Australian Government

Department of Health, Disability and Ageing

Fraud and Corruption Control Plan 2025–27

Department of Health Disability and Ageing

Acknowledgement of country

We, the Department of Health, Disability and Ageing, proudly acknowledge the Traditional Owners and Custodians of Country throughout Australia and pay respect to those who have preserved and continue to care for the lands and waters on which we live and, work, and from which we benefit each day. We recognise the strengths and knowledge Aboriginal and Torres Strait Islander peoples provide to the health and aged care system and thank them for their ongoing contributions to those systems and the wider community. We extend this gratitude to all health and aged care workers who contribute to improving health and wellbeing outcomes with, and for, First Nations peoples and communities.

Secretary’s Foreword

Our vision at the Department of Health, Disability and Ageing is for ‘better health and wellbeing for all Australians, now and for future generations’.

Our vision guides how we support the government to lead and shape Australia’s health, disability and aged care systems. We do this by providing evidence-based policy, well-targeted programs and best-practice regulation.

Fraud and corruption take funds and services away from the people and programs who need them. This undermines our ability to deliver services and can affect public confidence. Unfortunately, there are people who seek to dishonestly access money and information from the department through fraud and corruption.

Strengthening our integrity culture is crucial to addressing the impact of fraud and corruption. We must empower our staff to recognise and act on these risks in their day-to-day work.

Our Fraud and Corruption Control Plan 2025–27 sets out how we will prevent, detect and respond to fraud and corruption targeting our programs and services.

Through integrity by design, we can ensure fraud and corruption prevention is built into our systems, policies and practices. As the risks become increasingly sophisticated, so must the mechanisms we use to identify, prevent and address them.

Only through shared efforts, can we protect the integrity of our work and reduce harm caused by fraud and corruption.

I encourage you to read this plan, stay fraud aware, and take action when something doesn’t seem right.

Blair Comley PSM

Secretary, Department of Health, Disability and Ageing

September 2025

Introduction

The Health, Disability and Ageing Portfolio is trusted to deliver the Australian Government's health, disability and aged care policies and programs. Our work touches the lives of nearly every Australian and has been in operation in various forms for over a hundred years.

We recognise this trust comes with significant responsibility, including ensuring the integrity of approximately $155 billion in departmental outlays is maintained and funds are used as intended. Every dollar lost to fraud or corruption results is a dollar that doesn't go to an Australian seeking health, disability or aged care services.

We work with a diverse range of individuals, including doctors, nurses, dentists, allied health professionals, pharmacists, aged care providers, disability providers, and many, many others. Like us, the vast majority of these experts are dedicated, professional and focused on delivering the best services possible.

However, no industry is immune to fraud and corruption – no matter how noble its objectives. There will always be individuals, professionals and organised crime groups attempting to exploit government to dishonestly access money and information.

The department is dedicated to implementing robust rules, systems and procedures to prevent those individuals from committing fraud and corruption against us. We're dedicated to finding fraud and corruption wherever and however it occurs, which we do through increasingly sophisticated detection methods. We're dedicated to responding to fraud and corruption when we uncover it, including by prosecuting offenders, where necessary.

We are also committed to ensuring everything we do is of the highest ethical standard. As employees, we promote fairness, transparency, integrity and honesty in all we do because we know that is what the Australian public expects of us.

This plan describes the activities we will undertake to achieve these goals. It aligns with government practice and supports the Secretary to meet his legislative obligations, as the accountable authority under Section 10 of the *Public Governance, Performance and Accountability Rule 2014 (PGPA Rule).*

We assess our fraud and corruption risks and use our expertise to anticipate emerging threats to our programs and grants. This work, along with intelligence from our fraud and law enforcement partners across government, informs how we undertake the activities set out in this plan and ensures we maintain a dynamic and ever-evolving fraud and corruption management system.

Purpose

The Fraud and Corruption Control Plan 2025-27 (the plan) sets out the department's plan to strengthen our ability to better prevent, detect and deal with fraud and corruption against the department's programs, grants and functions, and increase the department's understanding of current and emerging threats.

The plan meets our obligations under the Public Governance, Performance and Accountability Act 2013 (PGPA Act) and the Commonwealth Fraud and Corruption Control Framework 2024:

- Section 10 of the PGPA (Fraud and Corruption Rule)
- Fraud and Corruption Control Policy, and
- Resource Management Guide 201 – Preventing, detecting and dealing with fraud.

