Safeguards Commission and the Department of Health, Disability, and Ageing outlines the evolution of integrity measures across the life of the NDIS. It demonstrates that protecting the Scheme has required continuous improvement – from the establishment of quality and safeguarding arrangements, provider oversight and compliance functions, through to more sophisticated data capability, intelligence sharing and enforcement mechanisms.

1.7 The committee acknowledges that the integrity challenges facing the NDIS have changed over time. Earlier approaches focused on establishing appropriate safeguards, provider accountability mechanisms and compliance frameworks as the Scheme expanded. However, as evidence emerged of increasingly sophisticated attempts to exploit the Scheme, it became clear that a more coordinated and intelligence-led response was required.

1.8 A significant shift occurred in recent years with the recognition that integrity risks within the NDIS were not limited to isolated instances of non-compliance

but increasingly involved serious and organised attempts to exploit the Scheme. This required a more coordinated, intelligence-led and whole-of-government response, bringing together government agencies, regulators and law enforcement bodies to identify vulnerabilities, share information, detect emerging threats and disrupt those seeking to misuse the Scheme.

1.9 The committee recognises the importance of this evolution in approach. The committee also recognises the need for intervention in the Scheme in regard to stronger market controls, provider registration, and robust deterrents against sharp practices, fraud and non-compliance. Evidence received during the inquiry demonstrated the value of stronger collaboration between agencies, improved data capability, targeted compliance activity and enhanced enforcement powers in protecting participants and safeguarding public investment in the NDIS.

1.10 At the same time, the committee acknowledges that effective integrity measures must be balanced with the principles of choice, control and participant-centred support that underpin the Scheme. Protecting the integrity of the NDIS must strengthen, not diminish, the rights and independence of people with disability.

1.11 The recommendations contained in this report are guided by five key themes:

- strengthening protections and safeguards for participants;
- a continued focus on improving provider accountability and oversight;
- further enhancing fraud prevention, detection and enforcement;
- improving transparency, information sharing and system capability; and
- supporting a sustainable, high-quality NDIS market.

1.12 These themes reflect the consistent evidence provided to the committee by people with disability, families, advocates, providers, workers, regulators, experts, and government agencies throughout the inquiry.

1.13 The committee recognises that integrity reform is an ongoing process. The challenge is not only about overcoming existing risks, but ensuring the Scheme is agile, to ensure continuous improvement. The NDIS must remain a Scheme that people with disability can trust, and that provides choice and opportunity while strengthening appropriate safeguards.

1.14 I thank all individuals and organisations who contributed to this inquiry, including people with disability, families, advocates, providers, workers, and government agencies. Their evidence and experiences have been critical to informing the committee's recommendations.

1.15 I also thank all members of the committee for their constructive engagement throughout this inquiry and their commitment to working collaboratively to strengthen the integrity of the NDIS. In particular, I acknowledge the contribution of my Deputy Chair, Senator Maria Kovacic, and thank her for her work and support during the course of this inquiry.

1.16 During this inquiry, the committee received 97 submissions and conducted three public hearings. This important work would not have been possible without the dedication and professionalism of the committee secretariat. I thank the secretariat for their significant efforts in supporting the inquiry, coordinating the evidence received and assisting the committee throughout this process.

1.17 The NDIS remains one of Australia's most important social reforms. Ensuring its integrity is essential to ensuring it continues to deliver on its promise – supporting Australians with disability to live with greater choice, independence and opportunity, now and into the future.

Chapter 1
Introduction and background

1.1 On 25 March 2026, the Joint Standing Committee on the National Disability Insurance Scheme (the committee) agreed to self-refer an inquiry on the suggestion of the Minister for the National Disability Insurance Scheme (NDIS/Scheme), Senator the Hon Jenny McAllister (the Minister), into:

(a) the nature and extent of non-compliance, including fraud and sharp practices, in the NDIS;
(b) the impacts of non-compliance on NDIS participants and their families;
(c) the effectiveness and adequacy of successive government policies to improve scheme integrity, safeguard participants, and tackle non-compliance; and
(d) any legislative or other reforms required to strengthen scheme integrity.[1]

Structure of the report

1.2 This chapter provides information on the inquiry, notes on terminology, and acknowledgements. It also provides background information on integrity, and the nature of sharp practices, fraud and non-compliance in the NDIS.

1.3 Chapter 2 sets out the current policy settings relating to scheme integrity, safeguarding and non-compliance, including brief explanations of the roles and responsibilities of relevant government agencies. The chapter also discusses the role and work of the Fraud Fusion Taskforce (the Taskforce), relevant Australian National Audit Office (ANAO) audit reports, and recent legislative amendments.

1.4 Chapter 3 provides an overview of the impact of fraud and non-compliance in the NDIS on people with disability, and their families and carers. It considers the impact of conflicts of interest and inducements and other vulnerabilities arising from fraudulent behaviour in the Scheme.

1.5 Chapter 4 canvasses the current state of NDIS payment and invoicing systems and improvements being made to the payment and digital environment. It also looks at the role of data, and differences between plan management types as relating to risk.

1.6 Chapter 5 considers provider and worker registration, and market oversight, including the capacity of the NDIS Quality and Safeguards Commission (NDIS

[1] Joint Standing Committee on the NDIS, Integrity of the National Disability Insurance Scheme (accessed 2 June 2026).

Commission) to address non-compliance and provide oversight of both providers and workers.

1.7 Chapter 6 outlines the committee's views and recommendations.

Conduct of the inquiry

1.8 The committee received 97 public submissions, all of which are listed at Appendix 1 and available on the committee's website.[2] As part of the inquiry, the committee held three public hearings:

- 1 May 2026 in Canberra
- 15 May 2026 in Sydney
- 21 May 2026 in Melbourne

1.9 Witnesses who appeared at the hearings are listed at Appendix 2, with transcripts available via the committee's webpage.

Notes on terminology and references

1.10 The committee notes that some submitters and witnesses may refer to NDIS participants and other people with disability as 'clients' of particular services. This report may use the term 'client' when quoting from a submission or a hearing transcript. Otherwise, the report uses the terms 'participant', 'person with disability' and 'people with disability', with respect.

1.11 The committee recognises that people use many terms when talking about disability. The committee is aware that there are people in the community who prefer 'people first language', people who prefer 'identity first language', and people who use terms interchangeably.

1.12 People first language seeks to put the person before their disability and avoid the disability becoming the primary, defining characteristic of an individual. For example, 'person with disability'. Identity first language reflects the belief that being disabled is a core part of a person's identity which cannot, and should not, be treated as separate. For example, 'disabled person'.

1.13 The committee recognises there is no consensus as to which language should be used, and that each member of the community will have their own opinion on terminology. The committee also understands that each person will have a preferred way of communicating and self-describing. The committee respects that language is an individual and highly personal choice.

1.14 In the context of this inquiry, the committee has used people first language.

1.15 The committee acknowledges that there are various terms used to reflect the diversity of Aboriginal and Torres Strait Islander cultures and identities. In this

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[2] Joint Standing Committee on the NDIS, *Integrity of the National Disability Insurance Scheme*, https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/National_Disability_Insurance_Scheme/NDISIntegrity (accessed 30 June 2026).

report, the terms 'Aboriginal and Torres Strait Islander people' and 'First Nations people' are used, with respect.

1.16 The committee acknowledges that the term 'disability' does not readily translate into Indigenous culture and language and honours the enduring spirit of inclusivity demonstrated by First Nations peoples and communities, recognising that Aboriginal and Torres Strait Islander people with disabilities participate in cultural activities at the same rates as those without disabilities.

1.17 The committee also wishes to acknowledge the unique experiences, contributions and resilience of First Peoples with disability and the central role of their families, communities and caregivers.

Acknowledgements

1.18 The committee thanks all those who have contributed to the inquiry by lodging submissions, appearing at public hearings, and providing additional information. The submissions and other evidence received by the committee have shed light on a broad range of issues concerning the impact of fraud and non-compliance in the NDIS.

1.19 In particular, the committee acknowledges the contributions of people with disability, their families and carers who shared their experiences either individually or through advocacy organisations. The evidence of people with experience of the NDIS remains crucial to identifying issues with the scheme and improving its operation. The committee always appreciates the time and effort that people have taken to share their often very personal stories.

Integrity

1.20 The United Nations Convention on the Rights of Persons with Disabilities, at Article 16, confirms that signatories will take all appropriate measures to protect people with disability 'from all forms of exploitation, violence and abuse'. Article 17 further provides that every person with disability has a right for their 'physical and mental integrity on an equal basis with others'.[3]

1.21 Integrity is central to supporting these aims and is built on the pursuit of a high standard of professionalism and adherence to ethical principles and practices. These kinds of behaviours are central to ensuring that participants are appropriately safeguarded and the NDIS market is delivering quality services.

1.22 According to a joint submission from the Department of Health, Disability and Ageing (the Department), National Disability Insurance Agency (NDIA/Agency), and NDIS Commission, the NDIS Code of Conduct is of fundamental importance to the integrity of the NDIS. The NDIS Code of Conduct requires that providers (registered and unregistered), workers and key

[3] United Nations, *Convention on the Rights of Persons with Disabilities,* 2007 (accessed 16 June 2026).

personnel 'act with integrity, honesty, and transparency in providing supports or services to people with disability'.[4]

1.23 The Code of Conduct sets out acceptable, appropriate and ethical conduct for NDIS providers and workers delivering supports or services in the NDIS market, and places enforceable obligations on those covered by the code to protect the rights of participants and ensure the highest level of integrity in the NDIS.[5]

1.24 The NDIS Code of Conduct requires workers and providers delivering NDIS supports and services to do the following in providing those supports and services:

(a) Act with respect for individual rights to freedom of expression, self-determination and decision-making in accordance with applicable laws and conventions.
(b) Respect the privacy of people with disability.
(c) Provide supports and services in a safe and competent manner, with care and skill.
(d) Act with integrity, honesty and transparency.
(e) Promptly take steps to raise and act on concerns about matters that may impact the quality and safety of supports and services provided to people with disability.
(f) Take all reasonable steps to prevent and respond to all forms of violence against, and exploitation, neglect and abuse of, people with disability.
(g) Take all reasonable steps to prevent and respond to sexual misconduct.[6]

Non-compliance, fraud and sharp practices

1.25 The Australian Government strengthened its response to fraud and non-compliance in the NDIS from 2022, following growing concerns that weaknesses in market oversight and regulatory controls had enabled inappropriate practices to emerge and persist within parts of the Scheme. This marked a shift towards a more coordinated and targeted approach to safeguarding participant outcomes and protecting the integrity of the NDIS.

1.26 The impacts of fraud, non-compliance and sharp practices are significant and can have direct consequences for participants and their families. As has been noted:

> Fraud and noncompliance have a direct and devastating impact on the lives of participants and their families, often leaving them without the means to

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4 Department of Health, Disability and Ageing (the Department), National Disability Insurance Agency (NDIA), and NDIS Quality and Safeguards Commission (NDIS Commission), *Submission 42*, p. 3.

5 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 3; NDIS Commission, *The NDIS Code of Conduct: Guidance for NDIS Workers*, September 2023, pp. 4–5.

6 NDIS Commission, *The NDIS Code of Conduct: Guidance for NDIS Workers*, September 2023, p. 5.

> cover every day supports that enable their basic human rights. When exposed to fraud and non-compliance, participants are subjected to lower quality services, exploitation and harm.[7]

1.27 The Department, NDIA, and NDIS Commission submission acknowledged that when the NDIS was established in 2013, it was 'a new and distinctive approach to supporting people with disability to live their lives fully', enshrining individualised funding where people would directly purchase their supports from a market. However, NDIS establishment was 'not accompanied by detailed market design and a clear approach to developing the market according to any such design'. The joint submission outlined the integrity challenges facing the Scheme:

> The rapid expansion of the NDIS in scale and complexity has increased exposure to integrity risks commonly associated with large, demand driven government programs. These risks have been further compounded by aspects of early scheme design and the absence of foundational controls typically embedded in programs of comparable size and complexity.
>
> Systemic integrity weaknesses have created conditions in which fraud and non-compliance occur. These weaknesses have been exploited by a range of actors, with instances ranging from opportunistic and isolated activity to more organised, systemised exploitation conducted at scale.[8]

1.28 Non-compliance occurs when there is a failure to follow the rules, regulations, and the NDIS Code of Conduct. Non-compliance ranges from inadvertent mistakes, to more serious activities. Some examples of non-compliance include: an error or mistake; misuse of NDIS funds; conflicts of interest; dishonest behaviour; or fraud and corruption.[9]

1.29 Compliance within the NDIS is important to ensure participant safety, wellbeing, and ethical treatment, and ensures the sustainability of the scheme for future generations. Non-compliance should be reported to the NDIS Commission for investigation.[10]

1.30 Fraud within the NDIS may involve activities such as claiming for services that were not delivered or only partially delivered, or overclaiming hours or supports beyond what was provided. The Department, NDIA, and NDIS Commission submission stated that fraudulent activity 'often coincides with poor quality or unsafe supports and directly reduces participants' access to critical supports and services'.[11] Fraud can be committed by a wide range of

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7 National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, Explanatory Memorandum (EM), p. 70.

8 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 7.

9 NDIA, What is non-compliance (accessed 3 June 2026).

10 NDIS Commission, Our compliance and enforcement approach (accessed 3 June 2026).

11 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 8.

actors within the NDIS, including providers, professionals, nominees, participants, and insiders such as staff or partners.[12]

1.31 According to the NDIS Commission, sharp practices undermine the integrity of NDIS providers, workers and the NDIS sector as a whole. Sharp practices refer to a 'range of practices involving unfair treatment or taking advantage of people, including over-servicing, high pressure sales and inducements'.[13] While sharp practices may not necessarily be unlawful, they are considered unethical, dishonest and not in the interests of the person with disability. These types of practices may involve:

- providing services or expending funds contrary to a person with disability's approved plan;
- asking for or accepting any additional fees for providing the service;
- offering inducements or rewards that have no particular link to a person's NDIS plan and that could be perceived to encourage people to take up or continue with an organisation or a particular service option;
- engaging in high-pressure sales;
- charging a participant more than another person for substantially the same product, support or service; and
- promoting, advertising and publishing higher prices for substantially the same product, supports or services for participants as compared with other people.[14]

Scale of fraud and non-compliance

1.32 Historically, there has been no statistically valid method for measuring fraud across the NDIS as a whole. In recent years, the NDIA has developed a broader integrity measurement framework that provides a Scheme-wide estimate of integrity risks and non-compliant behaviour.

1.33 The NDIA advised that, rather than attempting to estimate fraud alone, it measures a 'broad integrity leakage' figure that captures a spectrum of behaviours ranging from administrative errors and payment mistakes through to deliberate non-compliance and serious offending. The NDIA estimated broad integrity leakage at between 8.2 and 8.3 per cent of Scheme payments. Based on annual Scheme payments of approximately $45 billion, this equates to around $3.7 billion.[15]

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12 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 9.

13 NDIS Commission, *The NDIS Code of Conduct: Guidance for NDIS Workers*, September 2023, p. 21.

14 NDIS Commission, *The NDIS Code of Conduct: Guidance for NDIS Workers*, September 2023, p. 21.

15 Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard*, 1 May 2026, p. 6.

1.34 The committee heard that fraud cannot be isolated and extrapolated as a proportion of total Scheme expenditure in a statistically valid way. The NDIA explained that while proven fraud can be measured through matters that have proceeded to prosecution, those cases are not representative of the Scheme as a whole and therefore cannot be used to estimate an overall fraud rate across the NDIS.

1.35 Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services at the NDIA noted that:

> What we can measure are the cases that we've taken to prosecution. We can measure the fraud component of the cases we've taken to prosecution and what you've proved in a court of law. What you can't do is then take that and extrapolate that to the whole scheme. There is no statistically valid way to take that and say, 'Based on that, we're going to apply that percentage or that count to the whole scheme.' That's because, by definition, those cases have been specifically selected. They're not of themselves statistically valid representations of the scheme. So we can count how many cases we've got and we can count the fraud component of those cases, but you can't then extrapolate that to all of the value of the scheme.[16]

1.36 In an answer to a question on notice, the NDIA provided an approximate breakdown of the 8.3 per cent of integrity leakage into categories of behaviour, as follows:

- 1.3% allocated to categories that are more likely to be linked to serious offending (i.e. suggest overall provider suitability concerns or require deliberate action)
- 4.5% allocated to categories where it is difficult to determine the extent of seriousness or deliberateness. The majority of this estimate is based on data from payment error testing.
- 1.9% allocated to categories that are more likely to relate to non-compliance or sharp practice.
- 0.5% allocated to categories that are risk indicators of other behaviours, but not non-compliant in themselves.[17]

Maintaining integrity in the NDIS

1.37 The Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability, as well as the 2023 Independent Review into the NDIS, called for strengthened safeguards and improved processes to protect NDIS participants from fraud and non-compliance:

> To ensure integrity in the NDIS, multiple risk proportionate controls that balance quality and safeguarding are required. Robust and enforceable powers that have a strong focus on strengthening the NDIS regulatory

[16] Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard*, 1 May 2026, p. 6.

[17] Answers to questions taken on notice by the NDIA, 1 May 2026 (received 22 May 2026), [p. 13].

> landscape will deter provider noncompliance, poor and sharp practice while encouraging the delivery of high quality supports and services.[18]

1.38 At one of the committee's hearings, representatives from the NDIA articulated the importance of integrity and maintaining public confidence in the Scheme, and the current actions of the Fraud Fusion Taskforce and NDIA in working towards that endeavour:

> … the taskforce is one piece of a broader picture of enhancing and ensuring the integrity of the scheme. That adds to public confidence of both participants and the broader community in the scheme—that the funds are being used as per the intention of the scheme—and in everything that the Fraud Fusion Taskforce does … the wellbeing of participants is always at the core of what it is that we have focused the activity on…
>
> …
>
> When we think about integrity, there are three big things that are coming together to give us the integrity benefits. One is the taskforce, one is the system's uplifts that we're building within the agency, and another is the payment integrity work that we're doing to try to do more in prepayment detection and treatment.[19]

1.39 The work and findings of the committee throughout this inquiry are likewise aimed primarily at ensuring the safety of participants, and in maturing the information and governance environments across the NDIS so that fraud and non-compliant behaviour can be addressed, and consistently safe and high-quality supports provided to people with disability.

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[18] National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, EM, p. 70.

[19] Mr Chris Birrer, Deputy Chief Executive Officer, Payments and Integrity, Services Australia, and Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard*, 1 May 2026, p. 3.

Chapter 2
Current policy landscape

2.1 This chapter sets out the current policy settings relating to National Disability Insurance Scheme (NDIS/Scheme) integrity, safeguarding and non-compliance, including brief explanations of the roles and responsibilities of relevant government agencies.

2.2 Additionally, this chapter canvasses some of the work underway across these agencies to address fraud and compliance issues, including the role and work of the Fraud Fusion Taskforce (the Taskforce), the Crack Down on Fraud Program, and recent legislative amendments.

Growth of the NDIS

2.3 The NDIS is a world-leading model, providing support to people across Australia with severe and permanent disability. As the Scheme has matured and participation rates have grown, integrity and compliance challenges have increased in complexity due to a lack of market controls being in place throughout the early years of the Scheme. This created opportunities for non-compliance, sharp practices, and fraud to emerge in parts of the NDIS market, necessitating a strengthened integrity and regulatory approach.

2.4 In 2022, the NDIS had a growth rate of 22 per cent and, in 2023, National Cabinet agreed to bring the growth rate down to 8 per cent. In 2026, all states and territories through the National Cabinet process revisited that growth rate and agreed on a new target of 5 to 6 per cent. As was noted by the Hon Mark Butler MP, Minister for Disability and the NDIS:

> The NDIS was established as a partnership between the Commonwealth and the states. For the Scheme to succeed in the long term – that partnership must succeed. States and the Commonwealth will need to work together to re-make the NDIS for the future.[1]

2.5 As of 31 March 2026, the NDIS served 774 456 people with disability,[2] at a cost of $50.7 billion in 2025–26.[3] The government's latest reforms, discussed below, aim to reduce the number of people on the Scheme to around 600 000 people by the end of the decade, with supports outside the NDIS to be delivered by states

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1 The Hon Mark Butler MP, Minister for Disability and the NDIS, Minister Butler speech at the National Press Club – 22 April 2026 (accessed 16 June 2026).

2 NDIA, The NDIS in each state, 15 May 2026 (accessed 3 June 2026).

3 NDIA, *Annual Financial Sustainability Report 2024–25*, p. 12.

and territories. Without intervention, the Scheme is anticipated to grow to over 900 000 participants.[4]

2.6 The government has highlighted the challenge of managing a rapidly expanding Scheme:

> The NDIS plays a critical role in supporting people with permanent and significant disability, but it continues to grow at a far higher rate than any other comparable program.
>
> The scale and distorted market structure of the NDIS are too often not providing high quality care to participants themselves. Costs are continuing to rise rapidly, driven by plan inflation and weaknesses in how the system currently operates.
>
> If left unchecked, this puts the long-term sustainability of the NDIS – and its ability to support future generations – at risk.[5]

2.7 There are many initiatives and reforms currently underway, outside the remit of this inquiry but all aimed at high-quality, effective long-term participant support, and financial stability in the NDIS. In the context of this inquiry, and as was noted in evidence, the NDIS is currently in a state of transition; since 2022 there has been a 'shift to [a] serious and organised fraud response', with this period onwards marked by 'a decisive shift from compliance-based integrity to law-enforcement-led fraud operations'.[6] Some of these measures are detailed below.

Government agencies and programs

2.8 Responsibility ensuring the integrity of the NDIS is shared across the Department of Health, Disability and Ageing (the Department), the National Disability Insurance Agency (NDIA), and the NDIS Quality and Safeguards Commission (NDIS Commission), each working collaboratively to address fraud and misconduct across the full extent of the NDIS, including through policy and legislation, participant access and payments, provider regulation, compliance, and enforcement. The joint submission from the Department, NDIA and NDIS Commission summarised the various roles across the cohort:

> Broadly, the Department administers the legislative and policy framework underpinning integrity and quality. The NDIA protects the NDIS' financial integrity and detects fraud through participant and payment systems. The

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4 The Hon Mark Butler MP, Minister for Disability and the NDIS, Minister Butler speech at the National Press Club – 22 April 2026 (accessed 3 June 2026).

5 Department of Health, Disability and Ageing (the Department), Securing the NDIS for future generations, 14 May 2026 (accessed 3 June 2026).

6 The Department, National Disability Insurance Agency (NDIA), and NDIS Commission, *Submission 42*, p. 28.

NDIS Commission enforces quality standards and the Code of Conduct, and removes unsafe or non-compliant providers and workers from the NDIS.[7]

Department of Health, Disability and Ageing

2.9 The Department has portfolio responsibility for NDIS policy and legislation, including in relation to integrity, and quality and safeguarding. The Department also, more broadly, is responsible for Australia's Disability Strategy 2021–2031.[8]

2.10 The joint submission from the Department, NDIA, and NDIS Commission outlined the Department's roles in relation to integrity, quality and safeguarding more specifically, stating it:

- Provides policy leadership and advice to Government on NDIS integrity risks, emerging fraud trends, and quality and safeguarding reforms.
- Develops and administers NDIS legislation that establishes the integrity and safeguarding framework, including amendments to strengthen regulatory powers, enforcement mechanisms, and penalties for serious non-compliance and fraud.
- Oversees Commonwealth funding and integrity investments, including funding measures to strengthen fraud detection, payment integrity, compliance and enforcement capability across agencies in relation to the NDIS.
- Supports and coordinates whole-of-government responses to integrity challenges through governance arrangements, inter-agency coordination, and engagement with states and territories.
- Maintains stewardship oversight of statutory bodies administering and regulating the NDIS, ensuring alignment between policy intent and operational outcomes.[9]

National Disability Insurance Agency

2.11 The NDIA is an independent statutory agency which is responsible for administering the NDIS. The NDIA has stated its commitment to protecting the safety and well-being of participants and improving the integrity of NDIS systems, whilst also detecting, preventing and responding to fraud.[10] The NDIA plays a central role in maintaining the financial and operational integrity of the NDIS at the participant and payment level, while supporting participants to access appropriate supports.[11]

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7 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 4.

8 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 4.

9 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 4.

10 NDIA, Annual Report 2024–25, 5 November 2025, p. 88.

11 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 4.

2.12 The joint submission from the Department, NDIA and NDIS Commission summarised the fraud and integrity activities of the NDIA, stating that the NDIA:

> - Manages access to the NDIS through eligibility determinations and manages the determination of reasonable and necessary supports to participants through the provision of the NDIS Act that relate to the development of plans.
> - Administers NDIS payments and financial systems, including pre and post payment controls to identify incorrect, noncompliant or potentially fraudulent claims.
> - Detects, prevents and responds to non-compliance and fraud through activities including:
>   - intelligence led risk profiling,
>   - targeted payment integrity reviews,
>   - debt management and corrective actions.
> - Refers matters to the NDIS Quality and Safeguards Commission and law enforcement agencies where appropriate.
> - Co-leads, with Services Australia, the Fraud Fusion Taskforce (FFT), contributing to cross agency intelligence sharing and coordination responses to serious and organised fraud.
> - Implements integrity initiatives and system wide improvements designed to support participants and providers to correctly claim supports and reduce the risk of non-compliance across the NDIS.
> - Takes action to safeguard participants where integrity risks are identified, including ensuring continuity of supports and making changes to plans or payment arrangement, such as suspending payments where required.[12]

2.13 In February 2024, the government announced the Crack Down on Fraud Program aimed at improving processes to reduce errors and increase compliance, by detecting and preventing the misuse of participant funds from the NDIS.[13] The program builds new information and communication technology systems to connect with other agencies, providers and banks so claims and payments can be finalised faster with fewer errors, as well as a new fraud investigation system that connects with other enforcement agencies.[14]

2.14 Key measures of the Crack Down on Fraud Program (which is also discussed later in this report) include:

> … strengthened identity verification, pre-payment claim checks, manual payment reviews for high-risk providers, expanded data analytics

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12 The Department, NDIA, and NDIS Commission, *Submission 42*, pp. 4–5.

13 NDIA, Annual Report 2024–25, 5 November 2025, p. 88.

14 NDIA, Fraud and non-compliance, 3 June 2026 (accessed 3 June 2026).

capability and enabled detection of over 2,100 providers with problematic claiming behaviours.[15]

2.15 The NDIA reported the following integrity and anti-fraud activities in 2024–25:

- improvements to the integrity of participants' identity information;
- introduction of new technologies and capabilities to enhance prevention, detection, security and response to wrongdoing;
- review of more than 40 000 claims from providers, plan managers and participants, totalling more than $80 million, for potential integrity issues to ensure only legitimate claims were paid;
- implementation of better processes for assessing fraud tip-offs—receiving more than 29 000 tip-offs during the year, up from 23 000 in 2023–24;
- worked with other government agencies to detect and prevent individuals and organisations defrauding the NDIS; and
- identified and reduced the misuse of short-term accommodation.[16]

NDIS Quality and Safeguards Commission

2.16 The NDIS Commission is an independent agency responsible for regulating the NDIS market and promoting the quality and safety of NDIS supports and services. Its key regulatory functions are monitoring the NDIS market, registration and reportable incidents; complaints; compliance and enforcement powers, worker screening and the promotion of positive approaches to behaviour support, where regulated restrictive practices are required.[17]

2.17 The NDIS Commission uses a range of proactive and reactive levers to uphold the rights of NDIA participants and ensure high-quality and safe services and supports. These levers are often used in combination to address risk and deliver effective quality and safeguarding outcomes.[18]

2.18 In 2021, the NDIS Commission increased its use of banning orders, compliance notices and civil penalties against non-compliant providers, and commenced the NDIS Worker Screening checks (discussed later in this report).[19]

2.19 The joint submission from the Department, NDIA and NDIS Commission outlined the integrity and safeguarding activities of the NDIS Commission, stating that it:

- Regulates all providers, registered or unregistered, against the NDIS Code of Conduct.

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15 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 28.

16 NDIA, *Annual Report 2024–25*, 5 November 2025, p. 89.

17 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 5.

