15 May 2024

The Australian Government continues to deliver on its commitment to a better National Disability Insurance Scheme (NDIS) for Australians with a disability.

Like Medicare, the NDIS is an essential safety net and people with disability and their families know they can trust this Australian Government to continue to protect the Scheme and get the NDIS back on track.

In this Budget, the Government is providing a further $468.7 million to support people with disability and get the NDIS back on track. Key investments include:

- Better advice: $45.5 million to establish a NDIS Evidence Advisory Committee to build more evidence about what works for participants.
- A clearer pathway: $20.0 million to start preliminary consultation and design work to help people with disability navigate services.
- Fresh approach to pricing: $5.3 million to undertake preliminary work to reform NDIS pricing arrangements, to help ensure NDIS participants get a fair deal and increase the transparency of how prices are set.
- Architecture to implement reforms: Strengthened governance and advisory arrangements to support the implementation of NDIS reforms.
- Co-design and fighting fraud: $213.8 million of recently announced funding to fight fraud and co-design NDIS reforms with people with disability.

This investment comes on top of $732.9 million provided in the 2023–24 Budget and the $511.12 million provided in the 2023-24 MYEFO.

Better advice

The Australian Government has committed $45.5 million over four years from 2024–25 to establish a NDIS Evidence Advisory Committee (NDIS EAC), a key recommendation of the Independent NDIS Review.

The NDIS EAC will provide independent and transparent advice to Government on what works for participants.

The Committee will provide advice on the evidence base for therapeutic supports accessed through the NDIS, improving outcomes and ensuring better value for participants. This will ensure the supports funded under the Scheme are beneficial, safe, evidence based and cost effective.

We have seen too many times what can go wrong when therapies are used that have no evidence that they will work.

This Budget measure will help the Scheme by having an independent and transparent advice mechanism to determine the efficacy and cost-benefits of ‘reasonable and necessary’ supports, to ensure the NDIS is here for future generations of Australians.

A clearer pathway

Key findings from the Independent NDIS Review highlighted the challenges people with disability, their families and their carers face when navigating to find and access vital supports and services.

The Australian Government is investing $20.0 million over two years from 2024-25 to commence preliminary consultation and design work to help people with disability navigate services.

The Government has heard the disability community asking for a careful transition to any future service navigation model. This investment is the first step in designing a possible model with the disability community before further consideration by Government.

The Government will work closely with people with disability, the states and territories, and the broader disability sector including support coordinators and plan managers to ensure that any proposed navigational model is fit-for-purpose and able to meet the diverse needs of the disability community.

Fresh approach to pricing

The Australian Government is investing $5.3 million in 2024-25 to undertake preliminary work on possible NDIS pricing function reforms to strengthen transparency, predictability, and alignment.

Following this preliminary work, the Government will consider an option for the Independent Health and Aged Care Pricing Authority (IHACPA), who already advise on pricing in the important areas of hospitals and aged care, to provide advice on NDIS prices.

This responds to recommendations from the Independent NDIS Review to reform the NDIS pricing and payments framework and transition responsibility for advising Government on suitable indicators of the market price and price caps to IHACPA.

The Government has funded the IHACPA to work with DSS and NDIA to undertake initial work to reform NDIS pricing data strategy.

Architecture to implement reforms

The Australian Government will continue to work closely with the disability sector to consider the recommendations of the Independent NDIS Review, and transition towards a disability support ecosystem capable of supporting all Australians with disability, now and into the future.

The Government has already begun to take initial, immediate steps in response to the historic Review. This investment will provide the architecture needed to bring together people with disability, Government, and other experts to support the implementation of the reforms.

These strengthened governance and advisory arrangements will consist of:

- NDIS Implementation Advisory Committee that will oversee and report on implementation, and will have representatives from the disability sector and Government and other experts with relevant experience. The Advisory Committee will report to the Disability Reform Ministerial Council every six months.
- NDIS Implementation Working Group that will coordinate and collaborate on NDIS reforms across all Governments and will draw in relevant service delivery agencies as required. The Working Group will ensure coordination across Australian governments and agencies and will provide updates on progress to the Implementation Advisory Committee.

Sustainable scheme growth

The Government’s work to make the Scheme more sustainable is seeing positive green shoots, with the reforms forecast to moderate the growth of the Scheme by $14.4 billion across the forward estimates, offsetting an increase that would have occurred in the absence of Government action.

This is because of the legislative reforms the Australian Government is undertaking to get the Scheme back on track and ensure it is sustainable for future generations.

The net impact of the upward variation and the Government’s legislative action is that costs for NDIS supports have increased by $1.5 billion over five years since MYEFO.

The Scheme remains demand-driven and will continue to grow in line with the NDIS Financial Sustainability Framework.

The Government is committed to improving outcomes for NDIS participants and ensuring every

dollar of funding goes to those who need it most.

For much of its first 10 years, the NDIS was left to grow in a rapid, haphazard way, with unchecked fraud and inadequate regulation and safeguarding.

In December 2023, National Cabinet agreed to work together to address growing pressures on the NDIS, to ensure the Scheme can continue to provide support to future generations of Australians with disability.

The Getting the NDIS Back on Track Bill, introduced in March 2024, addresses priority recommendations from the independent NDIS Review to improve participant experience and return the NDIS to its original intent.

The initiatives will ensure people with disability have a genuine voice in guiding the design of reforms and bring together expertise from across the disability sector and Commonwealth and state and territory governments.

The NDIS was founded on the notion that Australians with disability should have choice and control over the supports they receive to live life on their own terms.

As we work towards implementing recommendations from the Independent NDIS Review, the insights of the Advisory Committee will ensure that people with disability remain at the heart of the Scheme and have a voice with the Disability Reform Ministerial Council.

These initiatives are just one part of the Government’s ongoing commitment to involving people with disability in reforms to improve outcomes for people with disability and ensure the Scheme is here for future generations of Australians.

The Australian Government will get the NDIS back on track.

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