

2026

NDIA Annual Pricing Reform Response



Physical Disability
AUSTRALIA

CONTENTS

Contents.....	1
Executive summary	2
Physical Disability Australia	2
Overall position.....	3
1. Recommendation 1: Indexation of disability support worker Cost Model prices to the Fair Work Commission Annual Wage Review.....	3
2. Recommendation 2: Review of the disability support worker Cost Model	5
3. Recommendation 3 – Unbundling Short Term Accommodation	7
4. Recommendation 4 - Therapy supports	9
Our position.....	9
What we ask	10
5. Recommendation 5 - Support coordination and psychosocial recovery coaching.....	10
Our position.....	11
What we ask	11
6. Recommendation 6 - Plan management.....	11
Our position and requests	11
7. Recommendation 7 - Social, Community and Civic Participation pricing	12
Our position.....	12
What we ask	12
8. Recommendation 8 - Isolated towns and thin markets	13
Our position.....	13
What we ask	13

EXECUTIVE SUMMARY

Physical Disability Australia supports an evidence-based Annual Pricing Review, but pricing reform must be judged by its effect on participants' access, safety, choice and purchasing power. For people with physical disability, particularly those with high and complex daily support needs, price settings determine whether essential support hours, skilled workers, therapy, accessible accommodation and continuity of care remain available.

Based on feedback from a 10 person online discussion group, and recent feedback from our members on NDIS processes, Physical Disability Australia supports targeted improvements where they strengthen transparency, workforce viability and service quality. However, it does not support reforms that reduce effective plan value, shift costs to participants, or introduce price reductions without adequate evidence and transition protection.

- Protect plan purchasing power.
- Recognise skill, intensity and continuity.
- Safeguard accessible Short Term Accommodation.
- Apply therapy reform cautiously.
- Value complex coordination and plan management.
- Do not implement participation pricing differentiation as drafted. Any change should be piloted, independently evaluated and include continuity safeguards.
- Strengthen thin-market responses.

PDA's central request is that no participant be left with fewer essential supports because a price, claiming structure or provider classification changes. Reforms should be co-designed with people with disability, introduced with adequate notice, supported by published assumptions and local monitoring, and reviewed promptly where access or continuity deteriorates. We have outlined eight recommendations that will support this review in achieving its goals while at the same time protecting the people it is intended to serve.

Physical Disability Australia

Physical Disability Australia (PDA) is Australia's national peak Disabled People's Organisation representing people living with physical disability. Established in 1995, and governed and led by people with physical disability, we advocate for the rights, inclusion, and full participation of all people with physical disability across Australia.

At the heart of everything we do is a commitment to ensuring Australians with physical disability can realise their full potential and live with dignity, autonomy, and equal opportunity. Through systemic

advocacy, meaningful policy engagement, and direct representation to government, we champion equality, inclusion, and accessibility — working to ensure the voices and lived experiences of people with physical disability shape the laws, policies, and decisions that affect their lives.

Overall position

We welcome the National Disability Insurance Agency's continued commitment to an evidence based Annual Pricing Review and note the proposed transition to a Ministerial pricing determination under the *Securing the National Disability Insurance Scheme for Future Generations Bill 2026*. Many of our members have high and complex daily support needs and depend heavily on these related supports. The Annual Pricing Review's own data (43% of participants, \$17 billion in six months) confirms this market is the backbone of the Scheme.

Our headline concerns are:

1. Prices are functioning as a floor, not a ceiling.

With 69% of claims made at the published price (73% for registered providers), any pricing decision is effectively a wage and service decision for our members. Pricing cannot be treated as a cost containment lever without directly reducing the hours and skill level of support people receive.

2. Skill and intensity are under-recognised.

People with physical disability frequently require workers trained in manual handling, hoisting, complex bowel care, percutaneous endoscopic gastrostomy feeding, catheter and tracheostomy management, and ventilator support. Pricing structures anchored to the Social, Community, Home Care and Disability Services Industry Award minimum do not reflect what it costs to recruit and retain this workforce.

3. Changes must flow through to plan budgets at the same time as prices.

Price increases without equivalent plan indexation simply reduce the hours a participant can purchase.

1. Recommendation 1: Indexation of disability support worker Cost Model prices to the Fair Work Commission Annual Wage Review Strengths

Predictable and transparent. Linking prices to the 2 June 2026 Fair Work Commission determination gives providers and participants a known, defensible basis for the 1 July adjustment.

Protects the workforce. Passing wage increases through in full is essential; a workforce paid at or near award minimum is already fragile, and failure to index would accelerate attrition.