18 Note: details on each of these levers can be found at NDIS Commission, Strategic Roadmap 2025–2027, pp. 8–9.

19 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 28.

- Registers and regulates registered NDIS providers, ensuring compliance with registration obligations, NDIS Practice Standards, the NDIS Code of Conduct, and worker screening requirements.
- Investigates complaints, reportable incidents, abuse, neglect, exploitation, and serious provider misconduct.
- Monitors and regulates restrictive practices and behaviour support plans, ensuring regulatory oversight of high-risk supports.
- Takes enforcement action, including deregistration, issuing banning orders, compliance notices, civil penalties, and referrals for criminal prosecution where warranted.
- Works closely with the NDIA and law enforcement agencies to support joint investigations, respond to intelligence from FFT activities, and remove noncompliant providers and workers from the NDIS.[20]

2.20 The joint submission also described a number of activities that the NDIS Commission has undertaken to 'significantly increase the volume and impact of its compliance and enforcement activity', including: strengthened regulatory capability through a more targeted and intelligence led approach; and embedding quality uplift through developmental, preventative and corrective initiatives, such as practice guidance, workforce capability frameworks, grants, education and targeted compliance activity.[21]

2.21 Furthermore, the NDIS Commission is shifting its strategic focus:

> … from a predominantly reactive, complaints-driven model to one that uses data, regulatory intelligence and partnerships to identify emerging and systemic risks earlier, target regulatory effort where it will have the greatest impact, and lift quality and compliance across the market. This includes enhanced market oversight, stronger controls on provider entry and exit, improved enforcement of the NDIS Code of Conduct, and closer collaboration with partner agencies.
>
> To further strengthen this capability, the NDIS Commission is progressing the Data and Regulatory Transformation (DART) program. This includes the development of key metrics and analytical tools to support more sophisticated, risk-based regulatory analysis.[22]

Fraud Fusion Taskforce

2.22 As part of the shift towards a serious and organised fraud response, the Taskforce commenced in November 2022 as a multiagency, cross government initiative co-led by the NDIA and Services Australia. There are 24 member

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20 The Department, NDIA, and NDIS Commission, *Submission 42*, pp. 5–6.

21 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 18.

22 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 21.

agencies working together to find and stop serious and organised fraud across government payment programs, including the NDIS. [23]

2.23 The Taskforce 'brings together law enforcement, regulatory and integrity agencies to enable intelligence sharing, coordinate enforcement activity and design preventative, system level responses to integrity risks'. The Taskforce has been able to significantly increase the scale and effectiveness of action taken against criminal exploitation of the NDIS and other payment programs.[24]

2.24 Ms Louise Glanville, the NDIS Commissioner, has previously told the committee that the Taskforce had been a 'really excellent way of bringing together different regulators and different parts of the enforcement regime to look at how…fraud or sharp practices works'.[25] The Commissioner explained the further benefits of the Taskforce, saying that 'because it has many different players in this field, it's been really useful in … sharing information':

> There's recognition that attending to fraud … is also important for public sentiment and public confidence in the scheme. It is essential.[26]

2.25 The NDIA advises there are two focus areas of the Taskforce:

- operations: detect, investigate and act against fraud cases in the NDIS and other government programs and payments. This includes intelligence sharing and working together through strikeforce operations,
- strategy: improving integrity in the Scheme, by strengthening systems, policies and processes making it harder for someone to do the wrong thing.[27]

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[23] The Taskforce membership includes: Aged Care Quality and Safety Commission; Attorney General's Department; Australian Charities and Not-for-profits Commission; Australian Criminal Intelligence Commission; Australian Federal Police; Australian Securities and Investments Commission; Australian Skills Quality Authority; Australian Tax Office; Australian Transaction Reports and Analysis Centre; Department of Education; Department of Employment and Workplace Relations; Department of Health, Disability and Ageing; Department of Industry, Science and Resources; Department of Social Services; Department of Veterans Affairs; National Disability Insurance Agency; National Indigenous Australians Agency; NDIS Quality and Safeguards Commission; Office of the Director of Public Prosecutions; Office of the Fair Work Ombudsman; Office of the Registrar of Indigenous Corporations; Professional Services Review; Services Australia; Tax Practitioners Board.

[24] The Department, NDIA, and NDIS Commission, *Submission 42*, pp. 23 and 28; NDIA, Fraud Fusion Taskforce, 16 May 2025 (accessed 3 June 2026).

[25] Ms Louise Glanville, NDIS Quality and Safeguards Commissioner, *Committee Hansard*, 23 October 2025, p. 40.

[26] Ms Louise Glanville, NDIS Quality and Safeguards Commissioner, *Committee Hansard*, 23 October 2025, p. 41.

[27] NDIA, Fraud and non-compliance, 3 June 2026 (accessed 3 June 2026).

2.26 Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services at the NDIA, outlined the allocation of staffing within the agency working in areas relating to the Taskforce and integrity:

> There are about 110 people in our agency who are Fraud Fusion Taskforce staff. In addition to that we have several hundred other people now working in the integrity space: 104 are working in payment integrity and another hundred are funded through [business as usual (BAU)] to work on things like analytics. Our integrity workforce in total is in the realm of about 600 people within the agency. On top of that, we have the support of all those people in the other agencies who work on cases with us and the state and territory police forces, which now do a lot of operational work, along with the [Australian Federal Police (AFP)].[28]

2.27 The pace of tackling fraud and theft in the NDIS has also increased in recent years. The Department, NDIA and NDIS Commission described some of the outcomes of the Taskforce to date:

- Disruption of over 2 500 providers who have submitted incorrect or non-compliant claims to the NDIS or had other significant risk indicators. In the 12 months prior to the disruption, these providers had collectively claimed $1 billion from the NDIS. Since the start of the NDIS, these providers had collectively claimed over $4.8 billion.
- In the 2025 calendar year, the NDIA participated in the execution of more than 77 warrants, compared to 30 warrants in all four calendar years from 2018–2021, prior to the establishment of the Taskforce in November 2022.
- Since the commencement of the Taskforce, the NDIS Commission has significantly increased compliance actions with 306 compliance outcomes executed since 1 November 2022, including 179 banning orders, 38 revocations of registration and 89 other regulatory outcomes. A further 41 enforcement actions are currently in progress. Additionally, the NDIS Commission has 106 ongoing Taskforce operations relating to 295 NDIS providers.
- As at 30 April 2026, there were 411 NDIS related investigations under the auspices of the Taskforce.
- As at 31 March 2026, there had been 25 successful prosecutions since November 2022, 17 of which involved imprisonment, 18 involved restitutions—either fines or reparations—totalling $3.5 million, and others which involved actions against assets, such as the seizure of property.[29]

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[28] Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard*, 1 May 2026, p. 2.

[29] The Department, NDIA, and NDIS Commission, *Submission 42*, pp. 23–24; Answers to questions taken on notice by the NDIA, 1 May 2026 (received 27 May 2026); Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard*, 1 May 2026, pp. 11 and 34.

2.28 Mr Dardo quantified the monetary value of the investments made in the Taskforce and NDIA system uplift and payment integrity, stating:

> It is really hard to say of the benefits that we're realising how much of that is a taskforce versus a system uplift versus payment integrity in prepayment.
>
> The estimate at the moment for the interventions that we implemented up until between September and December last year—and there's a lag time before you can count the benefit—are that, to date and for the forwards, which is up until June 2029, it's $3.4 billion of benefits. A proportion of that is redirected to genuine services or providers, and a proportion is actual cash savings to the scheme. Keep in mind that that doesn't include the interventions that have been implemented between then and now, because there's a lag time before you count the benefits from those interventions. So that will only grow. That more than exceeds the funding of the taskforce or the funding of the systems uplifts or the funding of payment integrity.[30]

Savings from government action on non-compliance

2.29 Through the government's investments in the integrity of the Scheme, including reforms to the payments systems, Crack Down on Fraud Program, and other reforms, the NDIA reported a combined benefit of $3.4 billion from 2022 to the forward estimates to June 2029, whereby funds have either been diverted to genuine spending or savings from funds stopped completely from being claimed illegitimately.[31]

2.30 Mr Dardo broke down this figure as follows:

> In 2022–23, because we were only just starting, we saved $1 million and diverted $3 million; that doesn't sound like a lot because we were only just starting the program. In 2023–24, we saved $33 million and, separate to that, diverted $35 million. In 2024–25, we saved $252 million and diverted $480 million.[32]

2.31 Mr Dardo told the committee that up to May, in 2025–26 $262 million had been saved, and $646 million diverted – and $3.4 billion in total since 2022–23. Mr Dardo noted this was a 'great outcome because a participant is more likely to get genuine and quality supports, which is the outcome we want'.[33]

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30 Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard*, 1 May 2026, pp. 3–4.

31 Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard*, 1 May 2026, p. 28.

32 Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard*, 1 May 2026, p. 28.

33 Mr John Dardo, Deputy CEO, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard*, 1 May 2026, p. 28.

ANAO audit reports

2.32 The Australian National Audit Office (ANAO) has published two recent audit reports relating to the management of fraud and non-compliance across the NDIA and NDIS Commission. The findings of these reports are summarised below.

2.33 The ANAO is also currently working on an audit report into the effectiveness of the Taskforce which is due to table in March 2027.[34]

NDIA's management of claimant compliance

2.34 In June 2025, the ANAO released a performance audit into the NDIA's management of claimant compliance with NDIS claim requirements. The intent of the audit was to provide assurance to the parliament on the effectiveness of the NDIA's arrangements for managing claim compliance, following NDIA estimates that six to 10 per cent of NDIS claims could be for 'non-compliant, fraudulent or incorrect claims', and increased parliamentary interest in NDIS fraud and non-compliance.[35]

2.35 The ANAO found that the NDIA:

- Was partly effective at the management of claimant compliance, and current work on preventing fraud and non-compliance in the NDIS had the potential to improve the financial sustainability of the NDIS.
- Had partly effective processes and frameworks to manage claimant compliance with NDIS claim requirements and was implementing a large program of work to remediate identified deficiencies (to be completed by December 2025).
- Had not established a fit-for-purpose framework for managing NDIS claim compliance, had not yet established effective processes for preventing non-compliant claims and was working to improve the effectiveness of NDIS preventative and detective controls through the Crack Down on Fraud program.
- Had implemented partly effective arrangements to oversee, monitor and continuously improve claimant compliance with NDIS claim requirements and had not updated its risks assessments at the fraud and operational levels to reflect heightened claim compliance risks and identified gaps in existing controls.

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[34] Australian National Audit Office (ANAO), Effectiveness of the Fraud Fusion Taskforce (accessed 9 June 2026).

[35] ANAO, NDIA's Management of Claimant Compliance with NDIS Claim Requirements, June 2025, p. 7.

- Is undertaking IT systems upgrades to improve its capacity to use data analytics to continuously improve NDIS claim compliance.[36]

2.36 The ANAO made four recommendations to the NDIA to establish a fit-for-purpose compliance framework and improve risk management, payment assurance testing and performance reporting. The NDIA agreed to all four recommendations.[37]

2.37 On 27 November 2025, the Parliamentary Joint Committee of Public Accounts and Audit commenced an inquiry into the administration of the NDIS, including examining the management of financial sustainability risks and claimant and provider compliance with NDIS claims requirements, and the monitoring, measurement and reporting of NDIA performance.[38] At the time of this report, the JCPAA had not yet reported.

Effectiveness of the NDIS Commission's regulatory functions

2.38 In September 2025, the ANAO released a performance audit into the effectiveness of the NDIS Commission's regulatory functions. The intent of the audit was to provide independent assurance to parliament over whether the NDIS Commission is effectively exercising its regulatory functions, noting that the Scheme's operating environment has been subject to a number of reviews over recent years.[39]

2.39 The ANAO found the NDIS Commission:

- Was partly effective in exercising its regulatory functions and did not have full visibility of the market it regulates; the ANAO suggested the NDIS Commission's effectiveness as a regulator would be improved by taking a risk-based approach to regulating the NDIS, that is underpinned by quality data, and targets available resources to areas of greatest risk.
- Had partly effective intelligence gathering and information sharing arrangements in place, with limitations on the NDIS Commission's collection, correlation and analysis of intelligence limited by the Commission Operating System.
- Did not have processes to ensure information disclosures meet legislative requirements.

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36 ANAO, NDIA's Management of Claimant Compliance with NDIS Claim Requirements, June 2025, pp. 8–9.

37 ANAO, NDIA's Management of Claimant Compliance with NDIS Claim Requirements, June 2025, p. 6.

38 Joint Committee of Public Accounts and Audit, Inquiry into the administration of the National Disability Insurance Scheme (accessed 3 June 2026).

39 ANAO, Effectiveness of the NDIS Quality and Safeguards Commission's Regulatory Functions, September 2025, p. 7.

- Was not guided by a risk-based strategy in its regulatory decision-making, and since its commencement, the NDIS Commission had not established a framework for assessing, prioritising and managing risks of provider non-compliance.
- In its range of compliance activities, the NDIS Commission had not effectively implemented risk responsive and proportionate monitoring, compliance and enforcement activities.
- The NDIS Commission had developed a Planning and Performance Framework which did not address government expectations for regulators.[40]

2.40 The ANAO made 10 recommendations to the NDIS Commission to improve its effectiveness in exercising its regulatory functions, with the NDIS Commission agreeing to nine, and agreeing to one in principle. The NDIS Commission noted that it had taken steps to improve its regulatory processes through establishing a Risk-Based Regulation Prioritisation Model, to be fully rolled out by October 2025 to 'provide a consistent approach to assessing risk and prioritising compliance activities'.[41]

2.41 In addition, in response to the ANAO's findings, the NDIS Commission stated that it would:

> … establish a risk-based regulatory strategy and framework to support its compliance actions and communicate progress against the strategy to the sector.
>
> Action is already underway to improve the NDIS Commission's access to reliable data, systems, tools and processes through the Data and Regulatory Transformation (DART) program and will increase the NDIS Commission's visibility of the provider market.
>
> …
>
> In alignment with recommendation seven in the ANAO report, the NDIS Commission is undertaking work to mature its approach to market monitoring, including monitoring and mitigating the risks related to unplanned service withdrawal.[42]

Recent legislative amendments

2.42 The government has made several recent legislative amendments to the NDIS in response to the Royal Commission into Violence, Abuse, Neglect and

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40 ANAO, Effectiveness of the NDIS Quality and Safeguards Commission's Regulatory Functions, September 2025, pp. 8–9.

41 ANAO, Effectiveness of the NDIS Quality and Safeguards Commission's Regulatory Functions, September 2025, pp. 10–13.

42 Joint Standing Committee on the NDIS, Annual Report No. 1 of the 48th Parliament, NDIS Quality and Safeguards Commission, answers to questions on notice, 23 October 2025 (received 6 November 2025).

Exploitation of People with Disability (Royal Commission) and the 2023 Independent Review of the NDIS (Independent Review).

2.43 The reforms also draw on the 2024 advice of the NDIS Provider and Worker Registration Taskforce (the Registration Taskforce), and the findings of the ANAO's 2019 report into the *National Disability Insurance Scheme Fraud and Control Program*.[43] These reforms and their relevance to the integrity of the NDIS are outlined below.

Securing the NDIS for Future Generations Bill 2026

2.44 Concurrent with the committee's inquiry, the Government introduced the National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026 (the Future Generations Bill). This bill seeks to implement several reforms which would strengthen fraud controls and provider regulation, among other things.

2.45 Portions of the bill relate to Scheme integrity by introducing a 'suite of fraud prevention measures which aim to safeguard participants…against exploitation, neglect, coercion and abuse, particularly in the context of service provision and financial management of participant supports'.[44] Most relevant to this inquiry are the changes relating to addressing fraud and non-compliance and improving the quality of service providers and supports for participants.

2.46 The bill will strengthen the safeguards within the NDIS market, 'particularly in relation to high risk supports such as personal care, daily living assistance and services delivered in closed or isolated settings'.[45]

2.47 Schedule 2 of the bill aims to 'strengthen the ability of the Agency to effectively identify, investigate and respond to noncompliance and fraud and ensure the integrity of the NDIS', while Schedule 3 addresses governance arrangements, including pricing.[46]

2.48 Amendments in the Future Generations Bill, as they relate to the committee's inquiry, are highlighted throughout this report.

Integrity and Safeguarding Act 2026

2.49 The *NDIS Amendment (Integrity and Safeguarding) Act 2026* was passed by the Parliament on 1 April 2026. The Act strengthens the NDIS Commission's ability

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43 Note: these reports can be accessed via Royal Commission; Independent Review; the Taskforce; and ANAO report.

44 National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, Explanatory Memorandum (EM), p. 156.

45 National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, EM, pp. 156–157.

46 National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, EM, p. 70.

to detect, prevent and respond to breaches of the *National Disability Insurance Scheme Act 2013*, especially by providers, and to provide for improved administration and processes at the NDIA. The Act's explanatory memorandum states:

> The Bill will strengthen the NDIS Commission's capacity to detect, prevent and respond to breaches of obligations under the Act. The Bill will address current concerns of safety and non-compliance within the Scheme and resolve existing structural issues that minimise the effectiveness of regulatory action to combat abuse, neglect and exploitation that continue to cause significant harm to participants in the NDIS.
>
> The amendments also address priority measures required by the NDIA and the Commission to protect the NDIS and NDIS participants from non-compliant activity. This will enable the Commission to undertake swifter action in investigating and prosecuting those who significantly harm NDIS participants. It will also enable the NDIA to strengthen operational elements of the Scheme to increase its integrity.[47]

2.50 Specifically, the amendment Act introduced tougher penalties on providers for misconduct and unsafe practices, including new penalties for serious misconduct, as well as strengthening the monitoring, compliance and enforcement powers of the NDIS Commission:

> Under the current law, providers whose failures cause the death or serious injury of a participant under their care can be liable for a fine of just over $400,000. Under the proposed bill, a serious contravention of obligations could lead to a fine of over $16 million.
>
> The bill also introduces criminal penalties, including jail, for serious contraventions of requirements to be registered and for failure to comply with a banning order.[48]

2.51 In addition to the increased penalties for misconduct, the amendment Act has:

- introduced new anti-promotion orders to prevent providers advertising or selling supports or services inconsistent with the NDIS Code of Conduct;
- extended banning orders to cover auditors and consultants; and
- improved the information gathering powers of the NDIS Commission in situations where there is a significant risk of serious harm to a participant.[49]

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47 *NDIS Amendment (Integrity and Safeguarding) Act 2026*, EM, pp. 1–2. Note: Following passage of the legislation, the bill is subsequently referred to as an Act. However, references using the phrase bill remain in the Explanatory Memorandum as this document was drafted prior to passage.

48 NDIA, Tougher penalties for bad actors under new NDIS Bill, 26 November 2025 (accessed 3 June 2026).

49 *NDIS Amendment (Integrity and Safeguarding) Act 2026*, EM, pp. 19–27, 29–31.

Chapter 3
The impact of fraud and non-compliance

3.1 The presence of fraud and non-compliance in the National Disability Insurance Scheme (NDIS/Scheme) has been an issue throughout the maturation of the NDIS, and it is acknowledged that addressing these issues is important for maintaining public confidence in the Scheme and safeguarding participants.[1]

3.2 The greatest impact of fraud and non-compliance is felt by NDIS participants, whose safety, choice and control, and right to a fulsome life are at risk. Participants' families and carers are also significantly impacted by supporting their loved ones through negative experiences and frequently carry the burden of administrative compliance. Fraud and non-compliance have a number of impacts which can be serious and life-threatening, impacting the health and well-being of NDIS participants, and can also have financial implications.

3.3 This chapter summarises the evidence received by the committee on the impact of fraud and non-compliance in the NDIS, including issues relating to unsafe service environments, access to supports and services, conflicts of interest, kickbacks and inducements, negative public narratives, the impacts on First Nations people with disability, and families and carers.

Unsafe service environments

3.4 Serious incidents in the NDIS, and which must be reported to the NDIS Quality and Safeguards Commission (NDIS Commission), include death or serious injury; abuse or neglect; unlawful sexual or physical contact or assault; sexual misconduct (including grooming), and the unauthorised use of restrictive practices. The joint submission from the Department of Health, Disability and Ageing (the Department), the National Disability Insurance Agency (NDIA) and NDIS Commission notes that in the unregistered provider market, the lack of visibility of these risks make it 'more difficult to identify and address poor quality or unsafe supports that undermine integrity in the NDIS'.[2]

3.5 A number of submitters discussed the issue of participant safety and the risk of physical and psychological harm as a result of fraud, non-compliance and sharp practices.[3] Some submitters highlighted that without regulation, unsafe and

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1 The Hon Mark Butler MP, Minister for Disability and the NDIS, Minister Butler speech at the National Press Club – 22 April 2026 (accessed 3 June 2026).

2 The Department of Health, Disability and Ageing (the Department), National Disability Insurance Agency (NDIA) and NDIS Quality and Safeguards Commission (NDIS Commission), *Submission 42*, pp. 12–13.

3 See, for example: Centre for Disability Research and Policy, the University of Sydney, *Submission 8*, p. 2; Illawarra Disability Alliance, *Submission 20*, p. 5; Victorian Mental Illness Awareness Council,

inappropriate service agreements are being entered into by vulnerable participants.[4] Others described situations where providers or workers misrepresented their capability, training or expertise.[5]

3.6 Australia's national criminal intelligence agency and member of the Fraud Fusion Taskforce, the Australian Criminal Intelligence Commission (ACIC), confirmed that:

> Weaknesses in provider suitability and screening can allow unsuitable or criminally-linked providers to operate within the NDIS, increasing the risk that participants are exposed to poor-quality care, exploitation, or services that are not delivered as intended … In some cases, participants may be drawn into collusive arrangements – knowingly or unknowingly – exposing them to financial, legal and personal harm … In coercive cases, intimidation or threats of violence can be used to compel compliance, undermining participants' ability to engage independently with the National Disability Insurance Agency (NDIA) and increasing the risk of ongoing harm.[6]

3.7 Victorian Mental Illness Awareness Council (VMIAC) emphasised that non-compliance has consequences 'far beyond financial loss', particularly for participants with psychosocial disability:

> Inadequate or unsafe services often cause psychological distress and may reinforce experiences of interpersonal harm, mistrust, and marginalisation.
>
> VMIAC consumers often report feeling trapped within service arrangements that are not working for them. Participants are sometimes unsure of their rights, fearful of losing supports, or too overwhelmed to navigate the process of changing providers. Additionally, in many instances, there are explicit or implicit pressures to remain with providers, including the withholding of information or the creation of administrative barriers.[7]

3.8 Intellectual Disability Rights Service NSW (IDRS) argued that non-compliance and exploitation cause direct and serious harm, particularly to people with intellectual disability:

Submission 33, p. 3; Aged and Disability Advocacy Australia, *Submission 52*, p. 2; Intellectual Disability Rights Service NSW, *Submission 53*, p. 17; Mental Health Carers Australia, *Submission 64*, p. 5.

4 See, for example: MS Australia, *Submission 19*, p. 4; Illawarra Disability Alliance, *Submission 20*, p. 5; Prader-Willi Syndrome Australia Ltd, *Submission 46*, p. 7; Intellectual Disability Rights Service NSW, *Submission 53*, pp. 8–11; Developmental Educators Australia, *Submission 65*, pp. 5–6; Consumers of Mental Health WA, *Submission 66*, p. 6.

5 See, for example: Centre for Disability Research and Policy, the University of Sydney, *Submission 8*, p. 3; Australian Orthotic Prosthetic Association, *Submission 38*, [p. 6]; Consumers of Mental Health WA, *Submission 66*, p. 6.

6 Australian Criminal Intelligence Commission, *Submission 3*, p. 4.

7 Victorian Mental Illness Awareness Council, *Submission 33*, p. 3.

> IDRS has observed clients who have experienced significant physical harm as a result of inadequate or absent personal care supports that were nonetheless billed to the Scheme. Psychological harm resulting from financial exploitation, coercive provider relationships, and the experience of having one's plan depleted without benefit is severe and often compounded by participants' difficulty in communicating distress or accessing help.[8]

3.9 The Centre for Disability Research and Policy at the University of Sydney (CDRP) reported that cases of 'coercion, manipulation, and isolation of participants by workers or providers' was identified in its research, including efforts by some providers to 'sever ties with families and professionals'.[9]

3.10 People with physical disabilities are also impacted. Australian Orthotic Prosthetic Association (AOPA), for example, stated that integrity risks within assistive technology provision can have direct and immediate consequences extending beyond financial inefficiency to tangible risks to safety, health, and long-term outcomes.[10]

3.11 MS Australia also reported that for people living with Multiple Sclerosis (MS), inadequate supports can impact 'their health and wellbeing leading to exacerbation of MS symptoms, increased disability and co-morbidities and impact their ability to maintain employment and independence'.[11]

Service agreements

3.12 IDRS explained that service agreements are the primary contractual mechanism through which NDIS participants engage providers, and argued that 'the current service agreement landscape is a significant and under-addressed vector for non-compliance and exploitation, particularly for people with intellectual disability'.[12]

3.13 The NDIA recently conducted a Service Agreements Improvement Project, releasing a report in March 2026 which found systemic and serious problems with service agreements. IDRS was involved in consultation on this project and explained some of the findings:

- Providers often rush the service agreement process, giving participants little time to review or understand terms before signing, and many participants feel pressured to sign quickly so that supports can commence.
- Many service agreements are written in complex or legalistic language, making them inaccessible.

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8 Intellectual Disability Rights Service NSW, *Submission 53*, p. 17.

9 Centre for Disability Research and Policy, the University of Sydney, *Submission 8*, p. 3.

10 Australian Orthotic Prosthetic Association, *Submission 38*, [pp. 9–10].

11 MS Australia, *Submission 19*, p. 4.

12 Intellectual Disability Rights Service NSW, *Submission 53*, p. 10.

- Some providers use generic, purchased templates not tailored to participants' individual needs, with agreements primarily structured to manage provider risk rather than protect participant rights.
- Providers do not consistently verify whether a person signing on behalf of a participant has legal authority to do so.
- Cancellation policies are frequently not clearly explained, and cancellation charges that reduce plan funding can expose participants to unacceptable levels of risk.
- Service agreements for Specialist Disability Accommodation have in some cases improperly included tenancy-related terms, conflating housing and support relationships in ways that further entrench participant dependence on providers.
- Participants with positive relationships with providers feel unable to challenge problematic terms for fear of losing their supports.[13]

3.14 Other submitters, such as Developmental Educators Australia (DEA) and Consumers of Mental Health WA (CoMHWA), also raised concerns about service agreements noting that disability support relationships are 'inherently structurally unequal', especially when participants have complex needs, services are scarce, or urgent support is required, resulting in informed consent being undermined and limiting genuine choice and control. In these situations, service agreements may include clauses that restrict negotiation, include inappropriate supports or restrictive practices, bundle multiple services together, restrict switching providers, and inaccurately describe needs, goals and preferences.[14]

3.15 MS Australia also raised the point that having no service agreement in place can also be a concern when there are no meaningful discussions or documentation about the supports that will be delivered to the participant and how much they will be charged. MS Australia reported observing cases of this in their interactions with unregistered providers.[15]

Access to services and supports

3.16 Some submitters discussed how sharp practices impact the ability of participants to access the supports and services they need, putting their health

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13 Intellectual Disability Rights Service NSW, *Submission 53*, pp. 10–11.

