

- NDIA has a corporate plan goal that 30% of participants will be self-managing by 2020. Many more participants would self-manage if they could use a plan management provider to assist.
- Anomalies inhibit self-managing participants using a plan management provider,
- What can the NDIA do?

The NDIA should resolve anomalies in plan management to enable more participants to self-manage.

Anomaly: Self-managing participants are required to personally process payment requests through the portal.

Challenge

- Processing payment requests is onerous and time consuming.
- Currently there is no mechanism to enable self-managing participants to authorise a Plan Management provider or Financial Intermediary to do so.

Resolution

- Permit self-managers to authorise a Plan Manager or other Financial Intermediaries to administer payments on their behalf. Arrangement would be subject to the same auditing requirement as the self-managing participant thereby mitigating any perceived increased risk.

Benefit

- More participants able to self-manage.
- Greater assurance to NDIA by providing a viable support option to mitigate potential risks identified where a participant or nominee requests to self-manage funding.

Anomaly: Participants who use a Plan Management provider are required to observe price controls and associated arrangements.

Purpose

- Price controls exist to protect vulnerable participants from price gouging by providers. However, using a Plan Management provider or Financial Intermediary provides a safeguard for vulnerable participants to manage the risk associated with providers having greater power than participants.

Challenge

- Price controls thwart opportunities for participants to
 - make informed decisions re trade-offs between quality and quantity
 - seek value for money support responsive to participant goals and circumstances.

Resolution

- For Plan managers that are not providers of core supports: Remove price controls for participants.
- However, where a plan management provider is also the provider of core supports in the participant's plan, price controls are still required because the participant's best interest cannot be guaranteed.

Benefit

- Enables participants to shape support more effectively through innovative options.
- Enhances Scheme sustainability by encouraging more participants to seek value for money options in a safeguarded way.
- Sends a clear message about conflict of interest