The plan also incorporates the Australian/New Zealand Standard AS/NZISO 31000-2009 Risk management – Principles and Guidelines and the Australian Standards AS 8001-2008 Fraud and Corruption Control.

WHAT IS FRAUD?

The department defines fraud as 'dishonestly obtaining (including attempting to obtain) a gain or benefit or causing a loss or risk of loss, by deception or other means'[1]. External individuals, providers or departmental staff can commit fraud against the department's programs and functions.

Internal fraud[2] –Fraud committed against the department by its staff (including contractors).

Examples of internal fraud include:

- accessing information or disclosing official information inappropriately
- using system access to redirect program or grant funds and payments
- manipulating procurement or recruitment processes
- misusing staff entitlements, such as flex or medical leave.

External fraud[3] – Fraud committed against the department by external parties. This includes but is not limited to individuals such as health professionals, providers, grant recipients, and entities engaged through procurement.

Examples of external fraud include:

- providing false or misleading information to receive a payment, including where services or goods were not provided
- creating or assuming customer or provider identities
- using government program and grant funds for a purpose other than what was intended
- inappropriately accessing the department's information and systems

[1] As defined as the Commonwealth Fraud Prevention Centre

[2] Commonwealth Fraud and Corruption Control Framework

[3] Commonwealth Fraud and Corruption Control Framework

WHAT IS CORRUPTION?

The department uses the Commonwealth Fraud and Corruption Control Framework and the National Anti-Corruption Commission Act to define corruption as any conduct that does or could compromise the integrity, accountability or probity of public administration.

This includes a person's conduct (whether or not a public official) that adversely affects, or could adversely affect, either directly or indirectly the honest or impartial exercise of any public official's powers, functions or duties as a public official; or any conduct of a public official that constitutes or involves a breach of public trust. Examples include:

- a serious conflict of interest involving staff acting in their own self-interest rather than in the interests of the department.
- manipulation of a procurement or grant process to improperly favour one tenderer over others, or selectively providing information to some tenderers.
- preferential treatment of family, friends or associates in relation to activities such as procurement, service delivery, grants, or recruitment undertaken by the department.
- collusion between staff and another party to inappropriately advance that party's interests such as procurement or grants.
- improper disclosure of government information to benefit staff and/or an external party.
- seeking, giving or taking bribes such as secret commissions, kickbacks or gratuities.

A person also engages in corrupt conduct if they try or plan to do any of the above.

WHAT IS NON-COMPLIANCE?

Non-compliance is a broad term for any failure to comply with legal requirements. These requirements may be in the form of laws, regulations, agreements, administrative rules, and licensing conditions. An example is the requirement for all officials of Commonwealth entities to comply with the 'General duties of officials' which are set out at sections 25-29 of the PGPA Act.

Non-compliance includes activities where parties try to comply but make mistakes (accidental non-compliance), or where parties exploit ambiguities or opportunities that are non-compliant (opportunistic non-compliance).

INTEGRITY EXPECTATIONS

Integrity in the APS is the pursuit of high standards of professionalism—both in *what* we do and in *how* we do it. Public service effectiveness is built on the foundation of trust. Integrity is the craft of bringing ethics and values to life through our work and our behaviour and earning the trust of the public in our ability to deliver the best outcomes for Australia.

'The pursuit of high standards of APS professionalism, which in turn means doing the right thing at the right time to deliver the best outcomes for Australia sought by the government of the day.'[4]

The department is serious about integrity, transparency and accountability in our business. The department is increasing its focus on ensuring integrity is central to its culture and all decision-making.

[4] 2020, Stephen Sedgwick AO, *Report into consultations regarding APS approaches to ensure institutional integrity*

Enterprise Fraud and Corruption Risks

The department has 10 enterprise fraud and corruption risks. These risks describe the core threats to the department. Consideration of these risks will enable program, project and business areas to identify, assess and mitigate the threat of fraud and corruption to their objectives.