14 Developmental Educators Australia, *Submission 65*, pp. 5–6; Consumers of Mental Health WA, *Submission 66*, p. 6.

15 MS Australia, *Submission 19*, p. 4. See, also: Australian Competition and Consumer Commission (ACCC), *NDIS Report: ACCC observations of consumer issues in the NDIS*, February 2026, p. 23.

and well-being at risk, and limiting the rights of people with disability to have choice and control.[16]

3.17 CoMHWA reported participant experiences of non-compliance including charging for supports which were not delivered, overcharging for supports—for example participants being charged more for NDIS supports than for comparable supports outside of the NDIS—and providers using up participant's funding. CoMHWA described the impact of these practices on participants as leaving participants without the funds they need to access necessary supports, and as causing distress and concern about the impact it might have on plan reviews and future budgets. According to CoMHWA, participants:

> … carry anxieties that they will be blamed for the activities of the providers/workers and either financially penalised or that restrictions to their funding or their ability to manage their funding will be imposed.[17]

3.18 IDRS described plan depletion as a form of fraud and over-servicing that results in the exhaustion of a participant's NDIS funding before the plan period ends. IDRS stated that plan depletion, particularly for people with intellectual disability, who rely on supports for basic daily living, is 'not merely a financial inconvenience but [is] a direct threat to health, safety and wellbeing'.[18]

3.19 Similarly, Illawarra Disability Alliance (IDA) reported that its members had encountered cases where participant's plan funding had been exhausted due to improper service agreements or fraudulent billing, leaving participants without access to the services they urgently need. IDA stated that these situations cause direct harm, distress and, in some cases, crisis for participants.[19]

3.20 CDRP submitted that misuse of NDIS funds also occurs by family members or nominees, both through accidental misunderstanding or deliberate diversion, leaving participants financially and materially worse off.[20]

Kickbacks, inducements and collusion

3.21 The committee was told of various sharp practices occurring across the NDIS market, as evidenced by examples of kickbacks, inducements being offered to participants, and various forms of collusion.

3.22 The ACIC discussed the impact of serious and organised crime organisations taking actions to exploit the NDIS:

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16 See, for example: Deafblind Australia, *Submission 18*, p. 4; Consumers of Mental Health WA, *Submission 66*, p. 5; MedTechVic Hub, *Submission 4,* [p. 2].

17 Consumers of Mental Health WA, *Submission 66*, p. 5.

18 Intellectual Disability Rights Service NSW, *Submission 53*, p. 17.

19 Illawarra Disability Alliance, *Submission 20*, p. 5.

20 Centre for Disability Research and Policy, the University of Sydney, *Submission 8*, p. 3.

> These actors exploit the NDIS to generate income, launder illicit proceeds and conceal asset ownership, often using criminal business models observed across other Commonwealth payment and regulatory programs. This indicates that NDIS exploitation frequently forms part of broader, repeat offending rather than isolated misconduct.[21]

3.23 Further, the ACIC explained that this offending can see NDIS participants specifically targeted, including through the use of particular tactics:

> A central enabling methodology is the use of cash incentives, or "kickbacks", to participants, nominees or family members. These arrangements operate along a spectrum ranging from knowing collusion to coercion, and the ACIC assesses that some participants are likely unaware they are involved in fraudulent activity. In coercive cases, intimidation and threats of physical violence have been used to compel compliance, particularly against participants with physical or cognitive impairments.[22]

3.24 CDRP submitted that 'collusive networks, conflicts of interest, and kickbacks between support coordinators, providers, and workers undermine participant choice and facilitate financial misuse'.[23]

3.25 The CDRP warned that highly vulnerable participants, particularly those with psychosocial or impaired executive functioning, are 'actively targeted for scams, coercion, and financial exploitation'.[24] A number of advocacy groups supporting people with psychosocial or intellectual disability, agreed that this was a serious issue.[25]

3.26 The CDRP highlighted specific instances of collusion from its research. Examples included support coordinators, providers and workers seeking to maximise their personal income from clients through targeted referrals to other known support coordinators, which would generate financial kickbacks, rather than a prioritisation of referrals that would achieve the best outcomes for the client.[26] The CDRP also discussed:

> Highly concerning practices were reported where workers or providers manipulated participants, isolated them from families or professionals, or used inducements to gain control of large packages. In some cases this

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21 Australian Criminal Intelligence Commission, *Submission 3*, p. 3.

22 Australian Criminal Intelligence Commission, *Submission 3*, p. 3.

23 Centre for Disability Research and Policy, the University of Sydney, *Submission 8*, p. 3.

24 Centre for Disability Research and Policy, the University of Sydney, *Submission 8*, p. 2.

25 See, for example: Victorian Mental Illness Awareness Council, *Submission 33*, p. 3; Intellectual Disability Rights Service NSW, *Submission 53*, p. 17; Mental Health Carers Australia, *Submission 64*, p. 5.

26 Centre for Disability Research and Policy, the University of Sydney, *Submission 8*, p. 10.

> amounted to coercive control, bribery, and isolation of participants from trusted supports.[27]

3.27 The CDRP submission provided a specific example of the operation of these strategies in practice:

> People being bribed to change services…. These are very vulnerable people. So it could be something as simple as, I'll buy you a packet of cigarettes every day if you come to our services. They don't realise then that's a $100,000 package they've just given to that person for - sold out for a packet of smokes.[28]

3.28 Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services at the NDIA, highlighted that there was a broad spectrum of sharp practices and similar behaviours the Agency was aware of:

> In some cases, the people receiving those inducements or cashbacks or kickbacks are extraordinarily vulnerable and may not understand that it is not appropriate to do so. Those inducements or kickbacks are almost materially insignificant—they are of very, very low value. It's cigarettes, or some alcohol. It's very low value. And, as a proportion of their plan, the provider might be providing very little, in terms of those kickbacks, and then banking the rest of the plan for themselves, and, really, it's a coercive sort of arrangement. So that's at one end of the spectrum, where it's really taking advantage of very, very vulnerable people. At the most extreme end of the spectrum, there are examples which are in the investigative or the prosecution pipeline, where the arrangements are very deliberate and very specific—collusion is probably the best way to describe it—where people have entered arrangements and have agreed to terms—for example, have agreed to fifty-fifty splits—and the kickbacks are of significant value and quite deliberate and quite conscious. And there's everything in between.[29]

3.29 The Disability Trust Group specified the increasing trend in incentivisation of NDIS participants:

> Across our services we have seen sharp practices including providers offering cash incentives, free iPads, free day program places, or cigarettes to induce participant sign up or referrals. This is a particular issue in thin markets where there are few quality providers and scant NDIA oversight, and vulnerable participants can be preyed upon by bad-faith actors.[30]

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27 Centre for Disability Research and Policy, the University of Sydney, *Submission 8,* p. 9.

28 Centre for Disability Research and Policy, the University of Sydney, *Submission 8,* p. 9. See also: Integrated Disability Action Inc, *Submission 14*, p. 6; Intellectual Disability Rights Service NSW, *Submission 53*, p. 8; Mental Health Legal Centre Inc, *Submission 87*, [p. 7].

29 Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard,* 1 May 2026, p. 9.

30 The Disability Trust Group, *Submission 70,* [p. 4].

3.30 The National Aboriginal Community Controlled Health Organisation (NACCHO) similarly drew attention to reports of providers actively targeting remote Aboriginal communities:

> … offering inducements and signing people up to services they don't understand. Inducements can include food, vouchers or transport and high-pressure tactics to secure NDIS clients without informed consent or a full understanding of the implications.
>
> While not all instances of misconduct occur in Aboriginal or Torres Strait Islander communities, the structural conditions that enable these practices—including thin markets, limited access to advocacy, language, literacy, numeracy, digital and cultural barriers—are more prevalent in these contexts, increasing the risk of harm to Aboriginal and Torres Strait Islander people and their families.[31]

The public narrative around fraud

3.31 Some submitters raised concerns about the impact of the public narrative around fraud and the NDIS was having on people with disability.[32]

3.32 CDRP stated that persistent public narratives about NDIS fraud have 'unintended consequences, increasing participant fear, hostility, and disengagement from supports'.[33]

3.33 People with Disability Australia (PWDA) expressed concern that the public narrative around NDIS fraud and integrity 'increasingly positions people with disability as suspects rather than rights-holders', implying that participants are the problem, rather than 'acknowledging the significant damage caused by unethical, unsafe and exploitative provider practices'.[34] PWDA gave the following example:

> Recent reporting, such as the *Australian Financial Review* story criticising NDIS participants for going to the movies or accessing haircuts, demonstrates exactly what must not happen as a result of integrity reform.
>
> These examples reflect a profound misunderstanding of disability, support needs and inclusion. Everyday activities are not evidence of misuse—they are evidence of participation and ordinary life …

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31 National Aboriginal Community Controlled Health Organisation (NACCHO), *Submission* 76, p. 9.

32 See, for example: Ms Cat Walker, *Submission 6*, pp. 3, 8; Centre for Disability Research and Policy, the University of Sydney, *Submission 8*, p. 3; People with Disability Australia, *Submission 13*, p. 7; Queenslanders with Disability Network, *Submission 27,* p. 4; Multicultural Disability Advocacy Australia, *Submission 71*, p. 7.

33 Centre for Disability Research and Policy, the University of Sydney, *Submission 8*, p. 3.

34 People with Disability Australia, *Submission 13*, p. 7.

> This framing is not only inaccurate; it undermines trust, fuels stigma and creates fear among participants about using their supports.[35]

3.34 The Queenslanders with Disability Network (QDN) noted that sometimes participants do not feel like they can raise complaints about non-compliance due to feeling like there is 'a lack of trust in them as participants'. QDN stated that this was compounded by the limited communication when participants do make complaints, and confusion about who is responsible for investigating compliance.[36]

Impact on families and carers

3.35 A number of submitters including IDRS, VMIAC, and QDN raised issues with ways in which the burden of system failure may be shifted onto families, carers and other informal support networks, for example through the time and cost of pursuing complaints and reviews; the loss of trust in the Scheme and its providers; and possibly needing to leave permanent work in order to care for family members.[37]

3.36 The National Council of Women Victoria argued that these impacts were strongly gendered as women remain the majority of primary carers for people with disability and therefore more likely to absorb the economic consequences of support shortfalls. The Council's submission said this was reflected in unpaid labour, reduced paid work hours, forgone earnings, injury, and superannuation loss.[38]

3.37 IDRS submitted that in addition to the primary harm experienced by the participant, families may bear secondary burdens and may 'experience profound distress when they become aware of exploitation of their family member'.[39]

3.38 Mental Health Carers Australia (MHCA) similarly suggested that families and carers 'carry the emotional impact of seeing a loved one manipulated, overcharged, isolated or destabilised by the very supports that were meant to assist'.[40]

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35 People with Disability Australia, *Submission 13*, p. 8.

36 Queenslanders with Disability Network, *Submission 27,* p. 4.

37 Intellectual Disability Rights Service NSW, *Submission 53*, pp. 18–19; Victorian Mental Illness Awareness Council, *Submission 33*, p. 3; Queenslanders with Disability Network, *Submission 27,* p. 5. See, also: Integrated Disability Action Inc, *Submission 14*, p. 2; National Council of Women Victoria, *Submission 15,* p. 5; Aged and Disability Advocacy Australia, *Submission 52,* p. 2; Propel Pathways Pty Ltd, *Submission 60,* p. 7.

38 National Council of Women Victoria, *Submission 15,* p. 5.

39 Intellectual Disability Rights Service NSW, *Submission 53*, pp. 18–19.

40 Mental Health Carers Australia, *Submission 64*, p. 5.

3.39 CDRP submitted that participants and carers have to 'undertake constant monitoring to ensure plan obligations are met' because of providers charging for services that may be minimally delivered or not delivered at all. CDRP argue in its submission that these practices of inappropriate billing, inflated time charging, and excessive administrative servicing would go undetected without 'vigilant invoice checking by families'.[41]

3.40 MHCA were of the view that the current system places too much responsibility on participants and families to detect non-compliance:

> Families and carers often become the de facto integrity backstop for the scheme: checking invoices, comparing billed hours with actual contact, monitoring whether providers have turned up, and escalating concerns across multiple agencies. These roles are neither sustainable nor equitable. … families and carers continue to provide support above and beyond what is "reasonable" and are worn down trying to navigate the complexity of the NDIS.[42]

Rural, remote and thin markets

3.41 Integrity issues in the NDIS are exacerbated by market conditions in rural, regional and remote areas, where thin markets impact on choice, control and service availability and delivery for NDIS participants.[43]

3.42 Integrated Disability Action Inc, for example, explained the circumstances in the Northern Territory, where the risks of non-compliance and sharp practices are 'compounded by geographic isolation, workforce shortages, cultural and language barriers, and limited quality provider competition'. The organisation said that these factors 'increase vulnerability to exploitation and reduce visibility of non-compliant practices'.[44]

3.43 Integrated Disability Action Inc further argued that regulatory oversight was significantly undermined in thin markets, where a lack of genuine provider choice could result in 'a proliferation of substandard, unregistered, and unregulated services'. In addition, policies of the NDIA and NDIS Commission lacked cultural appropriateness and did not consistently account for the needs of Aboriginal and remote communities.[45]

3.44 Services for Australian Rural and Remote Allied Health (SARRAH) took the view that systemic non-compliance was 'not driven by small rural allied health

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41 Centre for Disability Research and Policy, the University of Sydney, *Submission 8*, p. 2.

42 Mental Health Carers Australia, *Submission 64*, p. 5.

43 See Joint Standing Committee on the National Disability Insurance Scheme, *NDIS participant experience in rural, regional and remote Australia*, November 2025.

44 Integrated Disability Action Inc, *Submission 14*, p. 2. See also: Services for Australian Rural and Remote Allied Health, *Submission 51*, p. 1.

45 Integrated Disability Action Inc, *Submission 14*, p. 3.

practices', as such providers were highly visible in their communities, personally known to participants and their families, and 'operating under significant professional, cultural, and reputational scrutiny'. SARRAH noted that:

> When ethical providers reduce or cease NDIS participation due to changes in pricing arrangements, participants bear the cost. In thin markets, loss of a single provider can eliminate all local service options.
>
> …
>
> The realities of rural practice, including necessity for travel, the existence of thin markets, and limited workforce availability must be factored into funding policies and integrity measures.[46]

3.45 SARRAH argued that any reforms going to integrity and strengthening regulation, pricing and oversight in the NDIS, needed to 'support ethical practice in rural and remote markets, rather than destabilise them'.[47]

3.46 NACCHO made the point that strong and effective integrity measures needed to be designed to work in those areas of greatest risk, including remote, thin and culturally thin markets, while not increasing administrative burdens and accreditation complexity. NACCHO explained:

> A one-size-fits-all approach to integrity risks entrenching existing inequities. A flexible, culturally informed and place-based approach is necessary to ensure that efforts to strengthen integrity do not inadvertently reduce access or exclude community-controlled providers.[48]

3.47 Children and Young People with Disability Australia (CYDA) argued that maintaining flexibility in provider registration models was 'especially critical' for:

> … children and young people in regional and remote areas, and those from First Nations, culturally and linguistically diverse, and LGBTIQA+ communities, who may rely on a small number of trusted or culturally safe providers. In these contexts, excessive regulatory burden may reduce, rather than enhance, safety by shrinking the available provider pool.[49]

NDIS integrity for First Nations people

3.48 The latest data on NDIS participation shows that there are 66 348 First Nations participants with an approved NDIS plan.[50]

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46 Services for Australian Rural and Remote Allied Health, *Submission 51*, pp. 2 and 4.

47 Services for Australian Rural and Remote Allied Health, *Submission 51*, p. 1.

48 NACCHO, *Submission 76*, p. 12.

49 Children and Young People with Disability Australia, *Submission 43*, p. 4.

50 NDIS, *Explore data*, 27 May 2026, https://dataresearch.ndis.gov.au/explore-data (accessed 13 June 2026).

3.49 The committee received evidence suggesting that many of the issues described above were experienced by First Nations people with disability disproportionately, exacerbating challenges already experienced by these communities, who are also often located in remote areas.[51]

3.50 The impact of disability on First Nations people can, for example, often be exacerbated by other factors including chronic illness, poverty, limited access to services and thin markets, and 'specific cultural elements and traditions that are often overlooked and can negatively affect their experience of disability'.[52]

3.51 In its submission, NACCHO observed that Aboriginal and Torres Strait Islander concepts of disability differ from Western concepts. This difference extends beyond service delivery, to 'encompass ways of being, knowing, and doing, including culturally distinct understandings of disability'. Within this context, NACCHO contended that First Nations disability markets are 'often dominated or exploited by non-Indigenous providers who reportedly negate, supress or ignore the cultural rights and lived realities of Aboriginal and Torres Strait Islander people with disability'. NACCHO called these 'culturally thin markets' and concluded that:

> The consequences of these failures are reflected in persistent experiences of inequity, lack of safety, trauma, and disengagement from services, including instances of service refusal by participants.
>
> … Evidence further indicates that inadequate safeguarding of cultural safety contributes to poorer health outcomes, lifelong harm, and, in some cases, preventable deaths within Aboriginal and Torres Strait Islander.[53]

3.52 As highlighted earlier in this chapter, incentives and inducements are being used by providers to actively target vulnerable First Nations communities, exploiting the structural conditions which enable these practices.[54] NACCHO further contended that the regulatory priorities of the NDIS Commission did not specifically target sharp practices, particularly those that might be occurring in Aboriginal and Torres Strait Islander communities. NACCHO argued that:

> Consumer protection experience demonstrates that complaints-based regulatory models are insufficient in markets where consumers face barriers to reporting harm.
>
> … Aboriginal and Torres Strait Islander participants in the NDIS may be reluctant to raise concerns, may not recognise misconduct or sharp practices,

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51 See, for example: Integrated Disability Action Inc, *Submission 14*, pp. 2 and 7; NACCHO, *Submission 76*; CatholicCare NT, *Submission 45*.

52 NACCHO, *Submission 76*, p. 4.

53 NACCHO, *Submission 76*, p. 6. See also: Integrated Disability Action Inc, *Submission 14*, p. 3.

54 NACCHO, *Submission 76*, p. 9.

> or may lack access to advocacy support. As a result, harmful practices can persist undetected.[55]

3.53 Integrated Disability Action Inc, similarly submitted that 'people in remote Aboriginal communities are disproportionately affected' by inequitable outcomes resulting from non-compliance. It argued that Aboriginal communities are disproportionately targeted because of higher plan values (reflecting delivery costs) and language, literacy and cultural barriers. Additionally, Integrated Disability Action Inc noted that there are also limited options for alternative quality providers in remote areas which means that participants sometimes feel compelled to remain with underperforming or non-compliant services as a result.[56]

3.54 CatholicCare NT submitted evidence indicating they had witnessed multiple cases where participants were removed from their remote communities and relocated to urban centres such as Alice Springs. CatholicCare NT described the practice as follows:

> Providers offer accommodation as an incentive, but the conditions are often unsafe and overcrowded. We are aware of properties housing more than 30 people at a time, including adults, children, and individuals from different cultural groups.
>
> Once relocated, participants frequently lose connection to their community supports, cultural networks, and family structures. They consequently experience increased levels of vulnerability arising from a decline in access to health and other support services and living in overcrowded, unhygienic environments with high rates of alcohol and drug use and exposure to violence.
>
> When participants express a desire to return home, providers often make this extremely difficult by:
>
> - Intentionally causing them to miss scheduled transport
> - Withholding or retaining their personal belongings
> - Restricting access to communication devices
> - Creating financial dependency through control of payments.[57]

Addressing sharp practices in First Nations communities

3.55 NACCHO summarised the impact of culturally unsafe practices in the NDIS, stating that:

> These failures lead to ongoing inequity, a lack of personal and cultural safety, and further trauma, which in turn cause people to disengage from services. Evidence further indicates that inadequate safeguarding of cultural safety contributes to poorer health outcomes, lifelong harm, and, in some cases, preventable deaths within Aboriginal and Torres Strait Islander

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55 NACCHO, *Submission 76*, p. 10.

56 Integrated Disability Action Inc, *Submission 14*, pp. 2 and 7.

57 CatholicCare NT, *Submission 45*, p. 2.

> communities. These outcomes underscore that cultural safety is not an optional or supplementary consideration, but a fundamental safeguard.[58]

3.56 In order to start addressing these issues, NACCHO called for the NDIS Code of Conduct to explicitly recognise the need for NDIS providers to offer services in culturally safe and appropriate ways.[59]

3.57 Further, NACCHO observed that Aboriginal Community Controlled Health Organisations (ACCHOs) were well-placed to assist in identifying and reporting sharp practices and non-compliance in the NDIS, 'because of their deep, trusted and ongoing relationships with local communities'. However, NACCHO noted the 'ability of ACCHOs to be part of the NDIS is not the same across the ACCHO sector', and continued they were:

> … significantly hampered by the lack of certainty over funding, costs of delivering services and the administrative burden of NDIS registration and compliance. Some ACCHOs have chosen not to become registered NDIS providers or to deliver specific programs due to concerns about funding adequacy, administrative burden, and long-term sustainability. Others participate in limited or targeted ways, including through navigation, liaison or connector-type supports.[60]

3.58 Navigation and liaison programs include Aboriginal Disability Liaison Officers (ADLOs) and Remote Community Connectors (RCCs), which provide 'locally embedded support functions, including assisting participants to navigate the NDIS', and in some cases identify service delivery issues.[61]

3.59 The ADLO program provides dedicated support to Aboriginal and Torres Strait Islander people with disability in urban and rural areas to access the NDIS and use their plans, and are generally community members. RCCs are funded by the NDIA, and are 'community-based NDIA representatives…that support the culturally appropriate delivery of the NDIS in remote and very remote communities'. NACCHO pointed out the importance of these roles as 'community-based mechanisms that support both access and informal monitoring of provider behaviour'.

3.60 However, NACCHO submitted that ongoing funding uncertainty, administrative and registration barriers are impacting on the delivery of these programs. For example, practices like offering inducements and incentives, and high pressure tactics, were most prevalent where participants had limited access to independent advice like that offered by ADLOs and RCCs. NACCHO explained:

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58 NACCHO, *Submission* 76, p. 9.

59 NACCHO, *Submission 76*, p. 12.

60 NACCHO, *Submission 76*, p. 7.

61 NACCHO, *Submission 76*, p. 8.

> Strengthening, funding and expanding these roles - alongside other locally appropriate models – would enhance safeguarding, but should occur as part of a broader, flexible approach that recognises differing community needs, capacities and preferences. ADLOs and RCCs would need specific and additional funding and training to undertake these additional roles over and above their existing functions.[62]

3.61 NACCHO therefore recommended that the ADLO and RCC programs be funded to provide:

> … better support and advice to NDIS participants and enhance the integrity of the NDIS by monitoring and reporting instances of non-compliance, fraud and sharp practices [to] the appropriate regulators.[63]

3.62 Integrated Disability Action Inc similarly recommended investment in local and First Nations workforces in the Northern Territory, along with the embedding of culturally appropriate safeguards and community-led oversight mechanisms. The organisation recommended that the NDIS:

- Seek ongoing input from local leaders, service providers, and participants, particularly in remote and First Nations communities
- Adapt engagement approaches to reflect cultural, linguistic, and geographic diversity
- Work with community-controlled organisations and trusted intermediaries to co-design how services are delivered.[64]

3.63 NACCHO was of the view that embedding First Nations 'ways of knowing, being and doing' was integral to 'safeguarding the integrity frameworks of the NDIS'. It further argued that improving integrity in the NDIS required a 'shift from a predominantly reactive, compliance-driven model to one that is proactive, risk-based and responsive to local context'.[65]

Priority Reform Areas

3.64 The National Agreement on Closing the Gap includes four Priority Reform Areas, which 'offer a roadmap' to addressing structural drivers of poor health and social outcomes for First Nations people. The Priority Reform Areas are:

(1) formal partnerships and shared decision-making;
(2) building the community-controlled sector;
(3) transformation of mainstream institutions; and
(4) sharing data and information to support decision making.[66]

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62 NACCHO, *Submission 76*, pp. 8–9.

63 NACCHO, *Submission 76*, p. 8.

64 Integrated Disability Action Inc, *Submission 14*, p. 5.

65 NACCHO, *Submission 76*, pp. 7 and 13.

66 NACCHO, *Submission 76*, pp. 4–5.

3.65 NACCHO argued that a failure to maintain cultural safety in disability markets was reflected in 'persistent experiences of inequity, lack of safety, trauma and disengagement from services'. NACCHO argued that a strong understanding of cultural safety 'must be part of the organisational mindset at all levels of government', to align with Priority Area 3.[67]

3.66 The committee was told by the NACCHO that improving integrity in the NDIS would 'assist in progressing all four Priority Reform Areas'. In particular, it would:

> … strengthen and empower shared decision making for Aboriginal and Torres Strait Islanders with…disability; strengthen the community controlled sector to deliver better services and better outcomes and assist to transform the way government agencies such as the [NDIA] deliver their services and ensure cultural safety.[68]

3.67 NACCHO recommended that any initiatives aimed at improving NDIS integrity should align with the National Agreement on Closing the Gap and its four Priority Reform Areas.[69]

Whistleblowers

3.68 Whistleblowers play a key role in maintaining integrity and accountability in the NDIS, and addressing the harms that fraud and non-compliance can have on people with disability—which have been outlined in this chapter. As was noted to the committee:

> … whistleblowers play a critical role in exposing wrongdoing, ensuring there is integrity in the NDIS by informing regulators and the public of abuse and neglect of people with disability, non-compliance and misconduct under the NDIS legislation.
>
> … Robust whistleblower protections are an indispensable component of an effective regulatory framework because they facilitate the prompt and direct reporting of information from people close to the source of the misconduct.[70]

3.69 Division 7 of the *National Disability Insurance Act 2013* (NDIS Act) establishes pathways for workers, participants, and their family or independent advocates who are connected to an NDIS provider to make disclosures about breaches of the NDIS Act by that NDIS provider to particular individuals or agencies, and be protected from legal or administrative liability for doing so.[71]

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67 NACCHO, *Submission 76*, p. 11.

68 NACCHO, *Submission 76*, p. 5.

69 NACCHO, *Submission 76*, p. 6.

70 Ms Madeline Howell, Lawyer, Human Rights Law Centre, *Proof Committee Hansard,* 21 May 2026, p. 23.

71 Human Rights Law Centre, *Submission 85,* p. 7.

3.70 Amendments to whistleblower protections in the NDIS Act earlier this year expanded the scope of the types of people who can make a protected disclosure under that Act, to include people who have been connected with a provider but no longer were (that is, a former employee). These changes better align the NDIS with contemporary whistleblower frameworks, which 'typically extend protections to former workers and participants' and better reflect the 'practical reality that many concerns are only reported after a person leaves their role or ceases their involvement'.[72]

3.71 Further amendments to align with contemporary whistleblower best practice ensured that people can now also make anonymous disclosures:

> This helps people speak up safely and reduces fear of negative consequences.
>
> The [amendments] also removes the need for disclosures to be made in good faith. This makes the process simpler. The requirement for reasonable grounds has not changed to make sure protections remain strong.
>
> A new civil penalty has been added to stop people sharing confidential information.[73]

3.72 The committee received evidence suggesting that while these recent reforms to NDIS whistleblower protections were welcome, that further amendments should be considered.[74]

3.73 For example, the Human Rights Law Centre (HRLC) commended the recent reforms as significantly improving NDIS whistleblower protections but remarked that gaps still existed which were 'directly impacting the ability of whistleblowers in the NDIS to safely and lawfully speak up'.[75]

3.74 The HRLC noted the importance of strong whistleblower protections to improving integrity in the NDIS:

> The workers and participants within the NDIS are the eyes and ears of the scheme, and one of the primary sources for identifying wrongdoing. If they do not have faith that they will be protected in speaking up, wrongdoing will go unreported.[76]

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72 Previously, protected disclosures only applied to current employees; *NDIS Amendment (Integrity and Safeguarding) Act 2026*, Revised Explanatory Memorandum, p. 44.

73 Department of Health, Disability and Ageing, *NDIS Amendment (Integrity and Safeguarding) Act 2026*, https://www.health.gov.au/sites/default/files/2026-05/ndis-amendment-integrity-and-safeguarding-bill-2025-overview.pdf (accessed 15 June 2026).

74 See, for example: Centre for Disability Research and Policy, The University of Sydney, *Submission 8*; Down Syndrome Australia Consortium, *Submission 75*, p. 2; Mental Health Legal Centre Inc., *Submission 87*, p. 12; Name Withheld, *Submission 92*, p. 15.

