

11 June 2025

The National Disability Insurance Agency (NDIA) will introduce changes to NDIS pricing from 1 July 2025 designed to ensure NDIS participants are charged in line with other Australians receiving these supports through Medicare or Private Health Insurance.

Each year, the Agency undertakes an [Annual Pricing Review \(APR\)](#) to ensure the market is delivering sustainable and high-quality supports for NDIS participants.

This year's APR release is guided by the recommendations of the [Independent Pricing Committee \(IPC\)](#), established last year, and follows the Fair Work Commission's annual review and increase of the minimum wage and award agreements by 3.5%.

As a result, the NDIA will adjust the price limits for supports determined by the NDIS Disability Support Worker Cost Model, effective 1 July 2025 by 3.95%. This adjustment reflects the increase to the minimum wage in the Social, Community, Home Care, and Disability Services Industry Award 2010 and Superannuation Guarantee. It will mean frontline disability support workers receive the pay rise they are entitled to.

This year's Review was also informed by the largest and most comprehensive collection of data to support its therapy pricing recommendations – covering more than 10 million additional transactions. Benchmarking now includes Medicare data, private health insurance claims and data from 13 comparable government schemes.

This improved data showed many of the NDIS therapy pricing limits are now out of step with broader market rates, in some cases exceeding them by up to 68 per cent.

Therapy supports represent a significant proportion of NDIS funding. With \$2.4 billion in payments in the six months to December 2024, nearly 413,000 participants access therapy supports which account for more than 10 per cent of total Scheme spend.

At the same time, the number of unregistered therapy providers in the market increased around 6 per cent.

The review also found some inflated therapy price points – initially established to support market development in some states and territories in 2019, do not have conclusive evidence to continue maintaining these.

As a result, a number of price points have been adjusted to align to non-NDIS market rates.

Pricing is an important tool in ensuring value for money and more equitable outcomes for all NDIS participants.

The data confirms that people with disability have been paying 'NDIS premiums' for certain therapies, while those same services are being delivered broadly to other Australians at lower

rates.

These pricing adjustments are a big step towards further safeguarding participants to ensure they are charged the same as anyone else.

The NDIS provider market has grown significantly in recent years and there is a much higher degree of competition for services.

The changes that have been published in this year's Annual Pricing Review reflect a more mature approach to price setting and market stewardship as we start a multi-year transition towards more tailored pricing that better caters for participants' diverse needs.

The NDIA will continue to monitor markets to ensure participants have access to quality supports continue to receive the supports they need and the market remains sustainable.

## **Release of the Independent Pricing Committee Report**

This year's approach follows the vision put forward in the Independent Pricing Committee (IPC)'s final report which recommended a new pricing model which moves beyond the assumption that hourly pricing is always appropriate.

In September 2024, the Australian Government announced the establishment of the IPC to review the way the NDIA approaches setting price limits after ten years of experience of the Scheme.

The IPC's remit was to consider any changes which could improve the quality of supports and the sustainability of provider markets.

The Committee's final report, released today, outlines an approach to pricing to lay the foundations for a mature and thriving NDIS marketplace going forward.

It found the NDIA's approach provided a strong base for shaping the market and delivering supports, but price differentiation would achieve wider benefits for participants and the Scheme.

This Committee's final report recognised that not all supports work the same way. It recommended a pricing model based not only on how supports are delivered, but also on the benefits derived by participants.

The NDIA is also taking data from other market and pricing reform work such as the Agency's Quality Supports pilots which focus on the delivery of support coordination and supported independent living (SIL).

The Quality Supports program is part of the NDIA's plans to ensure every NDIS participant has access to the highest quality supports. The findings of these pilots will be used to inform future market approaches and pricing.

In addition, the Australian Government committed \$24.6 million over four years to work with participants and providers to trial blended payments, which will test if there is a better payment option than the current-fee-for-service model. This new approach to paying for disability supports aims to ensure participants receive high-quality supports that produce meaningful outcomes.

This will improve understanding of how high-quality supports are delivered, and in turn help inform future pricing arrangements and limits.

Additionally, the NDIA Board has committed to accelerating work on differential pricing for registered SIL and early childhood therapy providers who provide services to NDIS participants with complex support needs.

Other recommendations included in this year's APR flowing from the IPC report include:

- The NDIA will commit to publishing a three-year work plan for delivering pricing reform, allowing for targeted deep dives, piloting of differentiated pricing approaches, and consultation with stakeholders.
- The NDIA will reset the APR cycle by releasing future pricing recommendations earlier in the financial year, to support improved planning.
- The NDIA will review therapy pricing to assess whether current price limits and market settings remain appropriate for therapy types. This work will inform the development of differentiated pricing approaches consistent with the framework outlined by the IPC.

Find out more about the [Annual Pricing Review](#) and [Independent Pricing Committee](#).

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