Function	Risk Categories	Risk Statement
Program and Policy	**Program Funding**	Dishonest claims, theft, or misdirection of funds administered by the department.
	Program Identity	Theft, misuse, fabrication, or compromise of identity information or identity documents.
	Program Information	Theft, modification, unauthorised access, disclosure of customer, program, policy and other official information and data.
	Program and Policy Outcomes	Misuse of power or office to unethically influence decisions, policies and outcomes.
	Program Assets	Theft or misuse of departmental program assets.
Corporate	**Corporate Financial**	Theft or misdirection of departmental funds.
	Corporate Information	Theft, modification, unauthorised access or disclosing departmental information, intellectual property and other official information and data.
	Actions or Decisions	Misuse of power or office that inappropriately favours a person, including oneself or disadvantages another.
	Corporate Assets	Theft or misuse of departmental assets.
	Corporate Identity	Theft, misuse, fabrication, or compromise of identity information or identity documents.

Accountabilities

All staff are responsible for encouraging and maintaining a culture and environment that fosters personal responsibility, integrity and accountability, along with the following individually defined responsibilities.

SECRETARY

Under the Fraud and Corruption Rule, the Secretary of department must take all reasonable measures to prevent, detect and deal with fraud relating to the department.

DEPUTY SECRETARIES

- manage fraud and corruption risks in their group
- advise the Executive Committee and the Secretary of high fraud and corruption risks
- contribute to the Enterprise Fraud and Corruption Risk Assessment, and accept or mitigate fraud and corruption risks identified in their programs and functions.

FIRST ASSISTANT SECRETARIES

- manage fraud and corruption risks in their divisions
- escalate risks to their Deputy Secretary in accordance with the department's Risk Management Policy and Framework.

We are all collectively responsible for encouraging and maintaining a culture and environment that fosters personal responsibility, integrity and accountability.

ASSISTANT SECRETARIES

Individually responsible for fraud and corruption risks in their programs and functions, their role includes:

- assessing fraud and corruption risks annually or when there is significant change
- ensuring that all reasonable steps are taken to manage fraud and corruption risks, including embedding fraud controls in policy and processes, and that core systems are accredited
- making decisions to accept or treat fraud and corruption risks in their programs or functions
- escalating fraud and corruption risks in accordance with the department's Risk Management Policy and Framework
- monitoring and reporting on treatment implementations
- addressing feedback from the Fraud and Integrity Branch on fraud and corruption risks, treatments and control issues.

ALL STAFF

- encourage and maintain a culture that fosters personal responsibility, integrity and accountability
- report any incidents of suspected or potential fraud or corruption immediately
- assist fraud and corruption investigations, including investigations undertaken by Australian Federal Police (AFP) and the National Anti-Corruption Commission (NACC)
- adhere to the Australian Public Service Values and Code of Conduct
- maintain awareness of the department's fraud control, enterprise risk and protective security policy frameworks
- Capture program and project fraud and corruption risks in the department's database.

Integrity and Assurance Division

CHIEF RISK OFFICER

- The Chief Risk Officer is responsible for providing written advice to the Secretary regarding the appropriateness of the department's systems of risk oversight and management.
- The Chief Risk Officer provides regular reports to the Audit and Risk Committee and the Secretary
- These reports include updates about the department's fraud and corruption risk management activities.

FRAUD AND INTEGRITY BRANCH

- provides assurance that the department manages fraud and corruption risk appropriately by:
  - receiving and assessing allegations of suspected fraud against the department and its programs, internal and external
  - delivering fraud and corruption intelligence and detection programs, and acting responsively for instances of fraud and corruption investigations.
  - providing fraud and corruption risk management expertise and managing the department's fraud and corruption control approach and policies
  - providing expert advice on fraud and corruption risks, treatments and control issues to program and function owners
  - managing the department's Enterprise Fraud and Corruption Risks
  - supporting the development of program and function fraud and corruption risk assessments and treatments
  - undertaking fraud and corruption control assurance activities, such as fraud and corruption risk assessments and control testing
  - maintaining the Enterprise Fraud and Corruption Risk Register and providing risk reports to accountable senior executives and governance committees
  - reporting fraud and corruption control activities to senior executives and relevant governance committees.

ASSURANCE BRANCH

- facilitates independent assurance that counter fraud and corruption activities, controls and frameworks work as designed
- provides the Secretary (through relevant committees) with independent assurance that the department is meeting its fraud and corruption control requirements.