75 Human Rights Law Centre, *Submission 85*, pp. 6 and 8.

76 Human Rights Law Centre, *Submission 85*, p. 18.

3.75 The HRLC pointed out that private sector entities are regulated by the *Corporations Act 2001* (Corporations Act), and may also be regulated by other legislative regimes, including the NDIS Act. Therefore, in the NDIS sector, 'many organisations fall within the *Corporations Act* whistleblower regime as companies or trading or financial corporations … and also under the *NDIS Act* regime as an NDIS provider'. The HRLC concluded that 'inconsistencies between these regimes caused by a lack of coordination in legislative reform has contributed to a dysfunctional framework'.[77]

3.76 It was submitted by the HRLC that the Corporations Act has 'stronger' protections for whistleblowers, including 'more developed pathways for seeking remedies for retaliation, and pathways for whistleblowers to disclose to the media in certain circumstances'.[78]

3.77 The HRLC therefore called for the NDIS Act to be amended to harmonise its whistleblower protections 'with the *Corporations Act 2001* protections to the extent practicable and relevant, and other federal whistleblowing laws where appropriate'.[79]

3.78 The Australian Services Union (ASU) also recommended the implementation of whistleblower protections for those who make complaints of NDIS worker exploitation, 'akin to protected disclosure protections for tip-offs of non-compliant workplace conditions'.[80]

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77 Human Rights Law Centre, *Submission 85,* p. 9.

78 Human Rights Law Centre, *Submission 85,* p. 11.

79 Human Rights Law Centre, *Submission 85,* p. 6.

80 Australian Services Union, *Submission 80*, p. 5.

Chapter 4
Addressing systemic fraud concerns

4.1 Invoicing, payment processes and clearer digital identities are key to maintaining the integrity of the NDIS and to identifying areas of non-compliance.

4.2 There have been significant improvements in recent years to NDIS payment processes which have enabled the detection of fraudulent practices, allowing the diversion of funds back to participants. Evidence put to the committee suggests there are still further improvements to be made.

4.3 This chapter outlines the evidence received regarding systemic fraud concerns identified through the payment claims process and highlights those areas of greatest vulnerability. The chapter discusses the changing fraud landscape between plan management types, and the role of health practitioners. It presents improvements to payment processes in recent years and how these changes are preventing bad actors from taking advantage of the Scheme. It also considers the evidence about the increasing use of digital identities.

NDIS invoicing and payments

4.4 NDIS participants have choice and control over how their supports are arranged and delivered, and NDIS plans can either be:

- NDIA managed (the NDIA pays providers directly on the participant's behalf – 29 per cent of plans);
- Plan managed (the participant chooses an intermediary plan manager to manage the financial side of their plan – 61 per cent of plans); or
- Self managed (the participant or their nominee is responsible for paying providers – 9 per cent of plans).[1]

4.5 As noted by the joint submission from the Department of Health, Disability and Ageing (the Department), the National Disability Insurance Agency (NDIA) and NDIS Commission, no matter the plan type, funds can only be used for supports that are included in the plan and meet NDIS rules. However, 'who is making the payment, the level of detail required to support the payment and who checks the claims' does change:

> In a NDIA managed plan, the NDIA checks and pays providers. In a plan managed plan, the plan manager checks and pays providers using funds

[1] The Department of Health, Disability and Ageing (the Department), National Disability Insurance Agency (NDIA) and NDIS Quality and Safeguards Commission (NDIS Commission), *Submission 42*, p. 6.

> from the plan. In a self-managed plan, the participant submits invoices, pays providers, and then claims the money back from the NDIA.[2]

4.6 In addition, there is a large volume of claims made in the NDIS on a daily basis – between 600 000 and 660 000 claims per day.[3]

4.7 The joint submission explains that the scale of the NDIS, combined with these individualised funding models, requires 'a balance between flexibility and appropriate safeguards'. The submission explains that payments are made at high volume, and in some cases with limited pre-payment verification:

> … which places reliance on a combination of system controls, data analytics, and post-payment assurance activities.
>
> These features are an expression of the NDIS' objectives but also shape the integrity environment. As a result, integrity settings are designed to support appropriate use of funds, enable early identification of risk, and ensure participants continue to receive supports aligned with their plans.[4]

Systemic fraud concerns

4.8 The joint submission from the Department, NDIA and NDIS Commission indicates that fraudulent behaviour, identified through complaints and intelligence data, includes claiming for services that were not or only partially delivered, and 'overclaiming hours or supports beyond what was provided'. The submission explains that, similar to the issues raised in the previous chapter, this fraudulent activity often coincides with 'poor quality or unsafe supports and directly reduces participants' access to critical supports and services'.[5]

4.9 As noted in the joint submission, the Fraud Fusion Taskforce (the Taskforce) has identified eight 'patterns of recurring deficiencies' in Government Payment Programs, which enable high levels of fraud and abuse, and all of which are relevant to the NDIS. The patterns are:

- rushed deployment;
- lax entry standards;
- misaligned incentives and market design failures;
- complex design;
- unverified trust-based claims and approvals;
- under-resourced and reactive oversight;
- weak enforcement; and

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2 The Department, NDIA and NDIS Commission, *Submission 42*, p. 6.

3 Mr John Dardo, Deputy CEO, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard*, 1 May 2026, p. 31.

4 The Department, NDIA and NDIS Commission, *Submission 42*, p. 6.

5 The Department, NDIA and NDIS Commission, *Submission 42*, p. 8.

- poor Australian Public Service institutional memory and agility.[6]

Issues with payments and invoicing

4.10 The joint submission notes that the diversity of stakeholders in the NDIS highlights the complexity of the integrity risks in the Scheme. It further argues that providers and professionals 'represent a significant fraud risk within the NDIS', by engaging in activities such as overcharging; claiming for services which are not genuine supports; offering incentives or kickbacks which can 'include significant ongoing cash payments to nominees or participants valued at hundreds of thousands of dollars'; and conflicts of interest 'where entities have been established to facilitate and obfuscate inappropriate related party claiming by nominees or participants'.[7]

4.11 Professionals, including allied health professionals, may also compromise NDIS integrity, through providing false or inflated information, overcharging and double billing (for example, through both Medicare and the NDIS), and 'providing services without appropriate qualifications, registration or compliance with professional codes'.[8]

4.12 Participants and nominees may also be subject to or involved in fraudulent behaviour. The joint submission observes that the NDIA 'takes a proportionate approach to responding to the full range of behaviours involving nominees and participants', which can include genuine errors when navigating complex claiming and plan management processes, but may also extend to knowingly engaging in illegal activity or fraud.[9]

4.13 In addition to these points, the committee received further evidence about the inadequacies in the NDIS invoicing and payment process, which was having an impact on NDIS integrity and financial leakage from the Scheme.

4.14 The point was made to the committee that the issues with claiming practices were not limited to the NDIS. The Department of Veterans' Affairs pointed to an increase in unethical behaviour in recent years, in the programs it administers, including 'overcharging and duplicate claiming, including duplicate invoices or reports, and excessive billing'.[10]

4.15 Propel Pathways argued that low-level irregularities such as 'misaligned billing, service substitution or cancellation practices may appear minor individually,

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6 The Department, NDIA and NDIS Commission, *Submission 42*, pp. 8–9.

7 The Department, NDIA and NDIS Commission, *Submission 42*, pp. 9–10.

8 The Department, NDIA and NDIS Commission, *Submission 42*, p. 10.

9 The Department, NDIA and NDIS Commission, *Submission 42*, p. 11.

10 Department of Veterans' Affairs, *Submission 72*, p. 1.

but 'cumulatively result in significant financial loss'. Propel Pathways continued that:

> The increasing reliance on automated processing systems within the NDIS has introduced additional integrity risks. In practice, current system settings do not consistently detect duplicate invoices or prevent inappropriate charging practices, such as the application of provider travel costs in conjunction with late cancellation fees. These types of claims can be processed without triggering review mechanisms, allowing non-compliant or inappropriate charges to be paid from participant plans.[11]

4.16 Kismet identified 'several persistent patterns of concern', including poor invoice quality (for example, being hand-written) and traceability, 'making it difficult to assess whether a claimed support was reasonable, necessary, and plan aligned'. Further, there was a 'fundamental gap between the detail in a participant's plan and the detail on an invoice'. Kismet called for clear minimum standards for invoice verification, and elevated scrutiny for reimbursement claims, which carry higher fraud risk.[12]

4.17 Support Management Solutions raised similar concerns, noting that plan managers regularly encountered vague or non-descriptive invoices; inconsistent or non-transparent pricing, and services that were difficult to verify against the intent of a participant's plan.[13]

4.18 Carers Australia called for 'clear, standardised service agreements, transparent billing practices, and improved visibility of real-time of plan spending', so participants and their carers could better understand how NDIS funds were being used.[14]

The role of plan managers

4.19 Some of the evidence to the committee was of the view that a large component of the fraud and integrity issues facing the NDIS were being driven by provider claiming and quality issues, and by conflicts of interest.

4.20 For example, the joint submission observes that intermediaries like plan managers and support coordinators are 'uniquely positioned to identify and report potential fraud'. Conversely, this same position also presents a 'heightened risk for involvement in, or facilitation of, fraudulent activity', exacerbated by collusion with other intermediaries to perpetrate fraud at a larger scale.[15]

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11 Propel Pathways, *Submission 60*, p. 4.

12 Kismet, *Submission 24*, pp. 2 and 4.

13 Support Management Solutions, *Submission 59*, p. 3.

14 Carers Australia, *Submission 63*, p. 13.

15 The Department, NDIA and NDIS Commission, *Submission 42*, p. 10.

4.21 The submission states that a fraud risk assessment showed that over 90 per cent of the smallest 1000 plan managers had fraud risk indicator flags—placing a heavy reliance on post payment audits and investigations. The submission observes that:

> Plan managers require approximately 100 participants to generate $120,000 revenue annually. Two thirds of plan managers provide services for 100 or less participants, which suggest that income is being generated through other service provision. In practice, this creates a risk that participants may be steered towards services delivered by the same organisation or its associates, undermining genuine choice and control.[16]

4.22 The following examples of fraudulent and non-compliant behaviour by intermediaries like plan managers includes:

- facilitating inappropriate overspending of NDIS plans (including supporting the rapid expenditure of funds from a participant's plan then supporting a request to the NDIA for more funding, without a change in circumstances);
- serious misconduct, including 'theft, coercion, intimidation, and identity theft';
- conflicts of interest where participants are steered towards 'providers, services, or spending decisions' that benefit the intermediary and not the participant;
- unethical or sharp practices (for example, collusion with other providers or giving misleading advice); and
- poor verification and record keeping processes.[17]

4.23 Conversely, plan managers saw their role as being key to the integrity work being undertaken in the NDIS. Disability Intermediaries Australia (DIA) argued that plan managers actively work to stop claims before they are made. For Q3 of 2025–26, for example, DIA's members received invoices totalling $2.156 billion; rejected $270.5 million of invoice value from this total prior to submission to the NDIA; and submitted $1.886 billion to the Agency, of which the NDIA's post-payment controls 'subsequently rejected $33.9 million (1.8% of claims lodged)'. DIA argued:

> These figures highlight the scale of integrity work plan managers perform before a claim ever reaches the scheme. The value stopped by plan managers pre-payment was almost eight times the value caught by the NDIA's post-payment controls on the same claims — meaning approximately 89% of all

[16] The Department, NDIA and NDIS Commission, *Submission 42*, p. 14.

[17] The Department, NDIA and NDIS Commission, *Submission 42*, p. 10.

> rejected claim value in the quarter never reached the NDIS because a plan manager intercepted it first.[18]

4.24 Similarly, it was observed that self-managers have direct oversight over what services have or have not been provided to the participant. As such, self-managers can carefully scrutinise invoices and ensure that charges are both reasonably priced and reflect the services provided, which is an important integrity and safeguarding measure.[19]

Conflicts of interest

4.25 Conflicts of interest can express themselves in various ways throughout the NDIS, and can be driven by providers, family members, and the operating environment (for example, thin markets). The committee received evidence suggesting that conflicts of interest were a key integrity and compliance issue facing the NDIS, with submitters and witnesses putting forward suggestions for improvements.

4.26 A number of submitters indicated that they had observed conflicts of interest from support coordinators and providers, which had a negative impact on NDIS participants and the quality of service they received.[20]

4.27 The NDIS Review in 2023 discussed issues with conflict of interest and support coordinators, saying:

> There is mixed feedback on the quality of support coordination. We have heard of some providers that are very highly valued by participants and their families, as well as other providers that are not providing support with sufficient care, skill or integrity. There is little consistency in the support coordination market and participants can experience a lottery of whether their provider or specific Support Coordinator is effective or not.
>
> There is also strong concern about conflict of interest and client capture when providers or other NDIS services also provide support coordination to participants. This is of particular concern when participants have limited natural safeguards.[21]

4.28 A common example of a conflict of interest reported by submitters involved support coordinators or providers linking participants with other support

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[18] Disability Intermediaries Australia, answer to a question on notice, 21 May 2026 (received 11 June 2026).

[19] Ms Meredith Coote, Secretary and Ms Sam Paior, Founder and Board Member, Self Manager Hub, *Proof Committee Hansard*, 15 May 2026, p. 19. See also: Kismet, *Submission 24*, [p. 3].

[20] See, for example: Centre for Disability Research and Policy, the University of Sydney, *Submission 8*, p. 3; Dr Harry Rothenfluh, *Submission 58*, [p. 1.]; Consumers of Mental Health WA, *Submission 66*, p. 6.

[21] NDIS Review, *Working together to deliver the NDIS: Independent Review into the National Disability Insurance Scheme Final Report*, October 2023, p. 100.

workers who are employed by the same overarching provider, or with someone they have a relationship with.[22]

4.29 CoMHWA stated that this behaviour constrains choice and prioritises profits over a participant's ability to make informed choices about the right provider for them.[23]

4.30 Dr Harry Rothenfluh gave the example of his brother's experience in Supported Independent Living (SIL). Dr Rothenfluh stated that he had dealt with providers who had clear conflicts of interest, for example, a provider's SIL house was a former family home in which a non-disabled brother of the company director lived, as well as another brother with a disability on a SIL plan, and their father worked as an on-site support provider in the home. Dr Rothenfluh noted that he understood that the NDIS Commission had dealt with this provider, and described the impact this experience had on his brother:

> … the primary objective of the support provider was to look after their family. As a result, neither provider paid enough attention to my brother's NDIS plan goals, nor did they undertake effective activities to support him achieving these goals.
>
> I cannot understate the negative impact of such negligence. The impact on my brother was that his ability to communicate regressed and he made no progress at all toward living more independently. He became more introverted and engaged less with family and friends.[24]

4.31 Integrated Disability Action Inc. called for stronger separation between support coordination, plan management and service delivery, and recommended the introduction of 'clearer guidelines and enforcement around conflict-of-interest practices'.[25]

Plan management market

4.32 The Explanatory Memorandum (EM) to the National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026 (Future Generations Bill) explains that the plan management market is 'highly concentrated, with a small number of large providers having majority market share'. Despite this, a significant proportion of providers support 'a very small number of participants', and the NDIA has identified several consequential risks with these settings:

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[22] See, for example: Centre for Disability Research and Policy, the University of Sydney, *Submission 8*, p. 3; Consumers of Mental Health WA, *Submission 66*, p. 6; Villamanta Disability Rights Legal Service, *Submission 67*, p. 8.

[23] Consumers of Mental Health WA, *Submission 66*, p. 6.

[24] Dr Harry Rothenfluh, *Submission 58*, [p. 1.]

[25] Integrated Disability Action Inc., *Submission 14*, pp. 5–6.

> … smaller plan management providers are more likely to exhibit risk factors for conflicts of interest, collusion, fraud and poor record-keeping. This fragmented and lightly regulated market makes consistent oversight difficult and leaves the system vulnerable to misuse.[26]

4.33 While all plan management providers must be registered NDIS providers, there is evidence suggesting that there are plan managers providing low quality services and/or engaging in unscrupulous practices. The issues with plan management are many, and in particular with smaller providers, as detailed below:

> The plan management market faces widespread integrity and compliance problems, with many plan management providers failing to properly verify claims, engaging in conflicts of interest and facilitating noncompliant or fraudulent spending. Criminal groups exploit weak oversight, using inactive or phoenixing ABNs and false invoices to access NDIS funds. Regulation is limited, service standards vary significantly, and the Agency has little visibility or influence over plan management provider practices, especially among the many small providers with poor record keeping and high rates of self-payment. This fragmented market makes consistent oversight difficult and leaves the system vulnerable to misuse.[27]

4.34 This was echoed in evidence to the committee from Ms Penelope McKay, Deputy Chief Executive Officer, Partners, Providers and Home Living at the NDIA, who said:

> In terms of the plan management market…there are 3,000 plan managers that are registered and only about 1,300 that are active. The plan management market is very concentrated, so the top 10 plan managers in terms of size have about 40 per cent of the market. What has been shown through the NDIS review, as well as the commission's own-motion inquiry into support coordination and plan management, is that there are concerns regarding the long tail of small providers. There are instances of integrity concerns, conflicts of interest and plan managers paying themselves downstream in relation to the service provided. So we do have concerns about that long tail, where the integrity standards are not where they should be.[28]

4.35 Ms Alisa Chambers, Deputy Commissioner at the NDIS Commission advised that the Commission had worked closely with the NDIA to use data to improve its assessment of plan managers at registration stage:

> Plan managers are required to be registered with us, so we've enhanced our assessments with an emphasis on competency and those screening

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[26] National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, Explanatory Memorandum (EM), pp. 70–71.

[27] National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, EM, p. 108.

[28] Ms Penelope McKay, Deputy Chief Executive Officer, Partners, Providers and Home Living, NDIA, *Proof Committee Hansard*, 1 May 2026, p. 29.

> requirements. We've lifted the bar for qualification and competency in the market, and we're now starting to see some improvements in that particular market.[29]

4.36 These views were echoed by Ms Catherine Myers, Deputy Commissioner at the NDIS Commission, who said:

> The work that we have done with the NDIA in better understanding the risk profile of this segment of the market has resulted in further due diligence and improvements to our assessment processes.[30]

Addressing financial integrity leakage

4.37 The committee was told of various ways in which improvements had been made to the NDIS payment system, to address fraudulent claiming and payments.

4.38 According to the joint submission, random payment sampling in 2022-23 found a 'payment assurance error rate of 4.2%, equal to around $1.5 billion per annum'. Investments in NDIS fraud detection and prevention, including through the Fraud Fusion Taskforce (the Taskforce) and through legislative amendment, have:

> … allowed significant advancements to be made in fraud detection and prevention. However, as the system has improved, it has exposed additional integrity issues that were not previously visible.

4.39 By way of example, Mr John Dardo of the NDIA explained the historical arrangements in place for payment claims made in the NDIS, before 2022:

> Before 2022, what we were seeing was that a participant could log in and could claim an amount—$5,000, $7,000 or $10,000—with no ABN, no text description and no invoice, and it would be paid. It might be picked up in one of the 20 transactions that needed to be looked at per day, but overwhelmingly they weren't. Once we started to say, 'We need an ABN, a text description and evidence uploads,' what that created was a higher likelihood that a participant understood that they needed to give us a claim that was evidenced and a description associated with it. So we turned those things on.[31]

4.40 Mr Dardo also explained the changes made after September 2022 to address fraudulent claims and improve the integrity of the payments system, and in particular through the Crack Down on Fraud Program which launched in February 2024:

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[29] Ms Alisa Chambers, Deputy Commissioner, NDIS Quality and Safeguards Commission, *Proof Committee Hansard*, 1 May 2026, p. 39.

[30] Ms Catherine Myers, Deputy Commissioner, NDIS Quality and Safeguards Commission, *Proof Committee Hansard*, 1 May 2026, p. 39.

[31] Mr John Dardo, Deputy CEO, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard*, 1 May 2026, p. 27.

> One of the first things we built when we got funding for the crackdown on fraud systems uplift was the ability to delay all payments by 24 hours to give us 24 hours to look at them. The second thing we built was the ability to do a bulk view and extraction of as many as we needed to pull out, so we could pull out a thousand, 10,000 or 100,000, and the ability to bulk hold, so, instead of being able to only hold 20 payments a day, we could hold as many as we needed to hold. The ability to do those basic things that you would expect in a risk based system didn't exist. We built them, and then we were able to start putting intelligence over the top of that and to think about what the risk attributes are that make a claim detectable and treatable. We now assess more claims in a day than could be done before 2022 in a year. So, in any given year, they had a physical limit of what they could do. We can now assess more claims in a day than they could in a year.[32]

4.41 Improved upfront detections means the Agency is not investigating matters after payment, but instead 'ensuring integrity from the outset so that people can have confidence when they engage with the system', either as a participant or provider.[33] Mr Chris Birrer, Deputy Chief Executive Officer, Payments and Integrity at Services Australia explained that there was 'little use, where it is an actual fraudulent payment, attempting to find it afterwards' because the money 'moves quickly'. Conversely, if it is an inadvertent error and not a fraudulent claim:

> … having guide rails there that help people to get things right upfront means that people can engage with government payments with more confidence and don't have to have a fear that maybe they've made a mistake and have received an overpayment, which is something that's outside of the fraud realm, but having a participant or a recipient at the front of design by integrity means that you want to help people who want to get things right to get it right up front as well.[34]

4.42 Mr Dardo explained that increased payment visibility and capacity meant the Agency could start to build 'analytical functions and capabilities'. For example, if a claim was over a certain threshold, 'or triggered particular risk parameters', the claimant would now have to provide an invoice or evidence to support the claim, 'because up until then a participant did not have to give [the NDIA] any evidence when claiming'.[35]

4.43 The NDIA has developed 'primarily transaction-based risk indicators', but there remain 'sources of financial integrity loss that are currently not able to be

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[32] Mr John Dardo, Deputy CEO, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard*, 1 May 2026, p. 4.

[33] Mr Chris Birrer, Deputy Chief Executive Officer, Payments and Integrity, Services Australia, *Proof Committee Hansard,* 1 May 2026, p. 3.

[34] Mr Chris Birrer, Deputy Chief Executive Officer, Payments and Integrity, Services Australia, *Proof Committee Hansard,* 1 May 2026, p. 12.

[35] Mr John Dardo, Deputy CEO, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard*, 1 May 2026, p. 27.

statistically tested or measured'. The committee was told that the NDIA continues to improve detection and financial integrity measurement methodologies.[36]

4.44 The NDIA's new system will improve business intelligence, including identifying where a participant's spending is higher or lower than anticipated. It introduces an additional claim validation process for participants, while improving quality assurance processes and the way the Agency resolves payment claims, to ensure all claims are 'valid, can be claimed and are recorded correctly'.[37]

4.45 These amendments led to the NDIA having capacity to conduct, for example, manual payment reviews. The committee heard that this work had seen over 2500 providers removed from claiming against participants, with the majority of these providers posing a risk in the way they were claiming. Mr Dardo of the NDIA explained that:

> They were claiming for things that those participants were not getting, were not receiving and were not getting in terms of quality. Removing those problematic providers and redirecting participants to a high quality provider have got to be good for the scheme and good for the participants.[38]

4.46 A further benefit of these improvements to the system, the work of the Taskforce and addressing fraud upfront is the diversion of funds to genuine spending, combined with savings from stopping the fraudulent claiming of funds, as was outlined in Chapter 2.

4.47 In a further integrity measure, from 1 December 2026 the statutory timeframe for submitting claims will be reduced to 90 days (from the current two-year timeframe, introduced in October 2025). This amendment addresses the fact that claims submitted more than 90 days after service delivery are 'disproportionately associated with higher rates of claims that are not payable under the NDIS…and greater integrity risks, including opportunistic claiming'.[39]

Regulatory enforcement

4.48 The Future Generations Bill proposes to equip the NDIA with a 'broader suite of regulatory and enforcement powers to deter bad actors who seek to exploit

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36 The Department, NDIA and NDIS Commission, *Submission 42*, p. 12.

37 NDIS, *Claims and payments in our new computer system*, 3 May 2026, www.ndis.gov.au/claims-and-payments-our-new-computer-system (accessed 16 June 2026).

38 Mr John Dardo, Deputy CEO, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard*, 1 May 2026, pp. 3 and 28.

39 Claims outside of 90 days may still be accepted in exceptional circumstances, in order to maintain flexibility for those with genuine barriers to timely claiming; National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, EM, p. 107.

the Scheme', and to ensure the NDIA can undertake its statutory functions without reliance on external law enforcement agencies, like the Australian Federal Police (AFP)—which can 'cause delays and risk the success of prosecutions and other responses'. The bill would also provide for the imposition of civil penalties, which legal action might not be appropriate or necessary, thus 'providing a middle ground for tackling non-compliance'.[40]

4.49 The Future Generations Bill would extend the monitoring and investigation powers in Parts 2 and 3 of the *Regulatory Powers Act* to the NDIA, allowing it to 'investigate serious fraud and non-compliance in relation to claims and payments in the NDIS'. The EM explains that:

> These powers will enable the Agency to fulfil its statutory function under section 118(1)(ba) of the [NDIS] Act in preventing, detecting, investigating and responding to misuse or abuse of, or criminal activity involving, the NDIS. Additionally, this Part gives the CEO the power to give a compliance or infringement notice, and to seek an enforceable undertaking, in relation to a range of new civil penalties.[41]

4.50 New civil penalties would also be introduced, for matters including the acquittal of NDIS amounts, requirements to provide information and the provision of fraudulent information (among other penalties).[42]

4.51 The NDIA would further be equipped with the necessary information gathering powers to ensure the effective implementation of its compliance, investigative and integrity functions, and to make sure information obtained from participants and prospective participants 'can be used, where appropriate, to support integrity and investigative activities'. Amendments proposed by the bill will provide clear safeguarding provisions while allowing the NDIA to:

> … access necessary information to support compliance activities, including investigations into potential misconduct, and to provide appropriate evidentiary support for enforcement or referral to law enforcement bodies.[43]

Retaining records

4.52 The Future Generations Bill also puts forward important reforms in relation to records management for payment claims, an important part of the regulatory enforcement environment.

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40 National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, EM, p. 70.

41 National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, EM, p. 75.

42 National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, EM, p. 75.

43 National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, EM, pp. 100–101.

4.53 The Bill will make amendments addressing the fact that there is 'no universal, enforceable obligation to retain records or evidence relating to the payment of NDIS amounts', despite the fact the volume of daily claims means post-payment assurance activities are key. The NDIA 'frequently encounters missing, incomplete or unreliable documentation, which limits its ability to verify claims and take appropriate compliance action'.[44]

4.54 The joint submission notes that currently, plan managers are not required to upload documentary evidence with every claim made, however all claims must be substantiated upon request from the NDIA. The submission continues that:

> Audits and enforcement action show that missing, poor quality, or poorly linked records are a common cause of non-compliance, and that evidence is not always consistently collected or retained by plan managers.[45]

4.55 In order to address this, the bill:

> … addresses this integrity gap by establishing a statutory record keeping obligation for providers, participants and other persons to retain records relating to claims and the provision of supports for specified minimum periods. This obligation will be supported by NDIS rule making powers to prescribe the types, formats and minimum standards of records, ensuring sufficient clarity to support compliance while allowing flexibility that would not be achievable in primary legislation.[46]

Digital reform

4.56 The 2023 Independent Review into the NDIS found that NDIS processes and systems could be improved to better enable 'market stewardship, monitoring, and protect the scheme from non-compliance, sharp practice and fraud'.[47]

4.57 The NDIS Review recommended investment in NDIS digital infrastructure, to ensure accessible, timely and reliable information and streamlined processed, that 'strengthen NDIS market functioning and scheme integrity'. The NDIS Review found that moving to electronic payment would ensure Scheme integrity, because 'no organisation or worker supporting people with disability should be able to fly under the radar'.[48]

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44 National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, EM, p. 103.

45 The Department, NDIA and NDIS Commission, *Submission 42*, p. 13.

46 National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, EM, p. 103.

47 NDIS Review, *Working together to deliver the NDIS: Independent Review into the National Disability Insurance Scheme Final Report*, October 2023, p. 160.

48 NDIS Review, *Working together to deliver the NDIS: Independent Review into the National Disability Insurance Scheme Final Report*, October 2023, pp. 10 and 45.

4.58 The Review further stated that 'investments in information technology, capacity and capability should be made to improve prevention, detection and responses to non-compliance, sharp practices and fraud in the Scheme'. The Review put forward suggestions for implementation:

> Where possible, existing fit-for-purpose government technologies, such as myGov, should be used or built upon. Investments should align with the Australian Government's future Data and Digital Government Strategy, and form part of a holistic approach in protecting the integrity of the scheme and the broader NDIS digital transformation strategy and roadmap.[49]

Digital identification

4.59 Evidence to the committee echoed the views of the Independent Review, by suggesting that maintaining integrity and public confidence in the Scheme would be achieved through improved design to the payment system, including through digital payments and improved digital identification.

