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# Recovery

The NDIA initiated a review of debt practices following Government's investment in NDIA capability and staffing in 2023/24.

The review strengthened the NDIA approach to debt, with an increased focus on debt prevention and participant welfare.

The review found most debts for participants and providers were correctly raised.

Read more in the media statement: Debt review to strengthen debt approach into the future.

The review also identified some debts should be revoked. This resulted in the repayment of approximately $145,000 to participants (including debt and interest). The NDIA did not initiate these debts through any automated systems. Debts were raised and actioned individually and manually.

We know the harm and angst that having a debt can cause participants and their families. The NDIA has implemented more robust processes around debts.

For debts proceeding to recovery, we will engage with participants and providers about reasonable recovery options.

# Ensuring payment integrity

The NDIA's strengthened approach to debt is focused on prevention and participant welfare.

Unlawful use of NDIS funds impacts genuine participants and providers and compromises participant goals.

We are committed to participant safeguarding whilst also ensuring the integrity of the NDIS.

The Fraud Fusion Taskforce (FFT), Crack Down on Fraud (CDoF) and Payment Integrity programs are progressively improving the integrity of NDIS systems whilst also detecting, preventing and treating fraud risks.

The NDIA uses many strategies to improve integrity, including education, self-correction, compliance or investigations.

We are working with partner FFT agencies to increase interventions against problematic providers.

## Ongoing reform

In October 2024, Parliament passed legislation making it easier for the NDIA to protect participants.

These new legislative powers make it easier for the Agency to waive debts in appropriate cases.

This includes the ability to take into account a person's disability when considering waiving a debt.

Find out more information about NDIA's Debt Management process.

## Debts validated by the review of debt practices

Providers must ensure they comply with their responsibilities. See provider compliance for more details.

Participants or nominees must also be aware of their responsibilities. See self-management for more details.

The following examples demonstrate why debts might be raised.

We have implemented system enhancements to prevent these from happening again.

In some cases the debt activity is complemented by provider banning, prosecutions and other enforcement actions by Fraud Fusion Taskforce partner agencies.

| Type | Value of Debt | Type of non-compliance | Behaviour |
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| Registered Provider (Plan Manager) | Over $700,000 outstanding | False or misleading claims | From 2017 onwards, a plan manager made significant claims against participant plans.<br>Our investigation established that some claimed funds were not being used for NDIS purposes or for participants supports. |
| Registered Provider | Over $225,000 outstanding | False or misleading claims | From 2018 onward, a registered provider began making claims from multiple participant plans.<br>We found that the provider made claims for maintenance of assistive technology products which were completely unrelated to the participants disability or care requirements. |
| Unregistered Provider (also a participant) | Over $350,000 outstanding | False or misleading claims | In 2023, an unregistered provider made claims for services they didn't provide. This provider was also a NDIS participant. As a provider, they also made claims against their own plan.<br>Our investigation confirmed that this provider claimed for services that they had not provided to other participants. |

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| Unregistered Provider | Over $30,000 outstanding | False or misleading claims | In 2023, an unregistered provider claimed for mental health, social work and counselling services which required specific qualifications.<br><br>Our investigation proved that the provider was delivering services by staff who were either not qualified or whose qualifications were fraudulently obtained. |
| Unregistered Provider | Over $205,000 outstanding | False or misleading claims | In 2023-2024 a provider was claiming for consumable products, such as personal protective equipment, at quantities significantly above what was supplied to participants.<br><br>Our investigation proved that the provider submitted claims for consumable products which would equate to a 400-year supply if the products were used in line with the manufacturers recommended use by date/replacement cycle. |

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| Participant | Approximately $130,000 outstanding | False or misleading claims | In 2023 a participant made 3 claims totalling $130,000.<br><br>When asked about these claims, the participant was unable to supply any evidence to validate the claims. The participant agreed that they had claimed inappropriately and agreed to repay the money. |
| Family member with unauthorised access | Over $75,000 outstanding | False or misleading claims | In 2022, claims were made against an NDIS plan whilst a participant was incarcerated. Evidence showed the participant could not have received the claimed supports.<br><br>An investigation confirmed that a family member had falsely lodged and claimed payments to purchase lifestyle products. |

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| Participant | Over $109,000 outstanding | Inappropriate, false or misleading claims | From 2021 until February 2024, a participant lodged significant claims.<br><br>We detected anomalies, including claims by family member ABNs. We obtained evidence that at least $109,000 was used for:<br><br>• vehicle<br>• massage chair<br>• solar systems<br>• mortgage repayments<br><br>Actions are proceeding against the family members with the ABN that made the claims. |

This page current as of
5 May 2026