Governance Committees

AUDIT AND RISK COMMITTEE

- provides independent advice to the Secretary and the departmental executive on the department's system of risk oversight and management, and system of internal control.[5]

EXECUTIVE COMMITTEE

- provides an advisory role to the Secretary as the Chief Executive on matters regarding fraud and corruption including risk planning, financial management, culture and capability.

[5] Audit and Risk Committee Charter February 2024

Counter Fraud and Corruption Approach

The department's fraud and corruption control approach is based on government best practice[6] and incorporates the 8 elements set out in the Commonwealth Fraud and Corruption Control Framework. The approach ensures the department executes its responsibilities under the Fraud and Corruption Rule.

PREVENTING

Preventing fraud and corruption is everyone's responsibility. The department must identify functions and programs that have a higher risk of fraud and corruption. It must also proactively assess the fraud and corruption risk and control environments at the operational and enterprise levels, ensure that staff understand their role in relation to fraud and corruption control, test controls and embed fraud and corruption control policy and processes in design, ensuring that our systems minimise the opportunity for fraud and corruption.

Specific activities aligned to the prevention elements of the Commonwealth Fraud and Corruption Control Framework include:

Element 1 – Fraud and corruption risk assessments

- reviewing and implementing an enterprise-level fraud and corruption risk assessment every 2 years.
- assessing the operational risk and control environments of the department's programs, grants and functions through fraud and corruption risk assessments and co-designing fit-for-purpose treatments to strengthen known vulnerabilities.
- providing timely and relevant fraud and corruption risk landscape reports to risk owners and escalating risks that are outside tolerance or have ineffective control environments
- using a strategic network of national and internal partnerships in fraud management to understand the emerging threats and implement best practice counter measures
- collaborating across government to identify fraud and corruption trends, and where possible using combined intelligence and data to detect common threats
- building, implementing and refining robust fraud risk profiles that allow the department to focus effort on areas of high risk
- addressing any fraud and corruption risks or control vulnerabilities identified through an investigation.

Element 2 – Fraud and corruption control plans

- reviewing and implementing a Fraud and Corruption Control Plan every 2 years
- working with risk owners to develop program, grant and function risk assessments, fraud and corruption risk management plans or control plans and providing expert fraud advice, tools and guidance.

Element 3 – Effectiveness of controls

- testing and verifying the effectiveness of fraud and corruption controls and co-designing fit-for-purpose treatments to strengthen controls.

[6] Commonwealth Fraud Prevention Centre – Fraud Risk Assessment Leading Practice Guide

Element 4 – Governance and oversight

- aligning governance arrangements with the department's Risk Management Framework
- identifying and clearly communicating the roles and responsibilities of departmental staff in preventing, detecting and dealing with fraud and corruption
- building capability though education and awareness to ensure staff can effectively identify and manage fraud and corruption risk in their program or function
- building capability in fraud and corruption practitioners to ensure the appropriate level of capability to carry out their roles

Element 5 – Prevention

- delivering targeted messaging and fraud and corruption awareness training to ensure that departmental staff understand the important role they have in preventing and detecting fraud and corruption
- promoting a culture of integrity through training and awareness, and working towards increasing the department's integrity maturity
- proactively working with stakeholders to ensure that fraud control is considered in the design and development of policies, grants, programs, systems and processes
- prioritising the risk of fraud and corruption that can arise in relation to activities undertaken for or on behalf of the department by contractors, consultants and third-party service providers.

DETECTING

The department stays informed of emerging fraud and corruption threats through a range of intelligence-sharing, data analytics and collaborative partnerships. These efforts aim to minimise the occurrence of fraud and corruption and support the effective responses when incidents arise.

Element 6 - Detection

- understanding current and emerging fraud and corruption risks and trends through national and global research conducted by private and public entities
- utilising the department's vast data holdings to detect potentially fraudulent activities, including staff data to minimise the threat of malicious insiders
- collaborating with government partners to identify and manage unauthorised access to departmental information and data
- demonstrating a strong commitment to innovation by leveraging data analytics, automation and modern technologies to enhance fraud detection and support strategic decision making.
- collaborating with government partners to prioritise high-profile criminal targets that deliberately exploit government programs
- sharing information/intelligence with law-enforcement agencies and international counter fraud and corruption partners
- enabling staff to readily report suspicious activity
- communicating prosecutions outcomes so that staff recognise the benefit of their actions
- implementing a new fraud case management system to ensure accuracy of data capture and effectiveness in managing the lifecycle of fraud and corruption cases from creation to closure.

