

# **Payment Integrity: Fraud, Misuse and Conflict of Interest**

**Participant information guide**

**September 2017**

# Protecting yourself from fraud and the misuse of your NDIS funds

The National Disability Insurance Scheme (NDIS) provides support to Australians with disability. As an NDIS participant, you have choice and control over how to use the funds in your NDIS plan to achieve your goals and live a good life. You choose the providers you want to work with and when you work with them. Most providers and participants are using NDIS funds in the right way, but everyone needs to know their responsibilities and do the right thing to protect themselves and the integrity of the NDIS. The information below will help you do this. Fraud and misuse does happen in the NDIS and it is treated seriously.

## What is fraud and misuse?

**Fraud** is gaining a benefit, or causing a loss by deception such as lying, misrepresentation, and deceitful behaviour. Fraud is a crime. An example of this is misrepresenting your personal circumstances to receive more funding.

**Misuse** of funds is using your NDIS funds differently to what has been agreed in your plan. Unlike fraud, misuse may not be illegal, but the NDIS still monitors this and acts as required. An example of this would be using funds from one of your NDIS budgets to pay for services listed in another budget in your plan.

## What is payment integrity and conflict of interest?

**Payment integrity** is about making sure you pay the right amount for the right service to help you meet your NDIS plan goals and that you pay for your services on time and keep records. An example of this is checking your invoices before paying them to make sure what you have been charged was delivered.

A good way to maintain payment integrity is to make what the NDIS calls a Service Agreement with each of your support providers. This written contract, signed by both you and your service provider, helps make sure providers are using the funds in your plan for services you need, at the price and frequency that you have agreed with them. An example of a Service Agreement that you can use is on the NDIS website.

**Conflict of interest** is a real or apparent conflict between your personal interest in something and your obligation to another person, a business or the community in relation to the same matter. An example of this would be using a family member's business (such as speech therapy) as a provider without declaring this to the NDIA.

## Why do I need to know about this?

You play an important role in making sure your NDIS funds are used in the right way. We want you to get the most out of the NDIS funds you have been given to help you achieve your goals and live a good life. When plan funds are misused it hurts everyone in the

Scheme. It can mean that there is less NDIS funding available in the future and if you are caught misusing NDIS funds you may face legal action.

Also, under Australian Consumer Law, people with disability have many rights when buying products or services. More information about this is on this website: [www.accc.gov.au/about-us/information-for/consumers-with-disability](http://www.accc.gov.au/about-us/information-for/consumers-with-disability)

## What can I do to protect myself and my NDIS funds?

The way you manage your NDIS funds depends on the type of plan you have. Funding can be managed by yourself (self-managed), the NDIA (Agency managed) or by a plan manager you employ (plan-managed).

### If you are a self-managed participant

Self-management can help people with disability and their families have even greater choice, control and flexibility in their plan. Typically, self-management means you are responsible for paying all invoices for the supports you receive through your NDIS plan. You are then reimbursed for these expenses, with money deposited into your nominated bank account. Self-managing your plan also allows you to directly employ your own staff, or pay someone else to employ them on your behalf. When self-managing you should:

- Provide accurate and up-to-date information about yourself and your circumstances when making your NDIS plan
- Make a Service Agreement with each of your support providers that is signed by both parties
- Choose your own support providers (they don't have to be NDIA registered)
- Ensure invoices for your supports are paid on time
- Get a receipt or invoice from your provider for each payment you make
- Keep records (such as a diary) and receipts for supports provided, claimed and paid
- Report to the NDIA on the funds spent on the self-managed items of your NDIS plan
- Report anything you think may be fraud, misuse, or conflict of interest to the NDIA

### If you are an Agency-managed participant

- Provide accurate and up-to-date information about yourself and your circumstances when making your NDIS plan
- Make a Service Agreement with each of your support providers that is signed by both parties
- Choose your own supports from NDIA registered providers
- Report anything you think may be fraud, misuse, or conflict of interest to the NDIA

### If you are a plan-managed participant

- Provide accurate and up-to-date information about yourself and your circumstances when making your NDIS plan
- Make a Service Agreement with your each of your support providers that is signed by both parties

- Choose your own support providers (they don't have to be NDIA registered)
- Report anything you think may be fraud, misuse, or conflict of interest to the NDIA

## What is a Service Agreement?

A Service Agreement is a written document between you and your provider about the services you will receive as part of your NDIS plan. It is a legal contract. It clearly outlines the details of the services that will be provided, when they will be provided, how much they will cost and how they can be cancelled.

## Why is having a Service Agreement important?

It is important to make a written Service Agreement with each of your providers to document what supports will be provided, how they will be delivered to you and at what cost. This helps build your relationship with your provider and make sure the supports that you receive are what you are expecting and will work towards your goals.

You and your provider should create your Service Agreement together. Once it is written, you should check that it includes what you expect. If you are happy, you and your service provider will both sign it, and you should both keep a copy for your records.

Remember, a Service Agreement with your provider is different from your NDIS plan—which is made with your NDIS planner. You can choose to show a provider your NDIS plan as part of making a Service Agreement but you don't have to do this.