4.60 Fraud detection and prevention measures are being improved through strengthened identity validation, including amendments to the way 'NDIS providers and their associated personnel validate their identity when accessing NDIS Commission portals'. In late 2025, the NDIS Commission commenced its participation in the Australian Government Digital ID System:

> As of March 2026, 36.2% of NDIS providers [had] started accessing NDIS Commission portals using Digital ID with Relationship Authorisation Manager. This enables the NDIS Commission to have stronger controls of who is in the NDIS market to prevent fraud and safeguard participants.[50]

4.61 The Australian Government's Relationship Authorisation Manager (RAM) allows businesses to simplify their interactions with government agencies and manage business authorisations, and ensures thorough digital identification processes have been completed through the Digital ID process.[51] The RAM links ABNs to individuals who are operating a business (or acting on behalf of a business), and have had their identify verified (for example, through myID).[52]

4.62 The committee was told that digital identification is constantly being uplifted and matured, for participants logging into the system to make a claim. Mr Dardo explained that digital identities were implemented for registered providers logging into NDIA systems:

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49 NDIS Review, *Working together to deliver the NDIS: Independent Review into the National Disability Insurance Scheme Final Report*, October 2023, p. 164.

50 The Department, NDIA and NDIS Commission, *Submission 42*, p. 21.

51 Australian Government, *What is Digital ID?*, www.digitalidsystem.gov.au/what-is-digital-id (accessed 15 June 2026).

52 Australian Government, *Get your business started with RAM*, https://info.authorisationmanager.gov.au/ (accessed 15 June 2026).

> Digital identity gave us the ability to say we know the provider ABN that's logging in, but more importantly we know that it's Bob or Martha sitting behind that ABN that's pressing the button to lodge a claim or to view data in our portal. That was important. That did not exist before we implemented it as part of the uplift [in 2022].[53]

Price setting in the NDIS

4.63 The joint submission points out that unfair pricing practices is a key NDIS integrity challenge, through disruptions to the market and impacts on service delivery.[54] This view was echoed in evidence to the committee.

4.64 For example, Mr Michael Perusco of the National Disability Services (NDS) said that the current 'one-size fits-all approach to pricing is driving a lot of problems at the moment', creating an environment where 'the wrong providers are thriving'. Mr Perusco considered that 'the minister receiving advice from the agency and the department' regarding differentiated price settings was an 'important first step' in reform, noting that the NDS considers:

> … that pricing is a very important tool in driving the provider market that you want and the quality of the provider market that you want. In order for that to occur you need to have a very sophisticated approach and avoid unintended consequences.[55]

4.65 Ms Karen Stace, Director of Policy and Advocacy at NDS made the point that integrity in the NDIS could not be 'achieved through enforcement alone'. Ms Stace said it requires 'system settings with the right incentives, including pricing to shape the market we need'.[56]

4.66 Mr Andrew Chesterman, Chief Executive Officer of the Endeavour Foundation, called for price setting in the NDIS to be 'decoupled from the NDIA cost containment objectives'. Mr Chesterman continued that:

> We want to differentiate pricing models that reward quality and complexity and rebalance the scale between large providers who invest in quality and compliance and smaller ones who do not.[57]

4.67 Alliance20 argued that:

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53 Mr John Dardo, Deputy CEO, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard*, 1 May 2026, p. 27.

54 The Department, NDIA and NDIS Commission, *Submission 42*, p. 16.

55 Mr Michael Perusco, Chief Executive Officer, National Disability Services, *Proof Committee Hansard*, 15 May 2026, p. 45.

56 Ms Karen Stace, Director of Policy and Advocacy, National Disability Services, *Proof Committee Hansard*, 15 May 2026, p. 43.

57 Mr Andrew Chesterman, Chief Executive Officer, Endeavour Foundation, *Proof Committee Hansard*, 15 May 2026, p. 35.

> The current pricing approach does not adequately recognise the cost of service provision, compliance, and alignment with industrial instruments and does not provide any incentive or reward for quality and safety; in fact, the current approach incentivises low-quality services.[58]

Pricing reforms

4.68 The NDIS Review found that NDIA price-setting was 'not always transparent and prices were sometimes bluntly applied', for example, through 'limited price differentiation when supporting participants with more complex needs'. The Review acknowledged:

> … the complexity in setting prices and that pricing needed to balance many objectives including promoting cost efficiency, stimulating innovation, encouraging the supply of quality supports, maintaining and building safeguards, and ensuring Scheme sustainability.[59]

4.69 The Review recommended that the Australian Government take a more active role in NDIS pricing and payments—a role which has been a function of the NDIA since the Scheme commenced, including through the Annual Pricing Review to determine what, if any, changes are required to NDIS prices.

4.70 The Future Generations Bill provides the minister with the power to make pricing determinations, including setting out a maximum amount for the acquisition or provision of an NDIS support or class of NDIS supports.[60]

4.71 The minister's pricing determination can also deal with 'any other relevant matters', to ensure timely responses to changing market conditions and unexpected events. In addition, the bill provides for differentiated pricing for different types of supports or support delivery, depending on:

- support intensity (e.g. higher maximum prices for more complex support needs);
- remoteness (e.g. where higher prices are necessitated due to remoteness); and
- whether the support is delivered in-person or remotely.[61]

Data collection and information sharing

4.72 As noted by the Department, NDIA and NDIS Commission in their joint submission, the integrity of the NDIS 'is fundamentally dependent on effective

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58 Alliance20, *Submission 28*, p. 3.

59 National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, EM, p. 115.

60 National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, EM, p. 115.

61 National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, EM, p. 120.

data and information sharing across agencies', with weaknesses in both data and information sharing a 'significant vulnerability in the NDIS, enabling fraud, non-compliance, and serious organised crime'.[62]

4.73 For example, the Australian Criminal Intelligence Commission (ACIC) told the committee:

> Fraud risks in the NDIS are also evident in a broader, whole-of-government context. ACIC intelligence identifies repeat and cross-program offending, where individuals and networks previously subject to compliance or enforcement action in other Commonwealth programs subsequently re-emerge in the NDIS. This pattern highlights the challenges posed by fragmented information-sharing arrangements and the absence of a consolidated, cross-program view of provider risk and suitability frameworks.[63]

4.74 In addition, historical legislative barriers to data sharing have meant that offenders could evade detection by exploiting information gaps, because:

> … no single agency held a complete view of participant plans, provider behaviour, payment patterns, and linked entities, making it difficult to identify hidden relationships, coordinated fraud, or criminal facilitation networks.[64]

4.75 By way of example, the Australian Taxation Office (ATO) noted that while it was able to share information relevant to addressing fraud in the NDIS, it could not share data in relation to general non-compliance by providers. The ATO explained that in practice:

> … data matching is much more effective when there is high confidence as to the identity of those sought to be reviewed (eg suppliers), generally requiring the use of common identifiers. While the NDIS maintains its current structure, with a high proportion of unregistered suppliers, data matching with ATO data, even if permitted, may not be particularly effective.[65]

4.76 The joint submission concludes that the lack of real-time and cross program data, strong data matching and intelligence sharing has meant that enforcement action has often been reactive, 'occurring only after significant financial loss or participant harm has already occurred'. In addition:

> Limited access to real-time and cross program data has also reduced agencies' ability to proactively detect anomalous claiming patterns, identity misuse, invoice manipulation, and provider syndication.[66]

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62 The Department, NDIA and NDIS Commission, *Submission 42*, p. 15.

63 Australian Criminal Intelligence Commission, *Submission 3*, p. 5.

64 The Department, NDIA and NDIS Commission, *Submission 42*, p. 15.

65 Australian Taxation Office, *Submission 32*, p. 3.

66 The Department, NDIA and NDIS Commission, *Submission 42*, p. 15.

4.77 Mr Dardo reiterated that as the NDIA processed 660 000 claims per day, and there were hundreds of thousands of providers, the NDIS is 'not a scheme you can audit or prosecute into compliance':

> By definition, if you want to build integrity into the design, you've got to do more things at the front to know who is claiming, what they're claiming for, whether it's consistent with what we need and whether they've got attributes that make them look like a genuine provider. You can't, over time, build integrity into this scheme through audit or prosecution. It must be done through design at an earlier point in time—and data is part of that.[67]

4.78 Evidence to the committee supported improvements to data collection and analysis, to better identify high-risk area and for the NDIA and NDIS Commission to intervene in a more targeted and effective way.[68]

4.79 Outside of the work of government agencies, there was also support for the improved collection and use of data. For example, it was put to the committee that workforce data could help to support evidence-based workforce planning, for example, by improving national allied health workforce information.[69]

4.80 In noting that the work of the Taskforce was proactive, Mr Mark Woodland of Kismet Healthcare, offered support for providing de-identified data back to government agencies, so that government could access real-time information as part of transparency and integrity measures.[70]

4.81 The Australian Psychological Society also suggested that the NDIA and the NDIS Commission work with peak bodies to share disaggregated data on non-compliance by provider type and registration status. The Society explained:

> Greater transparency in this area would allow professional bodies, policymakers, and the public to develop an accurate, evidence-based understanding of where non-compliance is actually concentrated. Such steps would equip bodies like the APS to respond appropriately and credibly on behalf of their members.[71]

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67 Mr John Dardo, Deputy CEO, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard*, 1 May 2026, p. 44.

68 See, for example: Integrated Disability Action Inc, *Submission 14*, p. 6; Name Withheld, *Submission 90*.

69 Services for Australian Rural and Remote Allied Health, *Submission 51*, p. 5.

70 Mr Mark Woodland, Chief Executive Officer, Kismet Healthcare, *Proof Committee Hansard,* 15 May 2026, p. 10.

71 Australian Psychological Society, *Submission 30*, p. 2.

Chapter 5
Provider and worker registration, and market oversight

5.1 This chapter considers provider and worker registration in the context of the integrity of the National Disability Insurance Scheme (NDIS/Scheme). An outline of the current rules for provider and worker registration in the NDIS is provided, including a summary of the findings of the NDIS Provider and Worker Registration Taskforce.

5.2 The chapter also canvasses the views of submitters relating to registration and integrity in the NDIS. It considers the role of the NDIS Quality and Safeguards Commission (NDIS Commission) in monitoring market behaviour and discusses commissioned service models.

Policy framework for registration

5.3 Registration of NDIS providers is a key element of NDIS integrity. Greater knowledge and oversight of providers operating in the market supports improved compliance and enforcement activities, while addressing fraud and sharp practices.

5.4 In a joint submission, the Department of Health, Disability and Ageing (the Department), NDIS Quality and Safeguards Commission (NDIS Commission), and the National Disability Insurance Agency (NDIA) explained the benefits of providers being registered:

> Whilst provider registration alone doesn't prevent fraud, it is an important integrity mechanism. It enables appropriate oversight, monitoring and provider obligations that support the delivery of quality supports aligned to participants' individual needs and rights. Registration is a key preventative regulatory lever for the NDIS Commission to prevent integrity issues from occurring, by excluding bad actors from entering the market.[1]

Registered vs unregistered providers

5.5 Whilst all providers who deliver supports and services to NDIS participants are regulated by the NDIS Commission, not all providers are required to be registered. While registration increases the visibility of providers for regulation of the market, having a mixed model allows for greater choice and control for participants in accessing a variety of NDIS services and supports.

5.6 Currently, the vast majority of providers in the NDIS market are unregistered. As of March 2026, there were 277 376 providers in the NDIS market. Of these,

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[1] The Department of Health, Disability and Ageing (the Department), National Disability Insurance Agency (NDIA), and NDIS Commission, *Submission 42*, p. 19.

264 970 are unregistered and 17 717 registered, equating to 95.5 per cent of providers being unregistered.[2]

5.7 Registered providers are audited against the relevant NDIS Practice Standards and undergo suitability assessments by the NDIS Commission before being issued a certificate of registration, which generally lasts for three years.[3] A registered provider must:

- be compliant with the applicable NDIS Practice Standards, the NDIS Code of Conduct, and applicable state, territory, and Commonwealth laws;
- have effective systems and practices for managing complaints and incidents;
- ensure workers in certain roles, including key personnel, have NDIS Worker Screening clearances; and
- meet notification requirements, quality audit requirements, and, if applicable, behaviour support requirements.[4]

5.8 The NDIS Commission stated that, following registration, registered providers have 'ongoing suitability and compliance requirements, which aim to promote continuous improvement to support progressively higher standards of supports and enable early identification of emerging risks'.[5]

5.9 Unregistered providers can only deliver supports and services to participants who self-manage or plan-manage their NDIS funding. Unregistered providers must adhere to the Code of Conduct.[6]

5.10 Only registered providers are able to provide supports to:

- specialist disability accommodation (SDA);
- specialist behaviour support services;
- supports or services to NDIS participants with NDIA-managed funding;
- plan management services;
- supported independent living (SIL); and
- NDIS digital platform providers.[7]

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2 NDIA, *NDIS Quarterly Report Q3 2025–26*, March 2026, p. 104.

3 NDIS Commission, *About registration*, 5 June 2026, www.ndiscommission.gov.au/provider-registration/about-registration (accessed 12 June 2026). Note: the NDIS Practice Standards can be found at: www.ndiscommission.gov.au/rules-and-standards/ndis-practice-standards

4 NDIS Commission, *About registration*, 5 June 2026, (accessed 12 June 2026).

5 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 19.

6 NDIS Commission, *About registration*, 5 June 2026, (accessed 12 June 2026). Note: the Code of Conduct can be found at: www.ndiscommission.gov.au/rules-and-standards/ndis-code-conduct

7 NDIS Commission, *About registration*, 5 June 2026 (accessed 12 June 2026). Note: an NDIS digital platform provider is an online platform that acts as an intermediary for participants seeking to access NDIS supports with people providing supports to participants, and payments for these supports are processed through the platform using NDIS funding participants plans. See: NDIS

NDIS Provider and Worker Registration Taskforce

5.11 In February 2024, following a recommendation of the 2023 Independent Review into the NDIS (the NDIS Review), the government formed an NDIS Provider and Worker Registration Taskforce (the Registration Taskforce) to provide independent advice on a proposed graduated, risk-proportionate regulatory model for NDIS providers and workers.[8]

5.12 The Registration Taskforce published its report in August 2024, putting forward recommendations and actions, including on the design and implementation of the graduated risk-proportionate regulatory model, where registration is based on the risk related to the type of supports being offered.

5.13 The Registration Taskforce recommended the creation of four categories of registration based on risk, and a fifth non-registered category which covers goods from mainstream retailers where no direct support is provided to the participant.[9] The four categories of registration included:

(a) Advanced Registration: Providers who offer high-risk supports and services such as supports delivered in high-risk settings, such as daily living supports delivered in formal closed settings like group homes.
(b) General Registration: Providers who offer medium-risk supports such as high intensity supports (such as high intensity daily personal activities), supports that require additional skill and training (such as complex bowel care or injections) and supports involving significant 1:1 contact with people with disability.
(c) Self-Directed Support Registration: Participants, their guardian or legal representative who direct contract all of their supports, including through direct employment, Services for One and independent contractors.
(d) Basic Registration: Providers who offer lower-risk supports such as some sole traders and supports such as social and community participation and supports involving more limited 1:1 contact with people with disability.[10]

5.14 The Registration Taskforce stated:

Commission, Mandatory registration and transition pathways for NDIS digital platforms (accessed 12 June 2026).

8 Note: Recommendation 17 of the NDIS Review recommended that the government 'develop and deliver a risk-proportionate model for the visibility and regulation of all providers and workers, and strengthen the regulatory response to long-standing and emerging quality and safeguards issues'. See: NDIS Review, *Working together to deliver the NDIS: Independent Review into the National Disability Insurance Scheme – Final Report*, 2023, p. 215.

9 NDIS Provider and Worker Registration Taskforce, *NDIS Provider and Worker Registration Taskforce Advice*, 2 August 2024.

10 NDIS Provider and Worker Registration Taskforce, *NDIS Provider and Worker Registration Taskforce Advice*, 2 August 2024, p. 26.

> We recognise that a one size fits all approach to registering supports is not consistent with a modern approach to regulation and it does not support the progressive realisation of the human rights of people with disabilities. That is, deeming specific services to be inherently risky on the basis of the types of support services that are provided to people with disability without consideration of other factors, is incomplete.[11]

Registration and integrity in the NDIS

5.15 The different requirements for registered and unregistered providers were discussed throughout the inquiry, including how various models of provider registration could help improve integrity in the NDIS and address fraud and non-compliance.

The current model

5.16 Some submitters described the current mixed model of registered and non-registered providers as being an unequal two-tiered system which unfairly penalises registered providers and negatively impacts on participants.[12]

5.17 Endeavour Foundation described the current market as 'a two-tier provider market' with registered and unregistered providers, creating 'serious gaps in safeguards and financial oversight, enabling unethical conduct and fraud to proliferate and placing participants at risk'.[13]

5.18 National Disability Services (NDS) argued the uneven regulatory environment distorted market dynamics whereby registered providers 'incur high compliance and operating costs, while others delivering similar supports face fewer obligations and lower overheads'.[14] NDS expressed its view that regulatory settings were uneven, specifically:

> Different levels of oversight apply to providers delivering similar supports, resulting in inconsistent expectations and enforcement. This weakens incentives for quality and compliance and contributes to an uneven operating environment.[15]

5.19 Illawarra Disability Alliance (IDA) suggested the 'persistent and deliberate' under-regulation of providers had generated a two-tiered market, where 'ethical registered [not-for-profits] are disadvantaged, financially stressed, and, increasingly, exiting the sector'. The IDA argued that unregistered providers are 'delivering support without any accountability', with the impacts of non-

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11 NDIS Provider and Worker Registration Taskforce, *NDIS Provider and Worker Registration Taskforce Advice*, 2 August 2024, p. 26.

12 See, for example: Minda, *Submission 7*, [p. 2]; Illawarra Disability Alliance, *Submission 20*, pp. 2–3; Endeavour Foundation, *Submission 21*, p. 4.

13 Endeavour Foundation, *Submission 21*, p. 4.

14 National Disability Services, *Submission 31*, p. 7.

15 National Disability Services, *Submission 31*, p. 6.

compliance falling 'disproportionately on NDIS participants and their families, particularly those who are most vulnerable or have least capacity to self-advocate'.[16]

5.20 Similarly, Minda stated that unregistered providers 'do not carry the overhead costs of being registered and undertaking all that that entails and therefore achieve a much higher margin compared to registered providers'. Minda submitted that this system creates opportunities for sharp practices, such as unregistered providers offering 'incentives' to participants to sign up with them which could be anything from small gifts to free internet or 'free' cars. Minda stated that these unregistered providers are able to offer these incentives 'because of the size of profit they are making', and reflects why an 'appropriate mandatory registration' model for all providers is needed.[17]

Support for a graduated risk-proportionate model

5.21 The committee received support from submitters and witnesses for a graduated risk-proportionate model of registration, like the type recommended by the Registration Taskforce.[18] Many submitters emphasised the need for pricing mechanisms to be linked to registration as well.[19]

5.22 Alliance20 supported a risk-proportionate model of registration 'where providers of high-risk services and particularly services to people with complex needs would have the highest level of registration' and a 'lighter touch registration for more transactional services that are not as risky or as complex'. Ms Jo-Anne Hewitt, a member of Alliance20, explained:

> At the moment we know that a large proportion of the market is unregistered and so, therefore, there's no real visibility about incidents that occur, whether that's a safety concern, a health concern, a quality concern or even fraud unless somebody reports it. The commission does have oversight, of course, or has ability to step in where complaints are made about a non-registered provider, but they don't have mandatory reporting of those non-registered providers. It's reliant upon the general public, the participants or, indeed, other service providers to make those complaints.[20]

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16 Illawarra Disability Alliance, *Submission 20*, pp. 2–3.

17 Minda, *Submission 7*, [p. 2].

18 See, for example: Mr Andrew Chesterman, Chief Executive Officer, Endeavour Foundation, *Proof Committee Hansard*, 15 May 2026, p. 35; Ms Karen Stace, Director of Policy and Advocacy, National Disability Services, *Proof Committee Hansard*, 15 May 2026, p. 46; Ms Jo-Anne Hewitt, Member, Alliance20, *Proof Committee Hansard*, 15 May 2026, p. 48; Centre for Disability Research and Policy, the University of Sydney, *Submission 8*, p. 14; MS Australia, *Submission 19*, p. 5.

19 See, for example: Mr Andrew Chesterman, Chief Executive Officer, Endeavour Foundation, *Proof Committee Hansard*, 15 May 2026, p. 36; Alliance20, *Submission 28*, p. 3.

20 Ms Jo-Anne Hewitt, Member, Alliance20, *Proof Committee Hansard*, 15 May 2026, p. 48.

5.23 Endeavour Foundation urged the government to implement a risk-proportionate registration model to ensure all providers come under the NDIS Commission's jurisdiction and emphasised that a differentiated system of registration linked with pricing was important to better reflect quality providers in the market.[21] Mr Andrew Chesterman, CEO of Endeavour Foundation, stated:

> It's about making sure that registration and pricing reward quality, particularly quality for complexity. At the moment, the way that the scheme works is that there's a universal price, and it's regardless of the quality and complexity of the supports … there should be independent pricing, registration and pricing that rewards complexity—that differential pricing.[22]

5.24 Similarly, NDS advocated for a risk-proportionate regulatory system, different to the 'one-size-fits-all' registration system we currently have that does not account for the variety, size and complexity of providers and services in the market, and the participants they are serving. Ms Karen Stace, Director of Policy and Advocacy at NDS, told the committee:

> We think it needs to be a proportionate system …We do think there needs to be a level of oversight, and that can be on a continuum where it may be a very simple matter of providing some details and some base-level safeguarding requirements, potentially committing to the code of conduct. That could be all the way through to much more rigorous compliance where the risks are higher, the organisations are larger and they're working with more people with disability or with participants.[23]

5.25 Ms Judy Harper, Acting Chief Executive Officer of the Intellectual Disability Rights Service NSW (IDRS) made the point that registration was not necessarily a 'magic bullet', with poor behaviour often seen from registered providers. Ms Harper explained:

> It's about evaluation and monitoring. Again, it's about incentivising quality. Some of the providers who do astounding work are doing it because they have a genuine interest in and genuinely care about supporting the people they're working with and making a difference in their lives. They go to great lengths to employ quality practices and make sure that they're compliant. Where you've got providers who aren't showing that level of interest or desire, you would want to be questioning why they're actually registered as a provider and who they are providing support to.[24]

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21 Endeavour Foundation, *Submission 21*, p. 6; Mr Andrew Chesterman, Chief Executive Officer, Endeavour Foundation, *Proof Committee Hansard*, 15 May 2026, p. 36.

22 Mr Andrew Chesterman, Chief Executive Officer, Endeavour Foundation, *Proof Committee Hansard*, 15 May 2026, p. 36.

23 Ms Karen Stace, Director of Policy and Advocacy, National Disability Services, *Proof Committee Hansard*, 15 May 2026, p. 46.

24 Ms Judy Harper, Acting Chief Executive Officer, Intellectual Disability Rights Service, *Proof Committee Hansard,* 15 May 2026, p. 29.

5.26 Children and Young People with Disability Australia (CYDA) argued that a rigid or overly broad registration model might risk undermining the mix of formal, informal and mainstream supports on which children and young people with disability often rely, and made the point that registration alone does not guarantee safety or quality. CYDA called for a graduated, risk-proportionate registration model, which would 'ensure integrity measures do not inadvertently create new barriers to access or undermine participant choice and control'.[25]

Limits to registration

5.27 However, the committee also heard that registration alone may not be a sufficient measure to curb non-compliance, sharp practices and fraud.[26] Some submitters also noted concerns about the impact of registration on thin markets.[27]

5.28 Kismet welcomed increased registration requirements but noted that 'registration alone does not prevent non-compliance it must be coupled with real time monitoring that leverages data from across the payment chain'.[28]

5.29 IDRS warned that no system is perfect and the people who want to do the wrong thing will find a way to do so; it was therefore important to have a robust registration process utilising auditing and spot checks. Ms Harper of the IDRS stated:

> … registration is not the magic bullet or the solution to everything. It's about evaluation and monitoring [and] incentivising quality. Some of the providers who do astounding work are doing it because they have a genuine interest in and genuinely care about supporting the people they're working with and making a difference in their lives. They go to great lengths to employ quality practices and make sure that they're compliant. Where you've got providers who aren't showing that level of interest or desire, you would want to be questioning why they're actually registered as a provider and who they are providing support to.[29]

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25 Children and Young People with Disability Australia, *Submission 43*, p. 4. Similar points regarding thin markets and issues with a 'one size fits all' approach were made by Services for Australian Rural and Regional Allied Health, *Submission 51*.

26 See, for example: Ms Judy Harper, Acting Chief Executive Officer, Intellectual Disability Rights Service, *Proof Committee Hansard*, 15 May 2026, pp. 28–29; Ms Jo-Anne Hewitt, Member, Alliance20, *Proof Committee Hansard*, 15 May 2026, p. 49; Kismet, *Submission 24*, p. 4.

27 See, for example: MS Australia, *Submission 19*, p. 6; Allied Health Professions Australia, *Submission 34*, p. 8; National Aboriginal Community Controlled Health Organisation, *Submission 76*, p. 14.

28 Kismet, *Submission 24*, p. 4.

29 Ms Judy Harper, Acting Chief Executive Officer, Intellectual Disability Rights Service, *Proof Committee Hansard*, 15 May 2026, pp. 28–29.

5.30 MS Australia recognised the challenges of mandatory registration for providers and workers in rural and remote areas, stating that access to supports and services is limited in these regions and that unregistered providers would struggle to remain viable with the added burden of registration. MS Australia recommended that the NDIS implement an alternative provider and worker registration model for Modified Monash Model (MMM) regions 5–7, similar to that which is applied in aged care.[30]

5.31 Allied Health Professions Australia (AHPA) argued that 'any existing and future reforms to strengthen scheme integrity must be balanced with the need to maintain service viability', noting there are substantial risks in thin markets and participant access to supports.[31]

Government reforms

5.32 The government responded to the recommendations of the Registration Taskforce by implementing changes to require certain providers be registered with the NDIS Commission, conducting consultation on the design elements of a new regulatory model, and undertaking a review for the Commissioner-made NDIS Rules and NDIS Practice Standards.[32]

5.33 The NDIS Commission stated it has 'progressively strengthened registration assessment processes, including enhanced suitability assessments of providers and key personnel, greater scrutiny of integrity, quality and safety risks'.[33] Additionally:

> Recent increases in registration refusals and the use of conditions reflect an improved ability to identify integrity risks earlier and intervene where required.
>
> In the first half of 2025, the NDIS Commission refused 445 applications for registration based on suitability grounds. This is in comparison to 253 applications refused between July and December 2024. These refusals included grounds relating to the integrity of information provided in applications for registration and through leveraging insights from the [Fraud Fusion Taskforce].[34]

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30 MS Australia, *Submission 19*, p. 6.

31 Allied Health Professions Australia, *Submission* 34, p. 8.

32 NDIA, *Stronger registration to begin for NDIS sector*, https://www.ndis.gov.au/news/10371-stronger-registration-begin-ndis-sector16 September 2024, www.ndis.gov.au/news/10371-stronger-registration-begin-ndis-sector (accessed 12 June 2026); NDIS Commission, *About registration*, 5 June 2026 (accessed 12 June 2026); NDIS, Disability Royal Commission Progress Report 2025: Volume 10 – Disability services, 27 November 2025 (accessed 12 June 2026); Senator the Hon Jenny McAllister, Minister for the NDIS, Mandatory registration for supported independent living and platform providers to start from next year, *media release*, 17 December 2025.

33 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 19.

34 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 19.

5.34 From 1 July 2026, registration will be mandatory for providers and platform providers of Supported Independent Living (SIL).[35]

5.35 From 1 July 2027, expanded mandatory registration requirements will commence, for providers of higher risk activities like personal care, daily living supports and supports provided in closed settings. All providers within this scope must be registered by December 2030.[36]

5.36 From 1 July 2027, a new enrolment system will commence, with minimum basic levels of identifiable information on most NDIS providers. All providers in scope are to be enrolled by December 2027.

