

## Compensation Operational Guideline - Where participant is receiving compensation under a scheme of insurance or compensation under a Commonwealth, State or Territory law (rule 3.1(c) and rules 3.17-3.18)

# 11. Where participant is receiving compensation under a scheme of insurance or compensation under a Commonwealth, State or Territory law (rule 3.1(c) and rules 3.17-3.18)

When a participant is receiving [compensation](#) in respect of a [personal injury](#) under a [scheme of insurance](#) under a Commonwealth, State or Territory law (including a payment under a contract entered into under such a scheme), the participant's funding for [reasonable and necessary supports](#) is to be reduced in accordance with rule 3.17-3.18 of the [National Disability Insurance Scheme \(Supports for Participants - Accounting for Compensation\) Rules 2013](#) (Compensation Rules) (as set out below).

## 11.1 Identifying the Compensation Reduction Amount (CRA) where the participant is receiving compensation under a scheme of insurance or scheme of compensation under a Commonwealth, State or Territory law (rules 3.17-3.18 of the Compensation Rules)

Where a participant is receiving compensation from a scheme of insurance or scheme of compensation under a Commonwealth, State or Territory law, the funding for reasonable and necessary supports is to be reduced by an amount equivalent to the value of the compensation for care and support expected to be provided to the participant under that scheme, for the period of the participant's plan.

The value of the compensation for care and support expected to be provided to the participant must be identified:

- in accordance with any applicable actuarial model published by the National Disability Insurance Agency (NDIA) on its website at the time the calculation was undertaken; and
- done in consultation with the person or entity that administers the scheme (rules 3.17-3.18 of the Compensation Rules).

In order to identify the compensation reduction amount, rule 3.18 of the Compensation Rules makes it mandatory for the NDIA to consult the scheme of insurance or the scheme of compensation from which the participant is receiving compensation.

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27/09/2023, 04:40