Methodologically consistent. Maintaining the established model avoids ad-hoc changes mid-way through a model review.

Weaknesses and concerns

Minimum wage is only one input. Indexation to the award minimum ignores other cost movements since the last benchmark – superannuation guarantee (now 12%), workers' compensation premiums, public liability and professional indemnity insurance, National Disability Insurance Scheme Commission registration/audit costs, and fuel/vehicle costs for community access. Providers absorbing these costs respond by cutting training, supervision and travel – all of which disproportionately affect participants with complex physical needs.

Does not reflect above-award pay for skilled workers. Workers who hold high-intensity competencies are commonly paid above Social, Community, Home Care and Disability Services Industry Award Level 2/3 minimums. If the price tracks the minimum while the market pays a premium, providers either refuse high-intensity clients or deliver them with under-trained staff. We see both.

Lead time. A 2 June determination and a late-June price release leaves providers, plan managers and self-managing participants days to reconfigure service agreements and budgets. Participants with physical disability who self-manage and directly employ workers are particularly exposed.

Plan indexation gap. The recommendation is silent on whether existing plan budgets will be indexed in step. Our members routinely report that a price rise mid-plan results in a reduction in funded hours.

What we ask

Confirm that all active plans are indexed automatically and simultaneously with the price change.

Publish an itemised breakdown showing how non-wage cost movements have been treated in the 2026–27 adjustment.

Commit to a minimum four-week notice period between price publication and effective date in future cycles.

Case Study

Plan indexation. David has MS and receives daily personal support, and his needs are increasing as his disability progresses. He already has to juggle the hours with budget, before the hourly rises come into effect. When the hourly price rises but the plan budget does not, the same allocation purchases fewer support hours, leaving an even larger avoidable gap in essential morning or evening assistance. Morning and evening support is usually the least flexible part of someone's day: getting out of bed, showering, dressing, toileting, meals, medication, and settling at night. Those tasks can't be "trimmed" the way a social outing can, so when hours run short Dave faces choices like:

- shorter visits (rushed personal care, skipped shower, no breakfast prep)
- fewer visits per week (some mornings or evenings with no support at all)
- running out of funding before the plan period ends

This has impacts across health and safety, dignity, and independence. Flow on risks include missed medication, falls, escalation (including hospitalisation) and family stepping in to replace paid support workers when hours run out.

2. Recommendation 2: Review of the disability support worker Cost Model Strengths

Long overdue and acknowledged as such. The model's benchmark data is from 2020-21; provider numbers, market structure, and the industrial environment have changed fundamentally. We strongly support the review.

Recognises the Fair Work Commission Gender-based Undervaluation proceedings. A structured vehicle for incorporating any Social, Community, Home Care and Disability Services Industry Award classification or rate changes is sensible and avoids piecemeal adjustment.

Opens the structure, not just the numbers. The scope wording ("whether the model's structure ... continue[s] to appropriately reflect contemporary employment and labour market conditions") is appropriately broad.

Weaknesses and concerns

No timeline or interim mechanism. "Scheduled for 2026-27" could mean an outcome in mid 2027 or later, with changes not effective until 1 July 2027 or 2028. If the Fair Work Commission hands down a decision in that window, there is no commitment to pass it through outside the Annual Pricing Review cycle.

No commitment to co-design. The recommendation does not mention participant, carer or disability organisation (DPO) involvement. A model that determines the hourly rate for 325,000 participants' core supports must be built with those participants.

Risks that the review becomes a cost reduction exercise. In the current fiscal environment, there is understandable concern that "review" will be read as "tighten". Key assumptions such as utilisation rates, span of control/supervision ratios, training hours, overheads, and the permanent/casual mix, can each be adjusted to lower the price on paper while cost in the real market stays the same.

Specific gaps for physical disability that the current model handles poorly:

- i. Two-worker (2:1) supports for hoisting, transfers and complex personal care: currently inconsistently funded and poorly priced.
- ii. Training and competency maintenance for high intensity tasks (the model assumes minimal paid training time).
- iii. Active overnight vs sleepover assumptions for people who require repositioning, ventilator monitoring or bowel care overnight.
- iv. Continuity of care costs: people with complex physical needs require small, stable teams; high utilisation assumptions in the model penalise this.
- v. Cancellation and travel settings for participants whose health fluctuates and whose appointments are frequently rescheduled.