An example of a Service Agreement that you can use is on the NDIS website. Or you can work with your service provider to create one.

If you are not getting the service that is written in your Service Agreement, you should contact the NDIA to tell them about it.

If you have more questions about Service Agreements, you can talk to your NDIS planner.

## What should a Service Agreement have in it?

Things you can put in your Service Agreement include:

- The supports that will be provided
- The cost of supports and how they will be paid
- How, when and where you would like the supports to be provided
- How long you need the supports to be provided for
- How to change or cancel a booking
- When and how your Service Agreement will be reviewed
- How any problems or issues that may arise will be dealt with
- Your responsibilities under the Service Agreement - such as letting your provider know if you can't make an appointment
- Your provider's responsibilities under the Service Agreement - such as working with you to deliver your supports in the right way

- Details about the booking cancellation policy and any associated fees
- How you or your provider may change or end the Service Agreement
- How and when fees may change

## **What are some of the signs of fraud or misuse that I can be aware of?**

Letting us know about suspicious behaviour helps us stop people and businesses doing the wrong thing and improves the NDIS for everyone. While suspicious behaviour does not always mean someone is doing the wrong thing, we would still like to hear about it. Some warning signs for you to be aware of are:

### **The price of the service you are receiving seems wrong**

Some examples of this include:

- Your provider is charging you more than what you agreed in your Service Agreement
- Your provider is quoting different prices to different people for the same service
- Your provider charges you high fees for cancelling your booking

### **The paperwork from your provider does not match the service they gave you**

All providers have to be suitable, and keep accurate receipts and invoices for the services they provide to you. Not doing this may be a warning sign for fraud or misuse. Some examples of this include:

- If your provider is not suitable to be providing the service they are giving you
- The date that the claim was paid is before the service was provided
- The date that the claim was made is before your plan was approved
- Your provider changes the date of the service provided on the invoice
- If your Service Agreement has no signatures or has only been signed by you

### **A provider is pressuring you**

Some examples of this include:

- Your provider asks to see your NDIS plan before giving you a price
- Your provider has unreasonable cancellation conditions in your Service Agreement or they have told you that you are not allowed to cancel
- Your provider is making bookings for you that you did not know about

### **You have noticed special treatment between participants, providers and/or NDIA and Partner staff (NDIA employees and LAC and ECEI employees) who are friends or family**

Some examples of this include:

- Planners recommending particular providers that are their friends or family

- Staff or providers giving better treatment to a family member or friend than someone else

### **Claiming for things that are not in your plan**

Some examples of this are:

- A participant spending NDIS funds on things that are not part of support for their disability
- A participant claiming for products that are not a reasonable or necessary support for their disability

### **You or your provider claiming for a service that has not been provided**

Some examples of this include:

- Your provider lodging a payment request when no service was provided to you
- You were billed for a 1-on-1 service with your provider when you were in a group session
- Your provider bills for a set amount of sessions but provides fewer

## **When should I share my concerns with the NDIA?**

You should contact the NDIA as soon as you feel something suspicious might be occurring. You don't need to question the person or the provider you are concerned about or gather all the information yourself, the NDIA will do this. If you get involved, you may lose your anonymity or reduce the success of an investigation.

## **What do I tell the NDIA?**

When talking to the NDIA about possible fraud or misuse, keep in mind the following questions:

- **Who** is the subject of your suspicions?
- **When** did this occur?
- **What** happened, including how the matter came to your attention?
- **Where** did it occur?
- **Why** does it seem suspicious?

## **How do I contact the NDIA?**

The NDIA has a special fraud and misuse email and phone number that you can use to report concerns to the Agency: [fraudreporting@ndis.gov.au](mailto:fraudreporting@ndis.gov.au) and 1800 650 717.

You can provide information anonymously and your privacy is protected by law. Information about you is not disclosed to any person or provider under investigation.

If you are a TTY user - phone 1800 555 677 then ask for 1800 650 717.

If you are a Speak and Listen (speech-to-speech relay) user - phone 1800 555 727 then ask for 1800 650 717.

If you are an internet relay user - visit the National Relay Service website and ask for: 1800 650 717. If you would like more information about this you can visit the National Relay Service website: [www.relayservice.gov.au](http://www.relayservice.gov.au)

## **What happens to someone if they commit fraud or misuse?**

When someone commits fraud against the NDIS or a participant, it does not just hurt the participant, it hurts everyone in the Scheme. When plan funds are misused, there may be less NDIS funding for you and other people in the future.

Anyone can be convicted in a criminal or civil court, get a criminal record, and/or go to jail if they are found to have committed fraud against the NDIS.

If someone misuses their position or NDIS funds or fails to declare a conflict of interest they may be asked by the NDIA to provide information about this.

The consequences for fraud and misuse also apply to NDIS funded providers.

The NDIA has a team of staff who conduct random reviews with participants and providers on how funds are being used in plans. It is important to know that you may be audited by the NDIA, and asked questions about: your plan; the services you are buying with your funds; how these services are being paid; who is being paid for your services; and how much you are using for different budgets. This NDIA team is called the Scheme Integrity team.