



JUMBUNNA COMMUNITY PRESCHOOL AND EARLY INTERVENTION CENTRE INC.

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Applies to:
Specific responsibility:

Version: 1
Date approved:

Policy context: This policy relates to	
Standards or other external requirements	NDIS Practice Standards
Legislation or other requirements	Disability Services Act
Contractual obligations	National Disability Insurance Agency

POLICY STATEMENT

Jumbunna aims:

- to implement financial processes that support customers to avoid or limit their debts to Jumbunna
- to manage customers who are debtors to assure Jumbunna's financial sustainability
- to have appropriate separation of duties in relation to writing-off debt
- for supports delivered under NDIS, to comply with the NDIA's Terms of Business for Registered Providers and the NDIS Price Guide, including:
 - a) prohibition on advance payments for Agency Managed plans
 - b) prohibition of late payment fees, and
 - c) processes for withdrawal or termination of services.

PROCEDURES

Definitions

Definitions of terms used and their meaning within the context of this Policy are listed below:

- **Agency Managed Plan:** For customers who are NDIS participants, a method of managing supports in a plan whereby Jumbunna receives payment from the NDIA via the NDIS Provider Portal.
- **Plan Management Provider:** For NDIS, a third-party registered provider which assists the participant to manage the funded supports in their plan. Jumbunna invoices the Plan Management Provider, which then pays Jumbunna.
- **Self-managed:** For customers who are NDIS participants, a method of managing supports in a plan whereby the customer is responsible for managing their supports and paying Jumbunna directly.

Debt Prevention and Limitation

The General Manager is responsible for establishing effective billing processes and efficient payment collection methods.

Effective Billing Processes

- NDIS-funded supports
 - a) Agency-Managed plans: Payment Request through NDIS Provider Portal; daily or weekly.
 - b) Plan Management Provider: Invoice to Plan Management Provider as needed on provision of service.
 - c) Self-managed: Invoice to customer as needed.
- Non-NDIS funded disability supports other than therapy: Invoice to customer; weekly; except for rent and other household expenses in Specialist Disability Accommodation, which is charged fortnightly in advance.
- Non-NDIS therapy: Invoice to customer; at time of delivery, for immediate payment.

Efficient Payment Collection Methods

Jumbunna accepts the following payment methods.

- NDIS-funded supports
 - a) Agency (NDIA) Managed Plans: Bank transfer by NDIA
 - b) Plan Management Provider: Credit card; bank transfer
 - c) Self-managed: Credit card; bank transfer
- Non-NDIS funded disability supports other than therapy: Credit card; bank transfer
- Non-NDIS therapy: Credit card; direct debit.
- Where payment is by credit card, the NDIS Price Guide does not permit the charging of a surcharge.

Debtor Management

Jumbunna's business processes will ensure that all payments are recorded in Echidna on a daily basis.

Outstanding debts are reviewed on a weekly basis by the General Manager who decides on the appropriate action to be taken.

Records of all interactions with debtors are maintained in Echidna.

The following processes apply:

- 7 days after issue of NDIS invoice: Payment due.
- 10 days after issue of invoice: Payment received in our bank account.
- 10 days after issue of invoice: Payment information entered in Echidna and Reckon Hosted.
- If two invoices are outstanding therapy services are withheld.

- 30 days after issue of invoice:
 - a) Admin runs debtors report in Echidna. Calls customer/carer. If successful in speaking to customer/carer and in gaining assurance of prompt payment, records the promised date for payment in Echidna and emails customer reminder. If not contactable, checks Echidna and speaks to General Manager to check if customer/carer is overseas, in hospital, etc. If no acceptable reason for non-payment, consider withdrawing/terminating services with immediate effect. If so, inform customer in writing and advise General Manager.
 - b) If the customer has an NDIS Plan and is self-managing and there are doubts about the participant's capacity to self-manage, contacts NDIA.
 - c) Emails final demand letter requiring payment in 5 days and stating that unless payment is received in that timeframe, recovery will commence through a debt collection agency without further notice.
- 33 days after issue of invoice (unless customer/carer known to be overseas, in hospital, etc.): General Manager, if debt not paid, ensures that services withdrawn/ terminated with immediate effect if this has not already occurred. Informs customer in writing.
 - a) Provides latest relevant information to General Manager.
 - b) General Manager decides action to be taken (for example, arrangements for debt collection, or repayment plan. Make recommendation for further action in writing.

Finalising Debts

The General Manager may propose acceptance of a reasonable request for payment by instalments, provided agreement is reached on the terms and the timeframes. Such agreements are to be in writing and confirmed by both parties, with a copy to the General Manager.

In the event of a payment default the full amount of the debt will become due for payment and will be referred to Jumbunna's debt collector.

Prior to referring a debt to a debt collection agency, the General Manager will confer about whether it is uneconomic to finalise recovery action, for example, if the debt is of relatively small value. If so, a recommendation shall be made to write-off debt.

Reporting to Executive and Board on Debts

As part of the standard financial reports, the General Manager shall provide a written report to the Executive Management team and to the Board each month on the amount and age of debts, the action taken, and the rationale for the any write-off of debt.

DOCUMENTATION

Documents related to this policy	
Related policies	
Forms, record keeping or other organisational documents	

Policy Name:	Debt Management Policy & Procedure	Policy Number:	
Date Approved:	24 August 2023	Approved By:	Board of Management
Date Issued:	31 August 2023	Review Date:	30 June 2025
Version 1.5	This version of the policy was approved 24 August 2023 and replaces the version approved 28 July 2022.		