What we ask

- A published terms of reference and timeline, with a commitment to an interim adjustment if the Fair Work Commission decision lands before the review concludes.
- Formal representation of participants and disability representative organisations on the review's advisory structure.
- Explicit workstreams on 2:1 supports, high-intensity competency training, and active overnight supports.
- A transparent model (published spreadsheet with all assumptions) so the sector can test the inputs.

Case Study

Two-worker transfers. Jenny has multiple complex disabilities and requires two trained workers for safe hoisting and transfers. If the Cost Model assumes standard one worker delivery and insufficient

training time, she is concerned that providers will decline the service or roster workers without the necessary competency.

Active overnight support. Jenny also uses a ventilator which requires overnight monitoring and repositioning. Pricing based on a sleepover model does not cover active work, increasing the risk of unavailable shifts or unsafe substitution.

3. Recommendation 3 – Unbundling Short Term Accommodation Strengths

- **Transparency and legal alignment.** Separating accommodation, disability support worker hours and loadings clarifies what the Scheme is paying for and is consistent with Section 10 of the National Disability Insurance Scheme Act and the approach used for Supported Independent Living and Medium Term Accommodation.
- **Supports claimed as delivered.** Claiming by actual hours, time of day, and day of week is fairer than a flat daily rate that currently over-funds low-support stays and under-funds high-support stays.
- **High Intensity and behaviour support loadings become claimable.** This is the most significant positive for our members. Under the bundled rate, providers have little incentive to accept participants who need 1:1 or 2:1 support with complex health tasks. Unbundling, done well, should expand access to Short Term Accommodation for people with high physical support needs.

Weaknesses and concerns

The \$158.66 accommodation cap does not reflect the cost of accessible accommodation. Medium Term Accommodation is typically longer-stay, unit-style accommodation with low turnover. Short Term Accommodation for people with physical disability requires ceiling hoists or mobile hoists, height-adjustable beds, accessible bathrooms with commode and shower chairs, wide circulation space, and often equipment hire for the stay. The commercial market does not supply this at \$158.66/night; purpose-built Short Term Accommodation providers have capital, maintenance and equipment costs well above this. The likely result is:

- exit of specialist accessible Short Term Accommodation providers (particularly in regional areas), or participants being offered only inaccessible or institutional settings.

- "Capital cost of a temporary stay" is undefined. It is unclear whether this includes cleaning/turnover between short stays, equipment, linen and consumables, and the vacancy risk inherent in short bookings. Each of these is a real accommodation cost, not a "living cost".
- Shifting food and utilities to participants. Characterising these as non disability living costs is legally defensible, but the practical effect is an out of pocket cost for people largely reliant on the Disability Support Pension. Many participants will not be able to afford Short Term Accommodation at all, undermining its purpose. There is also no guidance on how a provider is to charge for and manage these costs ethically.
- Risk to shared/group support ratios. Short Term Accommodation is often delivered at 1:2 or 1:3 ratios, which is what makes it affordable within plans and valued as a social experience by many participants. If unbundled claiming defaults to 1:1 disability support worker items, either plan budgets will be exhausted far faster or providers will be unable to claim group-based support. The recommendation does not address how ratio based claiming will work.
- Impact on existing plans. Participants currently funded with a Short Term Accommodation line item calculated on the bundled daily rate will find their funding does not map to the new structure. Without a transition rule, some will have substantially fewer nights available mid-plan.
- Increased administrative load. Multiple line items per night increase complexity for plan managers, self-managers and providers, and increase the risk of claim rejections. This burden falls hardest on participants with physical disability who self-manage.
- Timing and consultation. The extract gives no implementation date or transition period. A change of this scale requires at least six months' notice and worked examples.

What we ask

- An accessibility tier or loading on the accommodation component for stays requiring hoists, accessible bathrooms and specialist equipment, with the rate evidence based on actual accessible Short Term Accommodation provider costs.
- Clear definition of what the accommodation component covers (turnover cleaning, equipment, consumables, vacancy).
- Explicit ratio-based Short Term Accommodation disability support worker items (1:2, 1:3) alongside 1:1 items, mirroring existing group support structures.
- Automatic plan adjustment for participants with existing Short Term Accommodation funding, so no participant loses nights as a result of the restructure.

- Guidance and a safeguard on participant contributions to food and utilities, including a review of impact on Disability Support Pension recipients after 12 months.
- A transition period of at least six months, with worked examples, a plan manager fact sheet and a dedicated enquiry channel.
- An independent evaluation after 12 months measuring Short Term Accommodation access for participants with high physical support needs, provider exits, and out-of-pocket costs.