Definition of an 'NDIS provider'

5.37 The National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026 (the Future Generations Bill) proposes to amend the definition of an 'NDIS provider', while ensuring appropriate regulatory oversight remains, and that the NDIS rules can allow for the clarification of the definition of a 'provider'.

5.38 A revised definition recognises that the current definition in section 9 of the NDIS Act is 'too broad and encompasses retailers and suppliers that it was never intended to'. The EM explains that:

> Within the current definition, mainstream retailers who are paid for their goods or services with NDIS funding are obliged to comply with the Code of Conduct, despite their lack of awareness that they are providing supports under a participant's plan. This includes supermarkets, hardware stores and pharmacies.
>
> …
>
> The intent of [these amendments] is to more clearly distinguish the types of people, suppliers, organisations and entities who are considered to be NDIS providers, and provide an ability to carve out suppliers and organisations who should genuinely not be considered NDIS providers.[37]

Worker and practitioner registration

5.39 The Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (Royal Commission), the NDIS Review and the

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35 Department of Health, Disability and Ageing, *About the changes to the NDIS*, 14 May 2026, www.health.gov.au/our-work/ndis-legislation-changes/amendments/ndis-amendment-securing-the-ndis-for-future-generations-bill-2026/about-the-changes-to-the-ndis?language=en#what-is-changing-for-providers (accessed 16 June 2026).

36 Department of Health, Disability and Ageing, *About the changes to the NDIS*, 14 May 2026, (accessed 16 June 2026).

37 National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, EM, pp. 72–73.

Registration Taskforce all recommended the establishment of a national disability support worker registration scheme.[38]

5.40 For example, recommendation 10 of the Registration Taskforce stated that such a scheme should include, among other things:

- a public register to be established of workers registered to provide services under the NDIS;
- requirements for professional development;
- a worker training and qualifications framework, including minimum training and qualification requirements) to apply to the disability sector;
- transparent registration, which does not place unreasonable costs on worker or providers and enable identification verification to be conducted by myGov, including the requirement for photo identification;
- that to maintain registration, registered workers be required to undertake 10 hours per year of ongoing professional development training; and
- that all NDIS providers must provide such instruction, training and supervision to workers as is necessary to enable workers to perform their work in a way that is safe and without risks to the participant or themselves.[39]

5.41 Additionally, the Registration Taskforce recommended that:

> … practitioners, including allied health practitioners, who hold professional registration, may have that registration recognised to avoid duplication and administrative burden. However, where there is a difference between the professional registration and the NDIS Provider and Worker Registration Scheme, the practitioner will need to meet those outstanding obligations to provide NDIS supports.[40]

5.42 Currently, state and territory worker screening units conduct NDIS worker screening checks on behalf of the NDIS Commission. The check decides if a worker is 'cleared' or 'excluded' from working in certain roles with people with disability. NDIS worker screening checks are valid for up to five years.[41] The

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38 Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability, *Final Report – Volume 10: Disability services*, September 2023, Recommendation 10.8, p. 15; NDIS Review, *Working together to deliver the NDIS: Independent Review into the National Disability Insurance Scheme – Final Report*, 2023, Recommendation 17, p. 215; NDIS Provider and Worker Registration Taskforce, *NDIS Provider and Worker Registration Taskforce Advice*, 2 August 2024, Recommendation 10, p. 8.

39 NDIS Provider and Worker Registration Taskforce, *NDIS Provider and Worker Registration Taskforce Advice*, 2 August 2024, Recommendation 10, pp. 8; 91.

40 NDIS Provider and Worker Registration Taskforce, *NDIS Provider and Worker Registration Taskforce Advice*, 2 August 2024, Recommendation 11, p. 8.

41 NDIS Commission, *Worker screening*, 18 May 2026, www.ndiscommission.gov.au/workforce/worker-screening (accessed 12 June 2026).

NDIS Commission stated that worker screening supported integrity in the NDIS, by:

> … reducing the risk of individuals who present an unacceptable risk of harm working in roles involving people with disability. Through collaboration with state and territory Worker Screening Units, the NDIS Commission supports nationally consistent screening, ongoing monitoring, and information sharing relating to disciplinary action, misconduct, and regulatory outcomes.
>
> This mechanism allows integrity risks identified through complaints, investigations and enforcement activity to be translated into immediate workforce protections, including the removal of unsafe workers from regulated roles.[42]

5.43 Unregistered providers are not legally required to ask their staff to have an NDIS worker screening clearance, but the NDIS Commission recommends doing so.[43] The NDIS Commission further observed that in certain circumstances, an NDIS worker screening check is needed (for example, an employee of a registered provider in a risk-assessed role, or a sole trader who is a registered provider).[44]

5.44 NDIS worker screening checks are nationally recognised and are recorded in the national NDIS worker screening database.[45]

Mandatory worker registration

5.45 The committee heard mixed views on the efficacy and challenges of making all worker registration mandatory, and how this would work in conjunction with mandatory provider registration.

5.46 The Centre for Disability Research and Policy (CDRP) at the University of Sydney warned that fraudulent, coercive, and exploitative behaviour is often attributed not just to organisations, but to individual workers who move between providers without consequence.

5.47 CDRP highlighted that whilst the NDIS Workforce Capability Framework is intended to apply to both registered and unregistered providers, compliance is not mandatory for unregistered providers and their workers. CDRP argued that mandatory training and registration responsive to risk level is needed, and recommended that mandatory minimum qualification and experience requirements be introduced for psychosocial support workers, support

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42 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 20.

43 NDIS Commission, *Worker screening for unregistered providers*, 1 December 2025, https://www.ndiscommission.gov.au/workforce/worker-screening/worker-screening-unregistered-providers (accessed 12 June 2026).

44 NDIS Commission, Worker screening, 18 May 2026 (accessed 12 June 2026).

45 NDIS Commission, Worker screening, 18 May 2026 (accessed 12 June 2026).

coordinators, psychosocial recovery coaches, and workers providing supports directed at capability building or working directly with an individual.[46]

5.48 Similarly, Carers and Advocates Australia argued that NDIS workers should be 'nationally trained, credentialled and registered according to risk and scope of practice' and that a national framework should include:

- minimum training standards,
- tiered scopes of practice,
- supervision requirements,
- portable credentials,
- and ongoing professional development.[47]

5.49 MS Australia supported the introduction of a compulsory national disability support worker registration scheme that includes 'a code of conduct, minimum standards, worker screening and professional development'.[48]

5.50 MS Australia cautioned, however, that compulsory registration would likely face a range of implementation challenges in rural and remote regions, where access to workers and providers is limited, and called for alternative registration models to be applied in the rural and remote areas.[49]

5.51 The Australian Services Union (ASU) also noted that 'as registration becomes mandatory, resources must be allocated to ensure that workers' clearance checks are administered quickly and correctly, to ensure a predominantly casual workforce do not lose shifts while waiting'.[50]

Regulation and registration of health practitioners

5.52 The committee received some evidence that the behaviour of some health practitioners and professionals was undermining integrity in the NDIS by actively engaging in fraudulent activity.

5.53 The ACIC told the committee that 'professional facilitation is a recurring feature of…exploitation models'. The ACIC explained:

> In some cases, allied health professionals and other trusted intermediaries assist unsuitable providers to gain entry to the NDIS, pass audits or inflate participant funding, embedding sharp practices within otherwise legitimate professional and service delivery environments. This facilitation can include the preparation of false or exaggerated documentation to support access or

46 Centre for Disability Research and Policy, the University of Sydney, *Submission 8*, p. 13.

47 Carers and Advocates Australia, *Submission 1*, [p. 13].

48 MS Australia, *Submission 19,* p. 6.

49 MS Australia, *Submission 19*, p. 6.

50 Australian Services Union, *Submission 80,* p. 7.

> higher funding, and materially increases the capacity of organised fraud actors to generate and sustain non-compliant activity within the NDIS.[51]

5.54 The joint submission also made the point that professionals, including allied health professionals, can compromise NDIS integrity—for example, by supplying false or inflated information to support access to the Scheme, or to secure higher funding. The submission continued:

> Some professionals overcharge or claim for services participants are not entitled to receive. Others engage in double billing across systems such as Medicare and the NDIS. Fraud can also involve providing services without appropriate qualifications, registration, or compliance with professional codes.[52]

Misrepresenting qualifications and training

5.55 Consumers of Mental Health WA submitted they were aware of participants who have encountered providers who do not have the training, experience or expertise they advertise, and gave the following examples:

> One participant noted that agencies can sometimes send workers that don't have the training/capabilities desired, despite the participant flagging their need for this kind of support ahead of time. Another participant told us about her experiences with agencies offering high-intensity support services employing people without advanced qualifications and providing no training to enable quality provision of high intensity supports. This participant has had poor experiences of support, including coercion, as a result. Another participant explained that because she has had plans with larger budgets, her experience is that some providers have misrepresented their capabilities and approach so that she will engage them to provide supports. As a result, she received poor quality support, which has caused enduring harm.[53]

5.56 The Australian Orthotic Prosthetic Association (AOPA) also stated that it regularly received reports about the provision of orthoses and prostheses, and assistive products by those without the required qualifications, certifications or competencies to do so. AOPA stated that when these services are delivered outside of recognised professional standards, there is an increased risk of:

- inappropriate or unsafe device provision
- reduced functional outcomes
- avoidable complications requiring further intervention.[54]

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51 Australian Criminal Intelligence Commission, *Submission 3*, p. 4.

52 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 10.

53 Consumers of Mental Health WA, *Submission 66*, p. 6.

54 Australian Orthotic Prosthetic Association, *Submission 38*, [p. 6].

5.57 CDRP stated that the 'absence of mandatory qualifications or minimum experience for key roles creates systemic risks for fraud, poor-quality supports, and participant harm'.[55]

Regulation of health providers

5.58 Evidence to the committee suggests there are several ways that misrepresentations and regulation of health practitioner practices could be addressed, through engagement with relevant professional bodies.

5.59 Several submitters, including allied health professional bodies, argued that professional registration should be recognised as part of any mandatory worker registration framework to avoid duplication of compliance and treat existing external professional regulation as an integrity asset.[56]

5.60 MS Australia reported hearing feedback from people living with MS that 'the allied health providers they receive supports from are choosing to not maintain their NDIS registration … due to the significant cost and time burden associated with the process'. MS Australia submitted that compulsory registration processes should recognise professional registration and accreditation processes, including aged care providers and Australian Health Practitioner Regulation Agency (AHPRA) practitioners, to ensure providers do not have to undertake duplicate work that makes their involvement in the NDIS unviable.[57]

5.61 Australian Podiatry Association (APodA) argued that:

> Integrity risks appear to be most pronounced where the Scheme permits delivery of therapy supports without clear qualification, registration or professional accountability requirements administered through regulatory bodies.
>
> …
>
> Podiatrists already meet stringent national standards through Aphra registration, professional regulation, infection control obligations and ongoing competency requirements. Aligning NDIS integrity measures with these safeguards, rather than layering duplicative compliance, will improve participant outcomes, reduce inefficient expenditure, and support a sustainable, high quality provider market. [58]

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55 Centre for Disability Research and Policy, the University of Sydney, *Submission 8*, p. 3.

56 See, for example: Australian Podiatry Association, *Submission 16*, pp. 2–3, 5–6; Osteopathy Australia, *Submission 17*, [pp. 3, 9–10]; Australasian Association and Register of Practicing Nutritionists, *Submission 22*, p. 4; Ms Karen Stace, Director of Policy and Advocacy, National Disability Services, *Proof Committee Hansard*, 15 May 2026, p. 46.

57 MS Australia, *Submission 19*, p. 5.

58 Australian Podiatry Association, *Submission 16*, pp. 2–3, 5–6.

5.62 Similarly, Osteopathy Australia maintained that allied professionals are already regulated under national law through AHPRA, whose regulatory framework includes:

> … protected title, accredited university qualifications, annual registration, professional standards, continuing professional development (CPD) obligations, professional indemnity insurance (PII) requirements, criminal history checks, and access to established complaints, notification and disciplinary mechanisms … [and] adhere to a shared code of conduct with 12 other professions … to maintain ethical, honest practice.[59]

5.63 Osteopathy Australia argued mandatory worker registration with the NDIS Commission would be cost prohibitive for osteopaths and other allied health professionals working with NDIS participants. Osteopathy Australia recommended that where a profession is already subject to robust external regulation, new NDIS compliance settings should be designed to complement that framework rather than duplicate it in a blunt or administratively burdensome way:

> Rather than requiring full duplicate registration and auditing for Ahpra-regulated allied health professionals, the NDIS should adopt a streamlined recognition or deemed-registration pathway, like what has been adopted in the aged care sector. This could rely on existing Ahpra registration, PII, criminal history checks, CPD obligations and professional conduct requirements, supplemented only by NDIS-specific safeguards where there is a demonstrated scheme-specific risk.
>
> This approach would strengthen visibility and accountability without imposing unnecessary duplication on providers who are already subject to national health practitioner regulation.[60]

Commissioned service models

5.64 There are several ways that NDIS market stewardship can be implemented, to ensure that participants have access to the best possible supports, especially in thin markets and in rural, regional and remote areas.

5.65 One method of market stewardship is commissioned service models, where intervention can assist in how NDIS markets function. The 2023 Independent NDIS Review put forward the following alternatives for commissioning:

- **Direct commissioning**: where supports are directly purchased on behalf of a group of participants, from either government or non-government providers
- **Integrated commissioning**: where a provider is selected to provide supports across multiple service types for a defined area; the type of

[59] Osteopathy Australia, *Submission 17*, [p. 3].

[60] Osteopathy Australia, *Submission 17*, [pp. 3, 9–10].

services commissioned and how they are delivered is based on identified community needs
- **Community commissioning**: communities are empowered (or use cooperative approaches) to lead the commissioning process; communities, rather than governments, determine the services and providers which best meet their needs (can be implemented using direct or integrated commissioning)[61]

Support for commissioning models

5.66 The committee received evidence about the role of commissioning in supporting the integrity of the NDIS, especially in thin markets.

5.67 CatholicCare NT, for instance, offered its support for commission-led models in remote communities, saying it was 'essential to safeguarding vulnerable Aboriginal participants who are disproportionately target by unethical providers'. It argued that such an approach would 'provide a visible regulatory presence in communities where predatory providers currently operate with minimal oversight'. CatholicCare NT further noted that commissioning would:

- allow for real-time monitoring of provider behaviour;
- improve cultural safety;
- reduce the ability of external providers to enter communities and recruit participants through incentives; and
- would strengthen relationships between regulators, community leaders, and participants.[62]

5.68 Kismet pointed out the unique role that plan managers have, with 'visibility across participant purchasing, provider invoicing, and financial anomalies'. Kismet called the government announcements around the commissioning framework a 'welcome step', which signalled recognition that 'plan managers must meet enforceable quality standards if they are to serve as an effective integrity layer within the Scheme'.[63]

5.69 Kismet called for the commissioning model to include 'robust quality standards', as follows:

- Clear minimum standards for invoice verification: covering completeness, price reasonableness, plan alignment, provider qualification checks against line items, and elevated scrutiny for reimbursement claims (which carry higher fraud risk).
- Standardised escalation pathways for suspected fraud or safeguarding concerns to the NDIS Commission.

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61 NDIS Review, *1. Market challenges limit the ability of the NDIS to deliver quality supports for participants,* (accessed 16 June 2026).

62 CatholicCare NT, *Submission 45*, pp. 8–9.

63 Kismet, *Submission 24*, p. 3.

- A formal information-sharing framework between plan managers and the NDIA/Commission.
- At-scale plan managers should have a direct relationship manager at the NDIS Commission for fraud-related intelligence sharing.[64]

5.70 Prader-Willi Syndrome Australia called for the introduction of commissioning mechanisms which:

> … recognise higher skill requirements, supervision intensity and risk management obligations in complex support environments, to stabilise workforce supply and continuity of care.[65]

5.71 Ms Harper, Acting CEO of the IDRS, noted that the commissioning of providers would be helpful in some instances, and would have 'merit for some cohorts', provided there was an understanding of both the type of services being provided and who they were being provided to.[66]

5.72 Mr Andrew Chesterman of the Endeavour Foundation said the concept of commissioning, and proving that a provider had good systems in place and was therefore a preferred provider, was a good idea.[67]

Government announcements

5.73 The government has announced the introduction of commissioning approaches for key service areas, including plan management and support coordination, to be implemented in coming years.

5.74 From 1 October 2027, the government will establish a panel of plan management providers. Participants will be required to choose a plan management provider from a limited number of providers on the government-established panel (if a participant uses a plan manager not on the panel, they will have six months to transition to a new provider). Providers will need to meet strict quality, regulation and monitoring standards.[68]

5.75 Similarly, from 1 July 2028, a new support connection service will be established, with support coordination no longer funded through NDIS plans. Instead, participants will choose from a list of providers funded directly to deliver these

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64 Kismet, *Submission 24*, p. 4.

65 Prader-Willi Syndrome Australia, *Submission 46*, p. 8.

66 Ms Judy Harper, Acting Chief Executive Officer, Intellectual Disability Rights Service, *Proof Committee Hansard*, 15 May 2026, p. 27.

67 Mr Andrew Chesterman, Chief Executive Officer, Endeavour Foundation, *Proof Committee Hansard*, 15 May 2026, p. 36.

68 Department of Health, Disability and Ageing, *About the changes to the NDIS*, 14 May 2026, www.health.gov.au/our-work/ndis-legislation-changes/amendments/ndis-amendment-securing-the-ndis-for-future-generations-bill-2026/about-the-changes-to-the-ndis?language=en (accessed 16 June 2026).

services. Providers will be able to apply for this service, with those successful chosen through a merit-based process.[69]

5.76 The joint submission explained how these commissioning approaches will support integrity in the NDIS:

> The Government will move to commissioned models for plan management and support coordination, replacing open-market arrangements with approved provider panels. This is intended to improve service quality, reduce conflicts of interest and strengthen fraud controls, with implementation proposed on a phased basis from 2027 onwards.[70]

5.77 The submission noted that alongside other reforms, the commissioning approach will 'aim to secure the NDIS by strengthening integrity settings, improving market accountability and ensuring public funds are directed toward genuine, high-quality supports'.[71]

5.78 In addition to these measures, the Future Generations Bill proposes to reduce the size of the plan management market by 'limiting registered plan management providers to only those with a deed of arrangement in place with the Agency'. Such a deed would 'provide a range of standards, processes and requirements that strengthen governance and integrity' and 'strengthen protections against conflicts of interest'. These amendments will 'significantly strengthen integrity, verification, and accountability'.[72]

Role of the NDIS Commission

5.79 The role and work of the NDIS Commission has evolved, as it has matured as a market regulator and developed its market oversight functions. The Commission's 2024-25 Annual Report noted that it has made significant progress in improving its identification, assessment and response to risk, in order to be a 'more data-driven, risk-based regulator'. This has included implementation of a risk-based regulation prioritisation model for assessing all incoming complaints.[73]

5.80 There were also calls for the role and capabilities of the NDIS Commission to be strengthened, especially if amendments were to be made to provider and worker registration requirements.

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[69] Department of Health, Disability and Ageing, *About the changes to the NDIS,* 14 May 2026 (accessed 16 June 2026).

[70] The Department, NDIA, and NDIS Commission, *Submission 42*, p. 27.

[71] The Department, NDIA, and NDIS Commission, *Submission 42*, p. 27.

[72] National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, EM, pp. 108 and 111.

[73] NDIS Quality and Safeguards Commission, *Annual Report 2024-25,* p. 12.

Capacity of the NDIS Commission

5.81 The Independent NDIS Review called for the Commission to be 'resourced to strengthen compliance activities and communications to respond to emerging and longstanding quality and safeguards issues'. It suggested the Commission should strengthen its compliance work relating to conflicts of interest and client capture, sharp practices and service agreements.[74]

5.82 The committee heard some concerns that the NDIS Commission may not have the capacity, currently, to effectively oversee a significant increase in registered providers, if the government chooses to continue to expand mandatory registration requirements.

5.83 Aruma, for example, stated that the Commission was 'expert in handling the more significant matters that warrant their attention and bringing them to the appropriate conclusion'. However, moving forward, Dr Martin Laverty of Aruma expressed some concern about the Commission's work capacity:

> I suspect they don't have the capacity to deal with the scale of what's ahead of us. … The regulator in itself is still in its infancy and its next iteration is to consider what is the way in which its preventive function can be informed by data use, data sharing and continuous learning promotion, … then targeting their efforts for the egregious harms that will always necessitate a significant penalty regime. The architecture is there; it is not fully complete.[75]

5.84 Hireup discussed the impact of the current provider registration model and the constraints it places on both the NDIA and the Commission:

> Visibility across the Scheme is constrained. There is limited real-time insight into how supports are delivered across the full provider market, particularly outside formal regulatory settings. This restricts the ability of the National Disability Insurance Agency and the NDIS Quality and Safeguards Commission to consistently assess or promote quality, identify risk, and understand outcomes at a system level.[76]

5.85 The CDRP at the University of Sydney highlighted the 'widespread disillusionment with regulatory oversight and enforcement mechanisms', particularly noting a perception that 'fraud and misuse are rarely acted upon, despite repeated reporting to the NDIA and the Quality and Safeguards Commission'.[77] The CDRP recommended a shift in approach by the Commission

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74 NDIS Independent Review: Final Report, 2023, p. 217.

75 Dr Martin Laverty, Chief Executive, Aruma, *Proof Committee Hansard*, 15 May 2026, p. 54.

76 Hireup, *Submission 79*, p. 3.

77 Centre for Disability Research and Policy, the University of Sydney, *Submission 8*, p. 11.

from reactive to proactive oversight, noting that this could reduce the reliance on individual complainants to trigger action.[78]

5.86 IDA voiced concerns about the reputational damage being experienced by registered not-for-profit providers caused by the public narrative that NDIS integrity was primarily an issue of provider fraud. The IDA submitted that its members had lodged multiple complaints to the NDIS Commission about unregistered providers 'engaging in unlawful, unsafe or unethical practices', and for the most part no substantive response was received. The IDA argued:

> This failure undermines the Commission's core function and creates a perverse incentive: registered providers who identify and report wrongdoing receive no assistance, while non-compliant actors continue to operate with impunity.[79]

5.87 Aged and Disability Advocacy Australia (ADA) emphasised that 'the current regulatory framework lacks sufficient capacity for timely intervention'. Furthermore:

> In the event of issues of non-compliance, repeated complaints to the NDIS Quality and Safeguards Commission are often required before any action is taken, even where concerns are serious or ongoing. This creates a significant burden for participants and allows harmful practices to continue unchecked for extended periods.[80]

5.88 The IDA called for significant enhancements to the Commission's provider compliance register, so that it provides real-time and accessible information. The Alliance also recommended that the Commission be required to respond to all formal reports lodged by registered providers, within a defined timeframe.[81]

5.89 The committee was told that the NDIS Commission continues to progress its Data and Regulatory Transformation (DART) program, as part of becoming a 'proactive, intelligence-led and risk-based regulator'. This work is intended to:

> … enhance the NDIS Commission's ability to proactively identify integrity risks in the NDIS, prioritise regulatory effort, and monitor the effectiveness of regulatory interventions over time.[82]

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78 Centre for Disability Research and Policy, the University of Sydney, *Submission 8*, p. 16. See, for example, Victorian Mental Illness Awareness Council, *Submission 33*, p. 2.

79 Illawarra Disability Alliance, *Submission 20*, p. 7.

80 Aged and Disability Advocacy Australia, *Submission 52*, p. 2.

81 Illawarra Disability Alliance, *Submission 20*, p. 9.

82 The Department, NDIA, and NDIS Commission, *Submission 42*, p. 21.

Chapter 6
Committee views and recommendations

6.1 The National Disability Insurance Scheme (NDIS) was established in 2013 as a public commitment to the rights of people with disability with its promise to support the independence, well-being, social and economic participation, and inclusion of NDIS participants. Ensuring the integrity of the NDIS is essential to fully realising the objectives of the Scheme, to safeguard participants and to maintain public trust in the NDIS.

6.2 Integrity in the NDIS means that all those who provide supports or services to people with disability do so with professionalism and in a way that protects the safety, rights and choices of participants. It also means maintaining the Scheme's ongoing financial integrity.

6.3 Integrity reforms to the NDIS are an essential part of ensuring that the Scheme operates fairly, and that all Australians with disability receive the support they need now, and into the future. The Scheme must be sustainable in the long term, for those with permanent and life-long disability and who rely on the NDIS.

6.4 In the absence of integrity, instances of fraud and non-compliance in the NDIS increase, and are too often associated with severe consequences including the harm, abuse, exploitation and neglect of people with disability.

6.5 As the Scheme has matured, it has become clear that changes are required to maintain the integrity and long-term sustainability of the NDIS, address the multifaceted challenges facing the Scheme, and to support and safeguard participants by addressing instances of fraud, sharp practices and non-compliance.

6.6 Evidence to the committee shows that the commencement of the Scheme and the shift from block funding to individualised funding was not accompanied by detailed market design, nor by national regulation for quality and safeguarding. As the NDIS has matured, the challenge in maintaining the Scheme's integrity has increased in complexity.

6.7 The committee welcomes the significant steps already taken or currently being implemented to strengthen Scheme integrity, particularly since 2022 and through recent legislative reforms. Integrity will be improved and maintained through the suite of regulatory changes currently being implemented, including:

- improved invoicing, payment and digital identification systems;
- strengthened provider registration requirements, with improved visibility and monitoring of service providers through commissioning;

- improved identification, investigative and enforcement powers for the National Disability Insurance Agency (NDIA), and stronger record-keeping requirements for providers;
- clearer, differentiated price settings; and
- better targeting and prosecuting of the worst actors in the NDIS, promoted by enhanced information sharing between agencies.

6.8 Given this context, the committee's recommendations below should be considered together with the important changes already underway.

6.9 Further, the committee acknowledges that while many of the fraud, integrity and transparency challenges currently facing the Scheme may be considered discretely, there will always be overlap of these issues, and fraud and non-compliance cannot be attributed to a single risk factor. This report highlights that there are systemic integrity issues, which will require a whole-of-government response and targeted interventions across the Scheme.

6.10 The committee's recommendations are focused on data and information sharing; addressing fraud and non-compliance through tougher regulation, oversight and enforcement measures; and consider the unique challenges faced by rural, regional and remote communities.

Data and information sharing

6.11 Evidence to the committee made clear that effective data and intelligence sharing is critical to strengthening and maintaining the integrity of the NDIS in the long-term, through reducing fraud and detecting non-compliance.

6.12 Developments in recent years to identity verification, data collection, information sharing and oversight of Scheme providers, and the outcomes being delivered through the work of the Fraud Fusion Taskforce (the Taskforce) and the Crack Down on Fraud Program, highlight the vital role that good information and data-sharing plays in improving Scheme integrity.

6.13 In the committee's view, despite these positive developments, various elements of the current data-sharing regime across agencies and governments could be improved, as outlined below.

Identity verification and digital identity

6.14 Amendments to the operation of the Scheme's payment and invoicing systems are playing a key role in maintaining and improving the integrity of the NDIS, through reducing the opportunities for fraud and non-compliance. The committee welcomes the significant investment in the redesign of the payment system in recent years.

6.15 Maturation of payment systems since 2022 has been accompanied by developments in upfront identification and payment verification methods, including 24-hour payment holds and manual payment reviews. The building

blocks are now in place to better identify bad actors up front, rather than after payments have been made. As was noted in evidence, it is far more effective from an integrity and compliance perspective to capture fraud and non-compliance before a payment is made.

6.16 The committee further welcomes the advice that nearly 40 per cent of NDIS providers have commenced accessing NDIS Quality and Safeguards Commission (NDIS Commission) portals using digital identification, through the Relationship Authorisation Manager. This is a positive step forward in enhancing important verification and oversight measures of who is accessing NDIS payments.

6.17 The committee encourages the NDIA to continue its efforts to embed verified identity, authentication and authorisation into provider registration and payment processes, to ensure that both individuals and entities can be consistently and readily identified across government payment systems.

