

Digital

NDIS: A Copernican challenge for the actuarial model

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Contributor
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The [first article in the series](#) 'Defending the NDIS', looked at the horrific complexity caused by the actuarial fiction of 'primary disability'. The [second article zeroed in on](#) the unholy mess of assistive technology and the omission of Return on Investment in the NDIS financial sustainability analysis.

Fictions and omissions have distorted and weaponised commentary over the NDIS in this election period, and in fact since the scheme was established.

This third article is a Copernican challenge to the actuarial model: the construct sitting at the very centre of the NDIS.

Here we see the greatest fiction told: that the participant is at the centre of the NDIS.

This fiction distorts everything.



Marie Johnson. The third in a series on articles on the troubled NDIS

Let's peel back the covers to see the impact of this distortion on the operations of the NDIS and on the lives of people who depend on it.

Easily one of the greatest economic impacts, strangely not even spoken about in mainstream financial media, is the impact of red tape on the cost and effectiveness of the NDIS. I wonder about this lack of reporting.

The impact of red tape is a fundamental omission in the actuarial model: how can there be any sense of scheme sustainability with such an unquantified burden on the very market sustaining it?

And perhaps the most devastating example of red tape, of which there are many, is the appalling situation of key elements of critical NDIS services infrastructure: the catalogue (price guide and support catalogue).

So what does this catalogue look like in this age of data and digital government?

The catalogue, the jewel in the crown, is comprised of extraordinarily dense PDF, word and CSV table documents that have no intelligence; are not interactive; are not explanatory; and utterly fail accessibility standards. Go and have a look at this shocking mess.

This drives horrific complexity, confusion, re-work, errors, and unfathomable cost through every part of the NDIS ecosystem.

A level of incomprehensibility that makes a mockery of the UN Convention on the Rights of Persons with Disabilities.

Curiously, these catalogue assets fail to comply with any catalogue standard such as the United Nations Standard Products and Services Code (UN/SPSC).

And it is outrageous in the current economic climate, that providers say they employ additional people just to manually manipulate this data mess into their systems. Who bears the cost of this? And in no measure is this digital government.

For the ever-cost-conscious NDIS, the maintenance of the catalogue assets is evidently extraordinarily manual and resource intensive. The array of static historical versions, addenda and explanatory documents in various formats nested in the NDIS website, creates a multitude of transparency and traceability problems for providers, participants, and legal processes.

One wonders why the razor gang of expensive consultants and the blundering Digital Transformation Agency have not touched this beast. One app to rule the world doesn't solve any of this mess.

And over time, the continuing growth of historic versions of static documents does not support a transparent time series analysis of the movement of prices. This is not a future-proof strategy for such critical services infrastructure.

But why has this situation been allowed to fester, still after nine years? Well it's very simple. It would appear that the actuarial model at the centre of the universe does not deem the red tape impact any materiality.

The red tape is quietly absorbed in the most horrific circumstances by participants and providers alike. And the taxpayer. And the budgets of state and territory governments.

This is the participant-centric fiction in action. In reality a flawed actuarial centric system built on fictions and omissions.

And beyond the economic impact of red tape and the extraordinary omission of hard economic benefits as determined by the RBA, the centrality of the actuarial model was behind the push for Independent Assessments, a flawed and harmful construct totally at odds with a participant centric model. It's also behind the design of algorithms.

Whilst there was a massive fight and backlash by the whole community last year, we know that Independent Assessments have not gone away. Our friends at the AFR have said so.

What many of the hundreds of submissions to the Joint Standing Committee on the NDIS Inquiry into Independent Assessments showed, was a lack of an ethics framework and co-design in the conduct of actuarial research activities. And specifically the Independent Assessments. I will explore the disappearance of co-design in a future article.

There was almost universal criticism of the over-reach of the actuarial function in the pursuit of Independent Assessments and on evidence at Senate Estimates, the NDIA stumbled over whether or not there was an ethics framework.

A flawed actuarial model based on fictions and omissions, pursuing a model of Independent Assessments shown by health professionals to be flawed with significant potential for harm.

Every year or so, or whenever determined by the National Disability Insurance Agency, the participant will be subject to an Independent Assessment type process or plan review. With months preparing for each episode. Months spent in utter fear.

The participant exists merely for the purpose of feeding the model.

There is a coming Copernican moment that will shift the centrality of the NDIS away from the flawed actuarial model to a truly co-designed participant centric model.

In my long experience in complex servicing systems, the starting point is always with the human, not some theoretical fiction.

Rebuilding the NDIS must start with questioning how an actuarial model built on fictions and omissions has been politically weaponised, causing such widespread division and vilification of disabled people in the Australian community.

Something has broken in our society, and it needs to be fixed.

This will be a national effort with civil society involving the Productivity Commission, state and territory governments, and the community.

The fourth article in this series will be on the NDIS operating model, a daisy chain of outsourcing and KPIs driving aberrant behaviour.

Note: As with all articles in this series on Defending the NDIS, commentary is based on my and other submissions to inquiries by the Joint Senate Committee on the NDIS, protected by Parliamentary privilege.

Marie Johnson is the CEO of the Centre for Digital Business. She is a global award-winning digital authority and advocate for the humanitarian application of AI. Her experience encompasses the public and private sector experience in Australia and internationally, including leading Microsoft's Worldwide Public Services and eGovernment industry based in Seattle.

Marie was Head of the Technology Authority for the National Disability Insurance Scheme responsible for the technology business case, co-design, and the creation of Nadia. For many years, Marie was the Department of Human Services Chief Technology Architect, with responsibilities including the architecture and technology business cases bringing together the massive systems of Centrelink, Medicare Australia, and the Child Support Agency.

You can follow her on Twitter at [@mariejohanson](#) or visit [marie-johnson.com](#).

Do you know more? Contact James Riley via [Email](#).

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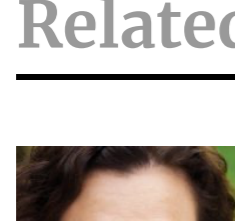
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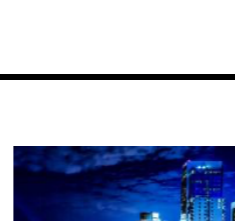
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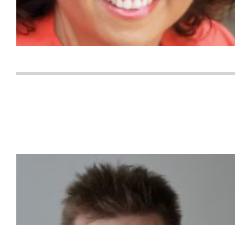
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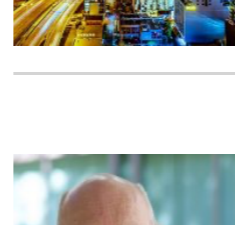
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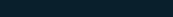
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