Case study

Accessible accommodation costs. LT is a wheelchair user and needs a ceiling hoist, an accessible bathroom and a height-adjustable bed. A standard accommodation cap means the only properties she can afford are ones she physically cannot use, because a ceiling hoist, accessible bathroom and height-adjustable bed are non-negotiable requirements, not preferences. The result is that she is effectively excluded from the stay altogether, not because her needs are unreasonable, but because the funding structure doesn't recognise that accessible accommodation costs more than the standard rate. Accommodation to LT isn't a 'holiday' She lives with family, who fill in the gaps when support workers aren't available. She is hoping to use accommodation to help her trial moving away from her family and be more independent, and gives her family a break from daily hoisting and night time support.

4. Recommendation 4 - Therapy supports

Physical Disability Australia supports evidence based pricing, but changes must protect participants' purchasing power, continuity of care and access to disability experienced practitioners. The source report proposes selective price changes and separate claiming for travel and non face to face activities. It also reports that a typical claimed therapy session contains approximately 73% direct therapy, with the balance comprising documentation, coordination and other work.

OUR POSITION

- **Psychology:** Support the proposed maximum of \$252.99 per hour, provided participant budgets are adjusted so the increase does not reduce funded hours.
- **Dietitians and exercise physiologists:** Do not support reductions to \$178.99 and \$161.99 without a transparent access-impact assessment, particularly for participants with complex nutrition, swallowing, fatigue, metabolic and mobility needs.
- **Orientation and Mobility Specialists:** Support dedicated line items, but the proposed \$156.16 rate must be tested against the cost of specialist disability practice, travel and the limited workforce.

- **Other Professionals:** Oppose a broad \$156.16 rate where different disciplines have materially different qualifications, costs and scarcity. Practitioner identification should precede discipline-specific repricing.
- **Separate claiming:** Support distinct travel and non-face-to-face line items where they improve transparency without imposing new administrative barriers or excluding necessary reports, preparation, liaison and documentation.

WHAT WE ASK

- Index affected participant budgets at the same time as any therapy price increase and assess the loss of purchasable hours before implementing any decrease.
- Publish discipline level access, waiting time and provider exit monitoring, disaggregated by location, age and support complexity.
- Co-design claiming rules with participants and practitioners, using plain language service agreements that show direct therapy, travel and non face to face work separately.
- Review the reforms after 12 months and provide a rapid adjustment mechanism where access deteriorates.

Case Study

Reduced therapy purchasing power. Tony needs regular dietetic support for complex nutrition and swallowing risks. He is concerned that a price change without matching plan recalibration will reduce the number of available sessions or force him to redirect funds from another essential support.

Necessary indirect work. Tony also uses an occupational therapist. Because of his complex needs, his therapist completes equipment specifications, liaises with suppliers and prepares the National Disability Insurance Agency report. Separate, transparent claiming can show this necessary work, but restrictive rules could leave it unfunded and delay essential equipment.

5. Recommendation 5 - Support coordination and psychosocial recovery coaching

The report proposes maximum hourly prices of \$80.06 for Support Connection, \$100.14 for Coordination of Supports and \$190.54 for Specialist Support Coordination, while aligning psychosocial recovery coaching with the disability support worker Cost Model. It also records participant concerns about losing existing providers and receiving fewer hours, and provider evidence that the role increasingly includes crisis response, cross-system navigation and substantial non-billable administration.

OUR POSITION

- Support maintaining a viable, nationally consistent support coordination market, but price adequacy cannot be assessed only by aggregate provider supply.
- Support alignment of psychosocial recovery coaching with relevant wage and employment-cost movements, with simultaneous plan indexation.
- Require the pricing framework to recognise complexity, crisis work, regional scarcity and the additional time required to coordinate housing, health, justice and other systems.

WHAT WE ASK

- Publish the evidence supporting each proposed rate and the assumed billable utilisation, supervision, administration and after-hours inputs.
- Use the Quality Supports Program evidence to develop complexity-sensitive pricing with participants, disability representative organisations and providers.
- Monitor continuity, funded hours and regional access—not simply provider counts—and establish safeguards against abrupt provider withdrawal.

Case study

Regional continuity. Rob is 60 and lives in a regional community. He has built trust with one specialist coordinator. If pricing makes that service unviable, changing providers will interrupt complex support arrangements and leave no comparable local alternative. He will no longer have the support he needs. He is concerned he will be forced to consider moving from the region where he has friends and a network, and move into aged care (which is 2.5 hours away from his town)

6. Recommendation 6 - Plan management

The report recommends retaining the monthly fee at \$104.45 and undertaking a structural review. Its analysis identifies a highly consolidated market and a tension between high-volume automated processing and more relational assistance with budgets, providers and invoices.