6.18 The committee considers that further strengthening of identity verification would improve the ability of regulators to detect and prevent fraud and non-compliance. To that end, the committee recommends the NDIA be granted sufficient regulatory powers to obtain identifying information from NDIS claimants, where necessary. Arrangements should be in place to ensure this information can be shared appropriately, and with due respect to privacy, between the NDIA and the NDIS Commission, and with other Taskforce agencies.

6.19 The committee notes that there are increased risks where a person is acting on behalf of another entity. Other organisations such as the Australian Taxation Office use the Relationship Authorisation Manager with Digital ID to verify the identity of persons acting on behalf of businesses and the NDIA should consistently apply the same approach.

Recommendation 1

6.20 The committee recommends the Department of Health, Disability and Ageing amend the *National Disability Insurance Act 2013* to provide the National Disability Insurance Agency (NDIA) with regulatory powers necessary to fully verify and obtain identifying information from National Disability Insurance Scheme claimants where necessary.

6.21 These amendments would provide for appropriate information-sharing arrangements between the NDIA and the NDIS Quality and Safeguards Commission, and other agencies within the Fraud Fusion Taskforce, subject to appropriate information sharing safeguards.

Recommendation 2

6.22 The committee recommends that the National Disability Insurance Agency follows the approach of the Australian Taxation Office in applying strong verification controls, where a person acting on behalf of an NDIS provider wishing to access NDIS systems is required to verify their identity using the Relationship Authorisation Manager.

Improved data sharing and governance across governments

6.23 The committee welcomes the work and outcomes of the Taskforce. The Taskforce, which commenced in November 2022, is detecting, prosecuting and preventing fraud in the Scheme, and ensuring that hundreds of millions of dollars are properly directed to participants and their plans, and not providers attempting to defraud the system.

6.24 All government agencies participating in the Taskforce should continue to improve their systems and processes to ensure the timely sharing of data and intelligence, and to better detect sophisticated actors engaging in fraudulent claiming.

6.25 The committee encourages the Commonwealth, state and territory governments to work towards interoperable systems that allow relevant information to be shared across jurisdictions. These systems should be implemented in stages, to ensure they are fit for purpose and reduce unnecessary duplication and administrative burden.

6.26 Further, these systems should be designed in ways which increasingly support compliance and better align the obligations of states and territories with those of the Commonwealth.

6.27 The committee therefore recommends that the Taskforce, through its lead agencies, implement improved governance and technical arrangements to enable data and intelligence sharing between government agencies of all jurisdictions. Information relating to tax, identity, government regulation and law enforcement should be made accessible across agencies and jurisdictions, subject to appropriate information sharing safeguards.

Recommendation 3

6.28 The committee recommends that the National Disability Insurance Agency and Services Australia, as lead agencies for the Fraud Fusion Taskforce, develop and implement improved governance and technical arrangements to facilitate seamless data and intelligence sharing between Australian Government agencies, and between Commonwealth, state and territory governments. The arrangements should provide for information sharing relating to tax, identification, government regulation and law enforcement, subject to appropriate information sharing safeguards.

Cross-sector banning and information-sharing powers

6.29 Data and information sharing is a critical piece to addressing fraud and non-compliance in the NDIS. While cross-agency sharing of information on identity and registration is a crucial part of addressing fraud, it is also important that information regarding misconduct and non-compliance activity in the Scheme be shared amongst regulators.

6.30 Such information sharing is not only vital to protecting NDIS participants, but for all people receiving services within the care economy, and is also crucial in preventing bad actors from engaging in sharp practices.

6.31 In the committee's view, there are limited circumstances where it may be appropriate to disclose protected NDIS information relating to, for example, misconduct proceedings and findings against specific providers or operators in the NDIS. Such disclosure would provide a further deterrent to those looking to defraud the Scheme but most importantly, would help provide confidence to participants and the broader community that care providers are operating with integrity and in accordance with the Code of Conduct and registration requirements. Public disclosure of findings of misconduct against individuals and entities, in limited circumstances and where appropriate, would also act as a deterrent to fraudulent behaviour.

6.32 Further, those NDIS providers and individuals who have been banned from operating in the Scheme, should be prevented from operating in other areas of the care economy, such as aged care. Information-sharing would be vital for this to take place, and in particular to address phoenix trading.

6.33 The committee therefore recommends that consideration be given to exemptions for the sharing of protected NDIS information, should it relate to misconduct findings and penalties against specific providers and individuals. Access to the information should be limited to authorised personnel and subject to appropriate information sharing safeguards.

Recommendation 4

6.34 The committee recommends the Department of Health, Disability and Ageing and the National Disability Insurance Agency consider amendments to the *National Disability Insurance Act 2013* to provide for limited exemptions regarding the disclosure of protected NDIS information, to enable the sharing of information with relevant agencies relating to misconduct findings and penalties against individuals or entities. Any disclosure should be limited to authorised personnel and subject to appropriate information sharing safeguards, with public disclosure considered in limited circumstances and where appropriate to act as a further disincentive to misconduct.

Recommendation 5

6.35 The committee recommends the Australian Government consider strengthening information-sharing provisions between agencies in limited circumstances, to prevent individuals and entities banned in one sector of the care economy from continuing to operate in another.

Addressing fraud and non-compliance

6.36 Information-sharing, improved digital and payment systems, banning orders, and other fraud and non-compliance measures introduced since 2022 are clearly having an impact on removing bad actors from the NDIS. The committee welcomes the implementation and continued reinforcement of these measures.

6.37 However, no matter how strong these deterrents, a limited number of individuals and providers will always persist in doing the wrong thing, ultimately causing considerable and long-lasting harm to NDIS participants, their families and their carers.

Aggravated fraud offences

6.38 The committee heard disturbing evidence about the harms facing NDIS participants in the face of the most egregious behaviour by providers and carers. Not only may participants be subject to financial abuse and manipulation, but to psychological harm, threats and abuse, and physical harm including from the unauthorised use of restrictive practices.

6.39 The committee welcomes recent legislative changes introducing a broader range of both civil and criminal penalties, alongside new anti-promotion provisions and expanded banning order provisions. The NDIS Amendment (Integrity and Safeguarding) Act 2026 enhances the enforcement capabilities of the NDIS Commission and allows for criminal offences arising from, among other things, a failure to comply with a banning order, or providing supports without registration in circumstances where registration is required.

6.40 In the committee's view, further stronger deterrents are needed for those instances where intentional fraudulent activity and non-compliance in the NDIS result in the exploitation, abuse or neglect of vulnerable people, including people with disability. This behaviour needs to be eliminated from the Scheme, and the government should use all mechanisms at its disposal to send a strong message that serious harm caused to participants will not be tolerated.

6.41 The relevant departments and agencies should consider amendments to the *Crimes Act 1914*, specifically to provide for stronger penalties for offences relating to the exploitation, abuse or neglect of a person with disability, or another vulnerable person.

Recommendation 6

6.42 The committee recommends the Department of Health, Disability and Ageing work with the National Disability Insurance Agency and the Attorney-General's Department to consider amendments to the *Crimes Act 1914*, to provide stronger penalties for fraud and related offences involving the exploitation, abuse or neglect of a person with disability or another vulnerable person.

Collusion, kickbacks and inducements

6.43 The committee received evidence about NDIS integrity being undermined by collusive behaviour, and providers offering participants—particularly vulnerable participants—kickbacks and inducements, including alcohol, cigarettes and money to change providers, often to their detriment.

6.44 The impact of these practices is heightened in areas of pre-existing vulnerability, such as in rural, regional and remote areas where markets are thin, and in Aboriginal and Torres Strait Islander communities.

6.45 Evidence about these practices was received from participants, carers, unregistered and registered providers, disability advocacy organisations, and government agencies, highlighting the persistent and wide-spread nature of this behaviour.

6.46 Noting the nature of collusion and inducements, and the role these behaviours play in undermining Scheme integrity and quality of care, the committee sees benefit in having such behaviour addressed by its own legal framework of penalties and enforcement.

Recommendation 7

6.47 The committee recommends the Department of Health, Disability and Ageing and the National Disability Insurance Agency consider amendments to the *National Disability Insurance Scheme Act 2013*, to establish a legal framework of mandatory reporting and penalties for individuals or entities offering, soliciting or receiving kickbacks and inducements, or otherwise engaging in collusive behaviour, in the National Disability Insurance Scheme.

Provider regulation

6.48 The registration of NDIS providers forms a crucial role in maintaining integrity in the NDIS by facilitating appropriate oversight and monitoring of provider activity, and allowing participants to better determine which providers might best support them and their needs.

6.49 The government is progressively strengthening the registration requirements for areas of higher risk supports, such as Supported Independent Living, personal care and supports provided in closed settings. Legislative amendments

to better define who an 'NDIS provider' is, will also make it clearer who is considered a genuine provider of NDIS supports.

6.50 The committee also recognises that commissioning approaches for the key service areas of plan management and support coordination is an important step in reducing conflicts of interest, improving service quality and better addressing and reducing fraudulent and non-compliant activity.

6.51 The committee encourages any changes made to the registration requirements for both providers and workers to be implemented in stages in rural, regional and remote areas to ensure thin markets and participant access to supports is not adversely affected.

Conflicts of interest

6.52 Unmanaged conflicts of interest were consistently raised with the committee as a key driver of non-compliant and fraudulent behaviour in the NDIS. Conflicts of interest arise in various settings, including where family members or close associates receive NDIS payments for supports that may otherwise arise from an existing personal relationship—whether intentionally or not.

6.53 Further evidence suggests that plan managers and support coordinators were particularly susceptible to conflicts of interest, noting their unique position with visibility of, and possible access to both participant plans and invoices.

6.54 Evidence suggested, and the committee agrees, that implementation of a comprehensive framework which identifies, manages and prevents such conflicts of interest would assist in promoting and maintaining Scheme integrity.

6.55 The committee also acknowledges the Government's intention to transition to commissioned arrangements from 2027 onwards to improve service quality, reduce conflicts of interest and strengthen fraud controls in plan management providers and support coordination.

6.56 The committee recognises the unique circumstances facing participants and service providers in thin markets in rural and remote areas, and in First Nations communities. Any conflict-of-interest framework which is implemented should take these unique environments into consideration as much as is practicable.

Recommendation 8

6.57 The committee recommends the Department of Health, Disability and Ageing and the National Disability Insurance Agency develop and implement a framework for managing conflicts of interest in the provision of services across the National Disability Insurance Scheme.

6.58 The framework should provide mechanisms for managing conflicts of interest in relation to commissioned service models for plan management providers and support coordinators.

Stronger regulation of health practitioners

6.59 The NDIS is there to provide funding and supports for people with permanent and significant disability, but evidence to the committee suggests that while the vast majority of clinicians act with integrity, there are a limited number of clinicians that may be providing false or misleading information to support people getting access to the Scheme.

6.60 Claims were made that some health professionals may inflate participant funding, overcharge, or charge for services not provided, may embed sharp practices within their service delivery models, or provide health and care services without the necessary qualifications.

6.61 This is clearly unacceptable—both undermining Scheme integrity and serving only to take much-needed funding away from those in genuine need of disability support funding and appropriate levels of care, and who have demonstrated their legitimate eligibility.

6.62 The committee therefore recommends that any reports or assessments developed for the purposes of NDIS eligibility assessment (or reassessment) be provided only by clinicians who are registered with their relevant professional bodies. Further, in line with the committee's other recommendations, appropriate information sharing arrangements should be implemented across relevant agencies, in order to support identification, verification and compliance activities.

Recommendation 9

6.63 The committee recommends the Department of Health, Disability and Ageing and the National Disability Insurance Agency amend the *National Disability Insurance Scheme Act 2013* to specify that reports or assessments developed for the purposes of National Disability Insurance Scheme eligibility assessment or reassessment, can only be completed by clinicians who are registered with relevant professional bodies.

6.64 The committee further recommends that appropriate information sharing arrangements be implemented across relevant government agencies, in order to support the identification and verification of health practitioners engaging with the NDIS, including for any relevant compliance activity, subject to appropriate safeguards.

Workforce training and verification

6.65 The capability of the NDIS workforce is paramount to maintaining the integrity of the NDIS. A high-quality, well-trained workforce ensures that participants are provided with the best support possible, while also reducing the risks of sharp and non-compliant practices.

6.66 Ensuring a strong NDIS workforce also goes hand in hand with strengthening the registration requirements for clinicians completing participant assessments, by making sure all those who engage with vulnerable participants, or those in high-risk situations, are receiving appropriate care.

6.67 The committee notes that the states and territories already conduct working screening checks through Worker Screening Units, on behalf of the NDIS Commission. This process aims to remove unsafe workers from regulated, risk-assessed roles and is an important part of the safeguarding framework. However, unregistered providers are not legally required to ask their staff to have an NDIS worker screening clearance.

6.68 While most care workers deliver consistently safe and high-quality services to those in their care, the committee notes with concern the continued evidence that NDIS participants continue to be exposed to sharp practices, coercion, serious harm and unsafe environments, exacerbated through a lack of adequate skills, training and qualifications—particularly for entry-level workers.

6.69 Because of this, the committee sees merit in the recommendations of the NDIS Provider and Worker Registration Taskforce and others, calling for the establishment of a national NDIS worker registration framework. A publicly available, and therefore transparent register of qualified and trained NDIS care workers will ensure that participants can make an informed decision about who is providing their care.

6.70 This approach will also ensure that the regulatory gap for the oversight of workers between registered and unregistered providers is addressed to some extent, by ensuring that unregistered providers employ suitably qualified care workers despite operating outside of registration and risk-assessed roles. This would extend to sole traders.

6.71 The committee acknowledges the calls from the Registration Taskforce, that practitioners, including those in allied health, that hold professional registration may have that registration recognised as part of any screening requirements, to avoid duplication and administrative burden.

6.72 The committee therefore recommends that in line with the Registration Taskforce findings, the NDIS Commission commence the roll-out of a worker registration scheme, which considers the skills of entry-level workers, worker qualifications, and ongoing professional development and training.

6.73 The committee acknowledges the finding of the Registration Taskforce that to implement worker registration, the scope and definition of 'worker' should be further considered and co-designed with the disability community and sector.

Recommendation 10

6.74 The committee recommends the NDIS Quality and Safeguards Commission, in line with Recommendations 10 and 11 of the NDIS Provider and Worker Registration Taskforce, commence implementation of an NDIS worker registration scheme. The registration scheme should focus on entry-level worker prerequisites, worker qualifications, and ongoing professional development requirements, with a list of suitably qualified care workers to be made publicly available in support of NDIS participants making informed choices about their care.

Whistleblower protections

6.75 The integrity of the NDIS is maintained by those who are already doing the right thing. This includes those who—often at considerable personal risk—call out bad behaviour, sharp practices and non-compliance when they see it.

6.76 Whistleblower protections in the *National Disability Insurance Scheme Act 2013* were strengthened earlier this year, a step welcomed by those operating in the NDIS environment. These amendments mean that former employees of providers can make disclosures, and both current and former employees can disclose anonymously. As noted in the evidence, NDIS workers and participants are the eyes and ears of the Scheme and are often best placed to report non-compliant behaviour by providers in real time.

6.77 The committee acknowledges the concerns raised during the inquiry that complaints made to regulators about poor provider behaviour were, in some instances, not addressed. The committee anticipates the toughened regulatory and information sharing environment amongst NDIS regulators moving forward, both because of recent legislative changes and from this committee's recommendations, will make considerable improvements to addressing poor behaviour and removing bad actors from the Scheme in a timely way.

6.78 Notwithstanding these improvements, noting the serious consequences for NDIS participants of fraud and non-compliance, the committee sees merit in whistleblower protections being further strengthened, to better protect individuals reporting suspected misconduct in the Scheme.

6.79 Amendments to the NDIS Act should seek to align whistleblower protections in the NDIS legislative framework more closely with comparable Commonwealth frameworks, including provisions under the *Corporations Act 2001*, and in a way that reduces inconsistencies between the NDIS Act and the *Corporations Act 2001*.

Recommendation 11

6.80 The committee recommends the Department of Health, Disability and Ageing and the National Disability Insurance Agency consider amendments to the

National Disability Insurance Scheme Act 2013 **(NDIS Act) to provide stronger protections and enhanced safeguards for individuals who disclose misconduct in the National Disability Insurance Scheme.**

6.81 To the extent possible, the amendments should harmonise the NDIS Act with the whistleblower protections in the *Corporations Act 2001*.

Rural, Remote and First Nations Communities

6.82 The NDIS faces unique challenges when operating in rural, regional and remote areas, in thin markets, and in First Nations communities. These challenges extend to addressing misconduct, maintaining integrity and ensuring quality service delivery for all participants.

6.83 Evidence to the committee about challenges in remote areas and in thin markets pointed to several key integrity threats, such as a lack of provider choice.

6.84 Government investment in commissioned service models where required will help to ensure quality providers are in the market, particularly for rural, regional and remote communities.

6.85 The committee was made aware of positive initiatives in place in some First Nations communities, in particular the Aboriginal Disability Liaison Officers and Remote Community Connectors programs. These programs support participants, while also strengthening local engagement, and helping to identify and report misconduct. The committee recommends continued government investment in these programs.

Recommendation 12

6.86 The committee recommends the Australian Government continue to invest over the forward estimates in Aboriginal Disability Liaison Officers and Remote Community Connectors, to support participants, strengthen local engagement, and assist in identifying and reporting fraud, non-compliance and sharp practices.

Ms Libby Coker MP
Chair
Labor Member for Corangamite

Coalition's additional comments

Introduction

1.1 Coalition senators and members thank the participants, families, carers, advocates, providers and oversight bodies whose evidence informed this inquiry. The National Disability Insurance Scheme (NDIS) changes lives, and its integrity is not a technical afterthought but a condition of its purpose. The NDIS can only deliver for Australians living with disability if the funding committed to it reaches the people it is meant to support.

1.2 Coalition senators and members support a strong and sustainable NDIS, and the genuine integrity reform required to protect it. That integrity protects two groups at once: participants, who are harmed when fraud, coercion and substandard supports are permitted to persist; and the taxpayers who fund the scheme and are entitled to expect that it is administered honestly and efficiently. Every dollar lost to maladministration, 'integrity leakage', fraud or organised crime is a dollar taken from a person living with a disability.

1.3 Coalition senators and members agree that the NDIS requires stronger market controls, provider registration, and robust deterrents against sharp practices, fraud and non-compliance.[1] Integrity risks have increasingly involved serious and organised attempts to exploit the scheme,[2] and better data and information sharing between agencies is necessary work. The evidence provided by witnesses supports these propositions.

1.4 Coalition senators and members diverge from the committee report not on the nature of the problem, but on the adequacy of its response. Chapters 1 to 5 of the committee report document integrity failures of real scale and seriousness: organised, repeated, and partly offshore-directed criminal exploitation, together with structural gaps when providers and workers enter the scheme. The recommendations posed in Chapter 6 do not respond to that evidence. The committee report retreats to information sharing and process, treats serious and organised wrongdoing as the work of 'a limited number' of individuals,[3] and declines to recommend the structural measures the evidence supports, most notably any extension of oversight to the unregistered provider market. The

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1 Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, p. xvi.

2 Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, p. xv.

3 Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, p. 84.

intervention the Foreword called for is not delivered by the recommendations that follow.

Overview

1.5 Coalition senators and members address four matters on which the committee report falls short of the evidence the committee received:

(a) the scale and nature of the integrity problem, which the evidence describes as systemic and organised rather than the conduct of a limited number of bad actors;
(b) the unregistered provider market, which now accounts for most providers and which the report declines to bring under any form of oversight;
(c) the suitability of providers and workers at the point of entry, where screening and cross-program checks remain optional or absent; and
(d) the reliance on information sharing as the centrepiece of the response, when the Scheme's own agencies describe it as one component of a larger task.

The scale and nature of the integrity problem

1.6 On the evidence, the committee report understates both the scale and the character of the integrity problem in the NDIS. The National Disability Insurance Agency (NDIA) told the committee that it does not measure fraud directly. What the NDIA measures instead is a 'broad integrity leakage figure'. The NDIA's Deputy CEO for Integrity Transformation told the committee that total payments in the scheme in the last financial year were, in round figures, $45 billion, and that 'broad integrity leakage' amounted to 8.2 to 8.3 per cent of those payments.[4] On those figures, integrity leakage runs at approximately $3.7 billion a year. What the NDIA cannot say is how much of that $3.7 billion is fraud, with the Deputy CEO acknowledging there is 'no statistically valid way' to isolate fraud as a subcomponent of the leakage.[5]

1.7 The criminal intelligence picture is graver still. The Australian Criminal Intelligence Commission (ACIC) submitted that non-compliance within the scheme 'extends beyond isolated or opportunistic misuse and includes deliberate fraud, sharp practices and organised exploitation', and that NDIS exploitation 'frequently forms part of broader, repeat offending rather than isolated misconduct'.[6] The ACIC reported cases in which 'intimidation and

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4 Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services, National Disability Insurance Agency, *Proof Committee Hansard,* 1 May 2026, p. 6.

5 Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services, National Disability Insurance Agency, *Proof Committee Hansard,* 1 May 2026, p. 6.

6 Australian Criminal Intelligence Commission, *Submission 3,* p. 3.

threats of physical violence have been used to compel compliance, particularly against participants with physical or cognitive impairment'.[7]

1.8 During the 1 May public hearing of the inquiry, the ACIC added that the scheme is being targeted by 'higher-end organised crime groups', some 'based offshore or with a presence offshore', for whom the NDIS is 'one component of their much bigger, broader business model', with the proceeds 'recycling into other criminal activities'.[8] Nor is this characterisation confined to law-enforcement witnesses. The University of Sydney's Centre for Disability Research and Policy concluded that 'fraud and problematic financial practices in the NDIS are systemic rather than isolated'.[9]

1.9 Against this body of evidence, the committee report concludes that 'a limited number of individuals and providers will always persist in doing the wrong thing'.[10] To cast those who persist as 'a limited number of individuals and providers' frames the enduring problem as stray bad actors at the margins, which is not the problem the evidence describes. Organised networks that infiltrate providers, recycle the proceeds of one fraud into the next, and coerce participants with threats of violence are not a residual few; they are a systemic and organised mode of exploitation, as the report's own Foreword recognised in describing integrity risks 'not limited to isolated instances of non-compliance but increasingly involved serious and organised attempts to exploit the scheme'.[11] The evidence pointed to an organised and systemic threat; the committee report answers a smaller and more individual one. A response calibrated to the latter will not meet the former.

The unregistered provider market

1.10 The largest structural gap in the scheme's integrity is the unregistered provider market, which is the very area the committee report most clearly declines to address. The evidence put its scale beyond doubt: the Endeavour Foundation submitted that 'as of late 2025, 94 per cent of active NDIS providers were

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7 Australian Criminal Intelligence Commission, *Submission 3,* p. 3.

8 Mr Adam Meyer, Executive Director, Mission Coordination and Analysis, Australian Criminal Intelligence Commission, *Proof Committee Hansard,* 1 May 2026, p. 7.

9 Centre for Disability Research and Policy, University of Sydney, *Submission 8,* p. 12.

10 Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, p. 84.

11 Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, pp. xv–xvi.

unregistered',[12] constituting 'a sizeable 'shadow' market with insufficient oversight'.[13]

1.11 Submitters described what such a market means in practice. The Illawarra Disability Alliance reported that its members 'consistently observe unregistered providers delivering supports without any accountability to the NDIS Practice Standards',[14] producing a 'two-tiered market',[15] and that, of the 'dozens of reports' those members had lodged with the Commission, 'in the overwhelming majority of cases' there was no substantive response and 'no visible enforcement action'.[16]

1.12 MS Australia recounted that notifiable incidents concerning unregistered providers are routinely met with the response that the matter is 'out of scope' because the provider is not registered, an outcome the organisation said 'undermines confidence in participant safeguards'.[17] The criminal intelligence evidence connected these accounts: unregistered arrangements, the ACIC submitted, are 'frequently used by higher-risk actors to reduce scrutiny while maintaining access to NDIS funding'.[18]

1.13 Confronted with that evidence, the committee report observes that the Government 'is progressively strengthening' provider regulation and encourages a staged approach,[19] yet declines to make recommendations that would bring the unregistered market under oversight. The recommendations that do touch registration concern workers and the clinicians who conduct eligibility assessments, not the unregistered providers themselves.[20] That silence is difficult to reconcile with the report's own Foreword, which named 'provider registration' among the controls the scheme requires.[21]

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12 Endeavour Foundation, *Submission 21,* p. 5.

13 Endeavour Foundation, *Submission 21,* p. 6.

14 Illawarra Disability Alliance, *Submission 20,* p. 3.

15 Illawarra Disability Alliance, *Submission 20,* p. 2.

16 Illawarra Disability Alliance, *Submission 20,* p. 7.

17 MS Australia, *Submission 19,* p. 4.

18 Australian Criminal Intelligence Commission, *Submission 3,* p. 5.

19 Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, pp. 85–86.

20 Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, pp. 87 and 89.

21 Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, p. xvi.

1.14 The silence is harder still to reconcile with the evidence of the NDIA itself. Asked how integrity might be built into the scheme, the Agency's Deputy CEO for Integrity, Transformation and Technology Services told the committee:

> This is not a scheme that you can audit or prosecute into compliance. By definition, if you want to build integrity into the design, you've got to do more things at the front to know who is claiming, what they're claiming for, whether it's consistent with what we need and whether they've got attributes that make them look like a genuine provider.[22]

1.15 Knowing who is a genuine provider is precisely what a registration requirement, or an equivalent enrolment requirement, is designed to establish. The NDIA's own reasoning points to the front of the scheme; the committee report does not follow that reasoning to its conclusion.

1.16 Coalition senators and members acknowledge that the committee heard that registration is 'not … a 'magic bullet'',[23] and providers such as Kismet cautioned that 'registration alone does not prevent non-compliance' and 'must be coupled with real-time monitoring'.[24] That caution is reasonable, but goes to how oversight should be extended, not to whether it should be extended at all.

1.17 MS Australia, itself wary of thin markets, 'supports the introduction of a tiered registration process',[25] and several submitters pressed for a risk-proportionate model under which obligations fall most heavily where risk is greatest. Caution about design is a reason to design with care; it is not a reason to leave the vast majority of providers beyond the regulator's view. A market in which more than nine in ten providers operate outside any registration framework is the central integrity gap in the scheme, and Chapter 6 of the committee report leaves that gap open.

1.18 Coalition senators and members observe that the scheme already contains a working example of rigorous suitability control. Allied health professionals registered with the Australian Health Practitioner Regulation Agency (including occupational therapists, physiotherapists and podiatrists who deliver NDIS therapy supports,) are already subject to accredited qualifications, mandatory criminal-history checks, professional indemnity requirements and

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22 Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services, National Disability Insurance Agency, *Proof Committee Hansard*, 1 May 2026, p. 44.

23 Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme*, July 2026, p. 64, in reference to the IDRS.

24 Kismet, *Submission 24*, p. 4.

25 MS Australia, *Submission 25*, p. 6.

enforceable disciplinary processes. This is a standard the majority itself records in quoting Osteopathy Australia.[26]

1.19 The evidence raised a clear question of calibration, which the committee report does not resolve. On one hand, the report acknowledges that 'unregistered providers are not legally required to ask their staff to have an NDIS worker screening clearance'.[27] On the other, regulated health professionals warned that imposing duplicative NDIS registration and audit requirements on top of their existing obligations would carry real costs. The Australian Podiatry Association cautioned that excessive compliance burden 'risks reducing podiatrist participation in the NDIS, particularly in regional and outer metropolitan areas, leading to thinner markets and higher costs'.[28]

1.20 The principle arising from that evidence is straightforward: suitability obligations should be calibrated to risk, not imposed by reference to registration status alone. They should be strengthened where credentials and safeguards are absent, and not duplicated where appropriate assurance already exists. The committee report gestures at both issues. It recommends that registration changes be staged in thin markets and acknowledges that professional registration may be recognised to avoid duplication in screening.[29] However, staging an undifferentiated registration obligation is not the same as calibrating regulation to risk.