RESPONDING

The department has an established fraud and corruption response strategy to support the response to instances of fraud and corruption in a timely, appropriate and proportionate manner. Response activities include:

Element 7 – Investigation and other responses

- appropriately trained staff undertaking internal and external investigations in alignment with Australian Government Investigation Standards and taking all reasonable measures to recover financial losses due to fraud and corruption
- undertaking joint investigations with other law enforcement bodies and agencies, and referral to the AFP and other agencies as appropriate with a focus on disrupting serious, organised and complex fraud activities
- complying with the obligations under the *National Anti-Corruption Commission Act 2022*
- referring matters to the Commonwealth Director of Public Prosecutions where an investigation satisfies referral for criminal prosecution
- pursuing disciplinary, administrative or civil sanctions where appropriate
- reviewing and analysing fraud incidents and trends, and sharing relevant information with accountable senior executives within the department, and with other government departments where potential fraud or corruption incidents impact on the responsibilities of the other departments.

Element 8 – Recording and reporting

- accurately recording and managing information regarding incidents of fraud and corruption against the department
- regularly reporting fraud and corruption control activities and incidents to the relevant governance committees
- reporting to the Minister through the Annual Report process to ensure they are satisfied the department has met its fraud and corruption control obligations
- completing the annual Australian Institute of Criminology Fraud Census.

The department is trusted to hold sensitive personal information and deliver over $155 billion in program payments.

The department takes this trust seriously and takes all reasonable action to protect our customers and the integrity of our programs.

Fraud & Corruption Operational Priorities

To combat evolving fraud and corruption threats the department must prioritise prevention, detection and response measures to address fraud and corruption at its source. Progress on these activities is reported to the department's Audit and Risk Committee (ARC) each quarter.

1. Increase counter fraud and corruption activities in the Aged Care Program

The department will prioritise counter fraud and corruption activities through:

1.1. embedding integrity into the Aged Care program, system (Digital Transformation) and process design.

1.2. increasing fraud, corruption and integrity awareness activities for the Aged Care program staff and senior executives.

1.3. increasing assurance activities with Aged Care programs.

1.4. increasing information and intelligence sharing with the National Disability Insurance Scheme and increasing intelligence-led investigations of fraud in the Aged Care Program.

2. Increase fraud and corruption prevention and detection capability of the department

Under the Commonwealth Fraud and Corruption Control Framework the department is required to undertake pro-active fraud and corruption prevention and detection activities. To ensure the department is compliant with this framework the Fraud and Integrity Branch will undertake the following activities:

2.1. increase Fraud and Corruption Risk Assessments and Control Testing activities.

2.2. increase pro-active engagement with change areas ensuring fraud and corruption is considered at the forefront of change, program and initiative development, and digital transformations.

2.3. implement Internal fraud detection strategies using data-matching and analytics.

2.4. use proactive data monitoring and analytics to prevent and reduce the impact of financial fraud to the department.

3. Increase collaboration and intelligence sharing across government and internationally

The Fraud and Integrity Branch will continue to build its strong counter fraud network across government and internationally. This will be achieved by:

3.1. Deepen collaboration across the department and Commonwealth by leveraging trusted relationships with key stakeholders and partners.