OUR POSITION AND REQUESTS

- Support the structural review, with participant experience and accessibility treated as core outcomes rather than optional service enhancements.
- Do not assume a single flat fee adequately reflects participants who need accessible communication, frequent explanation, complex invoice checking or active budget monitoring.
- Test hybrid or tiered models while preserving genuine choice and avoiding incentives to reject participants with complex arrangements.
- Publish concentration, complaints, processing-time and provider-exit indicators, including regional impacts, before and after any reform.

Case study

Complex budget monitoring. Julias has MND and uses multiple providers for high intensity daily supports and equipment. Active monitoring by a plan manager identifies duplicate or incorrect invoices early, preventing loss of funds that would otherwise reduce essential supports later in the plan.

7. Recommendation 7 - Social, Community and Civic Participation pricing

The proposed reform would reduce prices for supports delivered by unregistered providers by 10% from 1 January 2027, cease their indexation, and maintain prices and indexation for registered providers. Physical Disability Australia recognises the additional governance, supervision and safeguarding costs borne by registered organisations, but is concerned that the proposal places continuity and access risks on participants.

OUR POSITION

- **Do not implement the proposal as drafted.** A permanent 10% reduction combined with ceased indexation creates a widening differential without demonstrating that every unregistered provider has a correspondingly lower cost base.
- Registration status alone is not a reliable measure of the quality of an individual participant provider relationship.
- The highest risks fall on participants using trusted sole traders, people in thin markets and people requiring flexible or highly individualised assistance.

WHAT WE ASK

- Undertake a time limited, independently evaluated pilot rather than a national permanent change.
- Grandfather existing participant provider arrangements or provide transition funding so no participant loses a trusted worker solely because of the pricing change.
- Retain annual indexation for all workers' wage related costs; any differential should be reviewed annually rather than allowed to compound automatically.
- Publish local monitoring and pause the reform where provider availability, utilisation or continuity deteriorates. A decline exceeding the report's proposed 10% trigger should require immediate corrective action.
- Provide a supported, proportionate registration pathway for sole traders, including clear guidance and assistance with compliance costs.

Case study

Trusted sole trader. Dana lives in a rural town has received flexible community access from the same unregistered sole trader for years. A 10% reduction and ceased indexation will make the arrangement unviable even though the participant considers the support safe, responsive and effective.

Thin-market exit. Dana's town also has only one available provider for evening community participation. If that provider exits after the price reduction, she cannot simply switch and as a consequence will become socially isolated.

8. Recommendation 8 - Isolated towns and thin markets

The report recommends retaining existing Type 1 isolated towns and creating Type 2 locations where Modified Monash category 4 or 5 communities meet combined thresholds for low three year plan utilisation, extended travel time and socio-economic disadvantage. Type 2 providers would be able to negotiate travel costs, but no additional loading would apply.

OUR POSITION

- Support retaining existing Type 1 arrangements and publishing clear definitions and transition rules.
- Support a transparent multi-factor approach for Type 2 locations, including plan utilisation, travel and socio-economic disadvantage.
- Travel negotiation alone may not address absent local workforces, inaccessible accommodation, equipment needs or the higher cost of delivering complex physical supports.

WHAT WE ASK

- Co-design the Type 2 list and review process with affected participants and local disability organisations, and provide a transparent pathway for communities to seek inclusion.
- Publish local data and reassess locations at least annually, with protection against abrupt removal of existing arrangements.
- Measure effective access by timely service commencement, plan utilisation, provider continuity and availability of accessible, high intensity supports, not provider counts alone.
- Where travel negotiation does not improve access within 12 months, activate complementary measures such as loadings, workforce incentives, coordinated funding or direct commissioning.

Case study

Travel cap prevents service. PH is a wheelchair user who lives more than 70 minutes from the nearest regional centre (Canberra). Providers cannot recover the full travel time under ordinary settings, so allied health and equipment services are delayed or unavailable.

Travel negotiation is insufficient. PH's town qualifies for negotiated travel, but no local workers have high intensity physical support skills. Without workforce incentives or commissioned services, the pricing lever does not create reliable local supply.

Prepared By:

Suzanne Gearing, CEO

Sarah McInnes, Senior Policy Officer

Contact: Suzanne Gearing, CEO ceo@pda.org.au 0419 808 173