1.21 Coalition senators and members do not consider that the committee report adequately answers the evidence before the inquiry. It leaves suitability screening absent in parts of the market where credentials are absent, while pressing additional process onto professionals whose credentials and suitability are already subject to established regulatory assurance.

Suitability at the point of entry

1.22 A second structural gap concerns who is permitted to work in the scheme. The committee report itself records that unregistered providers are not legally required to ask their staff to have an NDIS worker screening clearance,[30] which decides whether a worker is 'cleared' or 'excluded' from working in certain roles

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[26] Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, p. 72, referencing Osteopathy Australia, *Submission 17*, [p. 3].

[27] Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, p. 69.

[28] Australian Podiatry Association, *Submission 16*, p. 6.

[29] Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, pp. 86 and 88.

[30] Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, p. 69.

with people with a disability.[31] The screening meant to keep unsuitable individuals out of the scheme does not, as a matter of law, reach the staff of the providers who now make up most of the market.

1.23 The evidence indicates that the gap is being exploited. The ACIC submitted that there is 'repeat and cross-program offending, where individuals and networks previously subject to compliance or enforcement action in other Commonwealth programs subsequently re-emerge in the NDIS', and identified 'the absence of a consolidated, cross-program view of provider risk and suitability frameworks'.[32] The Centre for Disability Research and Policy described 'individual workers who moved between providers without consequence',[33] in a context where 'anybody can call themselves a psychosocial support worker', and such roles may be performed with 'no formal qualifications or relevant experience'.[34]

1.24 The committee report recommends a worker registration model directed to 'entry-level worker prerequisites, worker qualifications, and ongoing professional development requirements'.[35] Qualifications and training matter, and measures to improve them are welcome. But they answer a different question from the one the evidence poses. A worker may be fully qualified and yet unsuitable; a person excluded from a comparable Commonwealth program may hold every relevant certificate. The committee report concedes that its worker register would address the screening gap only 'to some extent',[36] and records that the Royal Commission, the NDIS Review and the Registration Taskforce had each recommended a national worker registration scheme.[37] A scheme that verifies a worker's qualifications but not their suitability, and that cannot discern whether an applicant has been removed from a comparable program, leaves open the very gap the evidence exposed.

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31 Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, p. 69.

32 Australian Criminal Intelligence Commission, *Submission 3,* p. 5.

33 Centre for Disability Research and Policy, University of Sydney, *Submission 8*, p. 13.

34 Centre for Disability Research and Policy, University of Sydney, *Submission 8*, p. 12.

35 Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, p. 89.

36 Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, p. 88.

37 Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, p. 67.

Information sharing is not a substitute for reform

1.25 The first five of the report's twelve recommendations are directed to identity verification and inter-agency information sharing.[38] Coalition senators and members accept that information and data sharing within the scheme must improve. Better information sharing is, however, a tool; the scheme's own agencies describe this as one part of a larger task.

1.26 The limits of that tool were put most plainly by the Australian Taxation Office, which submitted that 'while the NDIS maintains its current structure, with a high proportion of unregistered suppliers, data matching with ATO data, even if permitted, may not be particularly effective'.[39] The NDIA also described data as a part of the answer rather than the whole,[40] in a scheme processing 'between 600,000 and 660,000 claims a day'.[41] Information sharing helps to detect wrongdoing once a provider is inside the scheme; it does far less to prevent unsuitable providers and workers from entering in the first place.

Conclusion

1.27 The evidence before the committee describes integrity failures that are systemic and organised, exploiting two structural weaknesses: a provider market that is overwhelmingly unregistered, and points of entry that screening does not reliably reach. The committee report responds by welcoming the Government's existing agenda and recommending further information sharing and process. The recommendations outlined do not deliver the 'stronger market controls' and 'provider registration' that the report's own Foreword identified as necessary.

1.28 Much of the committee report does little more than welcome the steps that responsible agencies already have in train.[42] The proper task of a parliamentary committee is to test that agenda against the evidence and, where the evidence points further than the agencies have so far gone, to say so.

1.29 Australians with disability, and the taxpayers who fund the NDIS, expect that those who defraud and exploit the scheme will be confronted directly, not merely monitored more efficiently; especially when participants are facing cuts. The evidence before this committee called for structural reform of the

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38 Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, pp. 81–84.

39 Australian Taxation Office, *Submission 32,* p. 3.

40 Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services, National Disability Insurance Agency, *Proof Committee Hansard,* 1 May 2026, p. 44.

41 Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services, National Disability Insurance Agency, *Proof Committee Hansard,* 1 May 2026, p. 31.

42 Joint Standing Committee on the National Disability Insurance Scheme, *Integrity of the National Disability Insurance Scheme,* July 2026, p. 84.

unregistered market and of the controls at the point of entry. The committee report delivers neither. Those gaps remain open, and the task of closing them now falls to the Government.

Senator Maria Kovacic
Deputy Chair
Liberal Senator for New South Wales

Senator Kerrynne Liddle
Member
Liberal Senator for South Australia

Mr Henry Pike MP
Member
LNP Member for Bowman

Australian Greens' additional comments

1.1 The Australian Greens thank the individuals and organisations who contributed to this inquiry by making submissions to the Joint Standing Committee on the National Disability Insurance Scheme. The Australian Greens also acknowledge and thank the Committee Secretariat for their professionalism and dedicated work in supporting the committee throughout this inquiry.

The Australian Greens are concerned about provider fraud

1.2 The Australian Greens are deeply concerned that the Federal Government is not taking provider fraud within the National Disability Insurance Scheme (NDIS) seriously enough. Evidence presented throughout this Senate inquiry demonstrates that provider fraud continues to divert public funds away from essential supports while causing significant harm to disabled people and their families.

1.3 Before making sweeping changes to the design of the NDIS or cutting supports for participants, many of whom are the very people most harmed by fraudulent providers, the government must ensure it is using every available regulatory and enforcement tool to hold dishonest providers accountable.

1.4 This report outlines that the Australian Greens support strong enforcement against those who exploit the NDIS, improved whistleblower protections, stronger provider accountability, and the preservation of participant choice and control.

Government narrative around fraud

1.5 Rather than prioritising stronger enforcement against those exploiting the Scheme, the Labor Government has increasingly used concerns about fraud to justify broad changes that reduce supports and restrict access for participants. The Greens are concerned that the government has sought to build public support for significant reductions in NDIS expenditure, including through commissioned research[1] on public messaging, instead of first demonstrating that it is effectively using its existing powers to detect, prevent and prosecute provider fraud.

1.6 Evidence received during this inquiry demonstrated that, despite repeated public claims by the government regarding the scale of fraud within the NDIS, the National Disability Insurance Agency (NDIA) is not currently able to quantify the extent of fraud across the Scheme. As Mr John Dardo, Deputy Chief

[1] See: Redbridge, *NDIA Reform Communications – Testing: Round Two Focus Group Research Report October 2023*, pp. 4–5.

Executive Officer of the NDIA, stated during the committee's public hearing on 1 May 2026:

> We don't measure a fraud figure in the NDIS. What we measure is the broad integrity leakage figure [...] It's 8.2 to 8.3 per cent.[2]

1.7 During the committee's hearing on 1 May, the NDIA confirmed that 'integrity leakage' is a broad category encompassing not only fraud, but also errors and unintentional non-compliance. The Agency further acknowledged that it is not currently able to quantify the proportion of integrity leakage that is attributable to fraud.

1.8 Despite this evidence, three days after the hearing, Minister McAllister stated in a television interview on Sunrise that the NDIA had an estimate of the scale of fraud within the NDIS, saying:

> MRS. NATALIE BARR: So how widespread is fraud in the NDIS?
>
> MINISTER JENNY MCALLISTER: The estimate from the Agency is in the order of 8 percent of the total.[3]

1.9 The Australian Greens are deeply concerned that the government has continued to rely on uncertain and inflated estimates of fraud to justify substantial changes to the Scheme.

1.10 Fraud by providers is a serious issue that undermines the integrity of the NDIS and exploits disabled people that requires a robust regulatory and enforcement response. However, evidence received by this inquiry suggests that, rather than prioritising measures to detect and prevent provider fraud, the government has used claims about fraud to justify 'reforms' and reduce participants' support.

Enforcement of penalties for fraud within the NDIS

1.11 The Australian Greens support targeted and evidence-based action to address fraud, abuse and misuse of public funds within the NDIS. Such action should be directed at those responsible for fraudulent conduct, particularly providers and corporations that profit from the Scheme through dishonest practices, rather than reducing disabled people's access to the essential supports they rely on. Protecting the integrity of the NDIS should strengthen the Scheme for participants, not diminish their rights to the supports available to them.

1.12 Furthermore, the Australian Greens note that the government already possesses significant powers to investigate and prosecute fraud under existing Commonwealth law, including the *Crimes Act*. However, evidence received during this inquiry suggests that these powers are being used rarely.

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2 Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services, NDIA, *Proof Committee Hansard*, 1 May 2026, p. 6.

3 Senator the Hon Jenny McAllister, Minister for the NDIS, TV interview with Minister McAllister, Sunrise – 4 May 2026, *transcript*, 4 May 2026.

1.13 The NDIA told this committee that, as at 31 March 2026, the Fraud Fusion Taskforce was conducting 235 individual investigations that related to provider fraud.[4] Despite this, only 33 NDIS-related fraud convictions have been secured over the lifetime of the Taskforce.[5] This raises serious questions about whether the existing enforcement mechanisms are being utilised effectively to deter and prosecute fraudulent conduct.

1.14 The Australian Greens consider that stronger measures are needed to hold providers accountable for fraudulent conduct. This should include greater enforcement of existing offences, increased regulatory oversight, enhanced transparency and reporting requirements, and a stronger obligation on corporate providers to prevent, detect and respond to fraud within their companies.

1.15 For these reasons, the Australian Greens are supportive of Recommendation 6, which calls on the government to consider stronger penalties for fraud or related offences involving the exploitation, abuse or neglect of a person with disability or another vulnerable person.

Whistleblower protections

1.16 The Australian Greens strongly support Recommendation 11 of this report, which calls for strengthened whistleblower protections under the *National Disability Insurance Scheme Act 2013*. Effective whistleblower protections are fundamental to maintaining the integrity of the NDIS, as fraudulent conduct can only be investigated and prosecuted where it is detected and reported.

1.17 The evidence received during this inquiry demonstrated that the whistleblower protections within the NDIS Act remain substantially weaker than those under comparable Commonwealth legislation.

1.18 While the Australian Greens are very proud to have secured improvements through amendments to the *NDIS (Integrity and Safeguarding) Bill 2026*, these reforms represent only a first step towards a comprehensive whistleblower protection framework.

1.19 As Mr Kieran Pender from the Human Rights Law Centre stated during the committee's hearing on 21 May 2026:

> The reform that was enacted a bit over a month ago is a significant step forward [...] It goes maybe 20 per cent of the way. We still have a significant

[4] Answers to questions taken on notice by the NDIA, 1 May 2026 (received 22 May 2026), [p. 4].

[5] Answers to questions taken on notice by the Office of the Director of Public Prosecutions (Cth), 21 May 2026 (received 18 June 2026), [p. 1].

> way to go to ensure NDIS whistleblower protections are up to date with other federal whistleblowing laws, such as those in the private sector.[6]

1.20 The Australian Greens consider it essential that individuals who witness fraud, abuse or other misconduct within the NDIS are able to report their concerns without fear of retaliation, legal liability or other adverse consequences. Strong whistleblower protections are not only an important safeguard for those making disclosures, but also a critical mechanism for detecting fraud, protecting participants and maintaining public confidence in the Scheme.

1.21 The Human Rights Law Centre's submission to this inquiry contains a number of specific reforms to align the whistleblower protections in the NDIS Act with those in the *Corporations Act*. The Australian Greens encourage the government to implement these recommendations as a matter of urgency. Aligning the NDIS whistleblower framework with broader Commonwealth standards would significantly improve the detection of fraud and misconduct, while ensuring those who disclose wrongdoing can do so safely and with appropriate legal protection.

Worker registration

1.22 The Australian Greens recognise the intent of recommendation 10 of the committee's report; we do hold concerns about unintended consequences that could result from this recommendation.

1.23 Recommendation 10 proposes the establishment of a national NDIS worker registration scheme. The Australian Greens support the objective of ensuring that workers providing supports to NDIS participants are appropriately trained, qualified and accountable for the quality and safety of the services they provide.

1.24 The committee heard distressing evidence of neglect, abuse and exploitation of NDIS participants perpetrated by some workers. The Australian Greens strongly support measures that improve safeguarding, strengthen accountability, and ensure that workers who engage in abuse or other misconduct are identified and appropriately held accountable. Any registration framework should contribute to these objectives.

1.25 However, the Australian Greens are concerned that, if not carefully designed, a mandatory registration scheme could have unintended consequences for participants and the disability support workforce, particularly in thin markets. Any registration, qualification, or compliance requirements must be proportionate, affordable and accessible for independent workers and sole traders, rather than being designed primarily around the circumstances of large provider organisations.

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6 Mr Kieran Pender, Associate Legal Director, Human Rights Law Centre, *Proof Committee Hansard*, 21 May 2026, p. 23.

1.26 The Greens have heard from NDIS participants who rely on independent support workers, and have developed trusted, long-term working arrangements with them. Participants have expressed concern that unnecessarily cumbersome registration requirements could result in independent workers being discouraged from remaining in the sector. Such an outcome would reduce a participant's ability to choose who provides their supports. Preserving participant choice and control must remain a central consideration in the design of any worker registration scheme.

1.27 The Australian Greens are also concerned about the potential impact of additional regulatory requirements on workforce availability, particularly in regional, rural and remote Australia, where disability support workforce shortages are already acute. Any new registration framework should be accompanied by measures to minimise administrative burden, support workforce participation and avoid creating additional barriers for those working outside major cities in Australia entering or remaining in the disability support workforce.

1.28 For these reasons, the Australian Greens consider that any worker registration scheme should be co-designed with disabled people, disability representative organisations, workers and providers to ensure it strengthens participant safety without undermining choice and control, service continuity or workforce capacity, particularly in thin markets.

Conclusion

1.29 The Australian Greens strongly support decisive action to prevent and prosecute fraud within the NDIS. Fraud committed by providers undermines the integrity of the Scheme, diverts public resources away from their intended purpose, and most importantly, causes significant harm to disabled people and their families.

1.30 However, this inquiry has demonstrated that protecting the integrity of the NDIS should not come at the expense of the rights, supports and autonomy of disabled people. Efforts to combat fraud must be evidence-based, targeted at those responsible for fraudulent conduct, and accompanied by stronger safeguards, enforcement and accountability measures for providers.

1.31 The Australian Greens call on the Federal Government to move beyond politicising fraud within the NDIS and instead work with disabled people, disability organisations and the broader sector to strengthen the Scheme. By prioritising effective enforcement against those who exploit the NDIS, improving whistleblower protections, strengthening provider accountability and preserving participant choice and control, the government can better protect both the integrity of the Scheme and the rights of the people it exists to support.

Senator Jordon Steele-John
Member
Greens Senator for Western Australia

Appendix 1
Submissions and additional information

1 Carers and Advocates Australia
2 Occupational Therapy Society for Hidden and Invisible Disabilities (OTSi)
3 Australian Criminal Intelligence Commission
4 MedTechVic Hub
5 Mr Michael Sanderson
6 Ms Cat Walker
7 Minda
8 Centre for Disability Research and Policy, The University of Sydney
9 Prosperity Institute
10 Mr Robert Heron
11 Disability Advocacy Network Australia (DANA)
12 Legal Aid NSW
13 People with Disability Australia
14 Integrated Disability Action Inc
15 National Council of Women Victoria
16 Australian Podiatry Association (APodA)
17 Osteopathy Australia
18 Deafblind Australia
19 MS Australia
20 Illawarra Disability Alliance
21 Endeavour Foundation
22 The Australasian Association and Register of Practicing Nutritionists (AARPN)
23 Aruma
24 Kismet
25 JFA Purple Orange
26 Royal Australian College of General Practitioners (RACGP)
27 Queenslanders with Disability Network
28 Alliance20
29 Australian Competition and Consumer Commission
30 Australian Psychological Society
31 National Disability Services
32 Australian Taxation Office
33 Victorian Mental Illness Awareness Council
34 Allied Health Professions Australia
35 Australian Transaction Reports and Analysis Centre (AUSTRAC)
36 Dietitians Australia
37 National Ethnic Disability Alliance (NEDA)
38 Australian Orthotic Prosthetic Association (AOPA)

39 Professionals Australia
40 Self Manager Hub
41 Office of the Commonwealth Ombudsman
42 Department of Health, Disability and Ageing, NDIA, and NDIS Commission
43 Children and Young People with Disability Australia
44 Australian Physiotherapy Association
45 CatholicCare NT
46 Prader-Willi Syndrome Australia Ltd
47 Occupational Therapy Australia
48 Psychotherapy and Counselling Federation of Australia
49 Australian Association of Social Workers
50 Justice and Equity Centre
51 Services for Australian Rural and Remote Allied Health
52 Aged and Disability Advocacy Australia
53 Intellectual Disability Rights Service NSW
54 Western Australia Consumer Advocacy Network
55 Mr Jack Davenport
56 National Disability Research Partnership
57 Intrepidus Law
58 Dr Harry Rothenfluh
59 Support Management Solutions
60 Propel Pathways Pty Ltd
61 APM
62 Louise Kaestner
63 Carers Australia
64 Mental Health Carers Australia
65 Developmental Educators Australia
66 Consumers of Mental Health WA
67 Villamanta Disability Rights Legal Service
68 Australian Federation of Disability Organisations
69 Queensland Family and Child Commission
70 The Disability Trust Group
71 Multicultural Disability Advocacy Australia
72 Department of Veterans' Affairs
73 Disability Intermediaries Australia
74 Social Work Policy & Advocacy Action Group, RMIT University
75 Down Syndrome Australia Consortium
76 National Aboriginal Community Controlled Health Organisation
77 Australian Rehabilitation and Assistive Technology Association (ARATA)
78 Mr William Brennan, Ms Anne Bolzonello and Ms Julie Fry
79 Hireup
80 Australian Services Union
81 Youngcare

82 Australian Small Business and Family Enterprise Ombudsman
83 Australian Federal Police
84 Uniting Communities
85 Human Rights Law Centre
86 Ms Shirley Humphris
87 Mental Health Legal Centre Inc
88 Name Withheld
89 Name Withheld
90 Name Withheld
91 Name Withheld
92 Name Withheld
93 Name Withheld
94 Ms Marie Johnson
95 Name Withheld
96 Mr Adam Johnston AM
97 Name Withheld

Additional Information

1 Allied Health Professions Australia - opening statement, public hearing, Melbourne, 21 May 2026
2 Psychotherapy and Counselling Federation of Australia - opening statement, public hearing, Melbourne, 21 May 2026
3 Disability Intermediaries Australia - opening statement, public hearing, Melbourne, 21 May 2026
4 Australian Federation of Disability Organisations - opening statement, public hearing, Melbourne, 21 May 2026
5 Australian Association of Social Workers - opening statement, public hearing, Melbourne, 21 May 2026
6 Australian National Audit Office - opening statement, public hearing, Melbourne, 21 May 2026
7 Lion & Mouse Australia Ltd – additional information received 25 May 2026

Answer to Question on Notice

1 Answers to questions taken on notice by the Commonwealth Ombudsman, 1 May 2026 (received 13 May 2026)
2 Answers to questions taken on notice by the NDIS Commission, 1 May 2026 (received 20 May 2026)
3 Answers to questions taken on notice by the ACCC, 1 May 2026 (received 20 May 2026)
4 Answers to questions taken on notice by the NDIA, 1 May 2026 (received 22 May 2026)
5 Answers to questions taken on notice by the NDIA, 1 May 2026 (received 27 May 2026)

6 Answer to a question taken on notice by Allied Health Professions Australia, 21 May 2026 (received 3 June 2026)
7 Answer to a question taken on notice by the Department of Health, Disability and Ageing, 1 May 2026 (received 3 June 2026)
8 Answer to question taken on notice by Sylvanvale, 15 May 2026 (received 4 June 2026)
9 Answer to question taken on notice by Achieve Australia, 15 May 2026 (received 5 June 2026)
10 Answer to question taken on notice by Illawarra Disability Alliance, 15 May 2026 (received 5 June 2026)
11 Answer to question taken on notice by Intellectual Disability Rights Service Inc, 15 May 2026 (received 5 June 2026)
12 Answer to question taken on notice by Endeavour Foundation, 15 May 2026 (received 5 June 2026)
13 Answer to question taken on notice by Aruma, 15 May 2026 (received 8 June 2026)
14 Answers to questions taken on notice by Minda, 15 May 2026 (received 26 May 2026)
15 Answers to questions taken on notice by Down Syndrome Australia, 21 May 2026 (received 10 June 2026)
16 Answers to questions taken on notice by the Australian Taxation Office, 21 May 2026 (received 11 June 2026)
17 Answers to questions taken on notice by Self Manager Hub, 15 May 2026 (received 12 June 2026)
18 Answer to a question taken on notice by Disability Intermediaries Australia, 21 May 2026 (received 11 June 2026)
19 Answer to a question taken on notice by AUSTRAC, 21 May 2026 (received 12 June 2026)
20 Answers to questions taken on notice by The Disability Trust, 15 May 2026 (received 15 June 2026)
21 Answers to questions taken on notice by MedTechVic Hub, 21 May 2026 (received 17 June 2026)
22 Answers to questions taken on notice by the Office of the Director of Public Prosecutions (Cth), 21 May 2026 (received 18 June 2026)
23 Answers to questions taken on notice by the Australian Physiotherapy Association, 21 May 2026 (received 19 June 2026)
24 Answers to questions taken on notice by the Australian National Audit Office, 21 May 2026 (received 23 June 2026)
25 Answer to a question taken on notice by the Treasury, 21 May 2026 (received 30 June 2026)
26 Answers to questions taken on notice by the Australian Securities and Investments Commission, 21 May 2026 (received 30 June 2026)

Correspondence

1 Correspondence from Senator the Hon Jenny McAllister, Minister for the NDIS, to committee Chair, Ms Libby Coker MP, on 23 March 2026

Media Releases

1 JSC NDIS Media Release - Integrity of NDIS inquiry
2 JSC NDIS Media Release - Integrity of NDIS inquiry, hearings
3 JSC NDIS Media Release – Integrity of the NDIS, further hearings
4 JSC NDIS Media Release – Report Tabling

Appendix 2
Public hearings and witnesses

Friday 1 May 2026
Committee Room 2S1
Parliament House
Canberra

Fraud Fusion Taskforce

- Mr Chris Birrer, Deputy Chief Executive Officer Payments and Integrity, Services Australia
- Mr Peter Timson, General Manager Fraud Control and Investigations, Services Australia
- Mr Adam Meyer, Executive Director, Mission Coordination and Analysis, Australian Criminal Intelligence Commission
- Mr Chris Davey, National Manager, Operational Analysis, Australian Criminal Intelligence Commission
- Mr Scott McNaughton, Deputy Chief Executive Officer, Service Delivery, NDIA
- Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services, NDIA

Office of the Commonwealth Ombudsman

- Mr Iain Anderson, Ombudsman
- Ms Joanne Mulder, Senior Assistant Ombudsman
- Ms Carmen Miragaya, Acting Senior Assistant Ombudsman, Investigations

Australian Competition and Consumer Commission (via videoconference)

- Ms Sarah Proudfoot, Chief Executive Officer
- Ms Libby Darwin, General Manager – Consumer and Compliance Strategies

National Disability Insurance Agency (NDIA)

- Ms Penelope McKay, Deputy Chief Executive Officer, Partners, Providers and Home and Living
- Mr Scott McNaughton, Deputy Chief Executive Officer, Service Delivery
- Mr John Dardo, Deputy Chief Executive Officer, Integrity, Transformation and Technology Services

NDIS Quality and Safeguards Commission

- Ms Natalie Wade, Associate Commissioner
- Ms Alisa Chambers, Deputy Commissioner – Regulatory Policy, Insights and Review

- Ms Catherine Myers, Deputy Commissioner – Regulatory Operations (via videoconference)

Department of Health, Disability and Ageing (DHDA)

- Mr Ross Schafer, First Assistant Secretary, Carers, Autism, Markets and Safeguards Division
- Ms Carita Davis, Assistant Secretary Quality and Safeguards Policy Branch
- Ms Treska James, EL2 Disability Safeguarding Policy

Friday 15 May 2026

Kent Rooms 1 & 2, Fraser Suites
488 Kent Street
Sydney

Centre for Disability Research and Policy, The University of Sydney

- Professor Jennifer Smith-Merry

Kismet

- Mr Mark Woodland, Chief Executive Officer

Self Manager Hub

- Ms Sam Paior, Founder and Board Member
- Ms Meredith Coote, Secretary
- Ms Karen Shine

Intellectual Disability Rights Service NSW

- Ms Judy Harper, Acting Chief Executive Officer
- Ms Alexandra Craig, Principal Solicitor

Illawarra Disability Alliance

- Ms Alisha Musker, CEO, Cram Foundation
- Ms Karen Burdett, CEO, Greenacres Disability Services

Endeavour Foundation

- Mr Andrew Chesterman, CEO (via videoconference)

The Disability Trust Group

- Ms Tarryn Bracken, Deputy CEO, NDIS Programs and Services
- Ms Rebecca Coombes, Group Chief People Officer

National Disability Services

- Mr Michael Perusco, Chief Executive Officer
- Ms Karen Stace, Director of Policy and Advocacy

Alliance20

- Ms Leanne Fretten, Chief Executive Officer, Sylvanvale Disability Services
- Ms Jo-Anne Hewitt, Chief Executive Officer, Achieve Australia

Aruma

- Dr Martin Laverty, Chief Executive Officer

Minda

- Dr David Panter, Chief Executive Officer

Thursday 21 May 2026

Buckingham Room, Stamford Plaza
111 Little Collins Street
Melbourne

MedTechVic Hub

- Professor Rachael McDonald, Director
- Mr Mark Hanson, Clinical Advisor and PhD student

Allied Health Professions Australia

- Mrs Bronwyn Morris-Donovan, Chief Executive Officer
- Mr Philipp Hermann, Policy and Advocacy

Australian Physiotherapy Association

- Ms Katherine Utry, General Manager, Policy and Government Relations
- Mr Peter Locke, Vice Chair, National Business Group

Psychotherapy and Counselling Federation of Australia

- Ms Johanna de Wever, Chief Executive Officer

Disability Intermediaries Australia

- Ms Tanya Walford, Acting Chief Executive Officer

Human Rights Law Centre

- Mr Keiran Pender, Associate Legal Director
- Ms Madeleine Howel, Lawyer

Deafblind Australia

- Mr Ben McAtamney, National Policy and Advocacy

Australian Federation of Disability Organisations

- Mr Matthew Hall, National Manager, Systemic Advocacy and Policy

Australian Association of Social Workers

- Ms Robyn Farrands, Senior Social Work Advisor
- Mr Don Mackenzie, AASW member and Director of Social Sense Allied Health

Disability Advocacy Network Australia (DANA)

- Mr David Petherick, Board Member at DANA & Director of Advocacy Rights Information and Advocacy Centre (RIAC)

Australian National Audit Office

- Ms Peta Lane, Executive Director, Performance Audit Service Group
- Ms Corinne Horton, Executive Director, Performance Audit Service Group

Australian Transaction Reports and Analysis Centre (AUSTRAC)

- Mr Anthony Helmond, National Manager, Law Enforcement Branch

Australian Federal Police

- Mr Timothy Underhill, Acting Commander Criminal Assets, Fraud and Corruption

Office of the Director of Public Prosecutions (Cth) (CDPP)

- Mr Andrew Doyle, Acting National Practice Leader, Fraud and Specialist Agencies
- Mr Mark de Crespigny, Commonwealth Solicitor for Public Prosecutions

Australian Securities and Investments Commission

- Mr Scott Gregson, Chief Executive Officer
- Mr Chris Savundra, Executive Director, Enforcement and Compliance

Australian Taxation Office

- Ms Jade Hawkins, Deputy Commissioner, Fraud and Criminal Behaviours
- Ms Helen Wilson, Assistant Commissioner, System Integrity Program

Department of Treasury

- Mr Nick Latimer, Assistant Secretary
- Mr Felix Donovan, Assistant Secretary