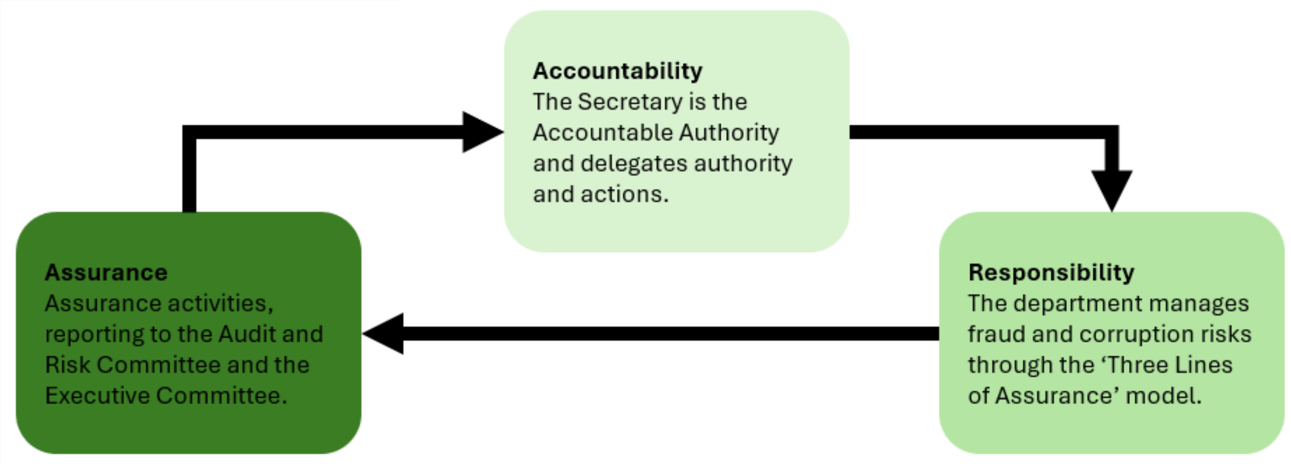
3.2. Co-designing initiatives with other government entities to increase a prevention focus to combatting fraud and corruption.

3.3. Leverage insights from Commonwealth, departmental, and branch-level data to inform trend analysis, anticipate emerging risks, and support policy and legislative development.

3.4. leading joint investigations with other departments/agencies to combat serious and organised fraud and corruption in our programs.

Governance

The department embeds strong governance and drives cultural change through its fraud and corruption accountability model that aligns with the department's Enterprise Risk Management Policy and Framework. This approach enables a consistent approach to fraud and corruption risk management practices and accountability.



THREE LINES OF ASSURANCE

The Three Lines of Assurance model remains the foundation for effective management of fraud and corruption in the department's programs and functions. The model communicates how responsibility for fraud and corruption control links with operations, oversight, and assurance.

1. **Program and function owners** are accountable and responsible for identifying, capturing and managing fraud and corruption risks in departmental programs by addressing, controlling, and mitigating fraud and corruption in their business.

2. **Fraud and Integrity Branch** facilitates and oversees the department's compliance of fraud and corruption control activities, and it supports programs and functions to manage operational fraud and corruption risk.

3. **Audit and Risk Committee, Executive Committee and the Chief Risk Officer** provide independent and objective oversight and assurance to the Secretary that the department is effectively managing fraud and corruption in its programs and functions. **Internal audit functions** provide assurance on policy, processes and systems of control.

Report Fraud and Corruption

The department is serious about preventing, detecting, and dealing with fraud and corruption. It is vital that the public has confidence in the integrity of our people and the programs and functions delivered by the department for majority of Australians. The department has a range of channels through which individuals can report suspected internal and external fraud or corruption.

Anonymous tip-off channels support whistleblowing schemes to offer further protections.

INTERNAL FRAUD AND CORRUPTION

Reports regarding internal fraud and corruption can be made by:

- the online reporting suspected fraud form. This channel allows the individual to remain anonymous.
- calling the fraud and corruption hotline on 1800 829 403. This channel allows the individual to remain anonymous.
- emailing InternalandEmployeeFraud@health.gov.au
- Discussing with your manager, if appropriate.

EXTERNAL FRAUD AND CORRUPTION

Reports regarding external fraud or corruption can be made by:

- the online reporting suspected fraud form. This channel allows the individual to remain anonymous.
- calling the fraud and corruption hotline on 1800 829 403. This channel allows the individual to remain anonymous.
- emailing ReportFraudorCorruption@health.gov.au.

PUBLIC INTEREST DISCLOSURE ACT 2013

Public interest disclosures (PIDs) are allegations of wrongdoing within the Commonwealth public sector under the *Public Interest Disclosure Act 2013*, protecting those who make such disclosures, and ensuring that disclosures are properly actioned. Disclosures can be made within the department or to the Commonwealth Ombudsman. The department will act on disclosures as appropriate and protect disclosures from any reprisals for making a disclosure. As required by legislation, a person must be a current or former public official to report under the public interest disclosure scheme. The department's public interest disclosure mailbox is PID@health.gov.au.

Embedding a culture of integrity provides a safe environment for people to report suspected fraud and corruption

Health.gov.au