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Disability
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MEDIA RELEASE

12 July 2024

Disability sector organisations raise the alarm on NDIS market failure

An alliance of peak bodies and organisations across Australia representing all parts of the disability services sector is calling on the NDIA and government to take urgent and immediate action to ensure services for people with disability can continue, as evidence mounts of a catastrophic market failure in the NDIS.

Withdrawal of services will most affect participants who have the greatest need for supports - those with complex, high-intensity or behavioural support needs and those in regional and remote Australia.

Following the recent announcement of a totally inadequate Annual Pricing Review by the National Disability Insurance Agency (NDIA), provider representative organisations are raising the alarm that providers of quality and responsive disability services are already reaching breaking point.

Since the pricing announcement an increasing number of providers are saying that they will not be able to continue providing supports to people with disability.

The wellbeing and safety of people with disabilities must come first but inadequate funding for quality services is putting this at risk.

Quality providers are committed to ensuring services remain available to people with disabilities but can no longer afford to subsidise the costs. Financial reserves, often built up over decades with the support of local communities, are dwindling as providers struggle to make ends meet.

The NDIA's approach to pricing is undermining the ability of registered providers to deliver quality, sustainable disability services and is undermining NDIS reform.

The organisations called for immediate steps to address the crisis in the disability service sector, including:

- Increase prices for support coordination (level 2 and 3) and therapy at least in line with wage increases in the Disability Support Worker Cost Model

- Reinstatement of high intensity payments for behaviour support
- Implement a loading for all registered providers of at least 1 per cent

These first steps are essential to getting the NDIS on the pathway towards a financially sustainable model of service provision.

Statements attributable to supporting organisations:

- **National Disability Services (NDS)** CEO Laurie Leigh said “We knew the impact of the Annual Pricing Review would hit the sector hard, but the feedback we’ve received from providers shows that it’s been catastrophic. NDS has been overwhelmed with providers saying they are reconsidering their future in the sector.”
- **Disability Intermediaries Australia (DIA)** CEO Mr Jess Harper said “The NDIA’s Pricing decision is simply indefensible. Keeping price limits fixed for half a decade despite inflation, award wage increases, and operating cost pressures is irresponsible and reckless. This pricing decision has already resulted in the closures of safe, quality, and skilled service providers.”
- **Allied Health Professions Australia (AHPA)** CEO Bronwyn Morris-Donovan said “We know that our speech pathologists, occupational therapists and many other types of allied health professionals are deeply committed to supporting NDIS participants to live the best lives they possibly can – to the extent of personally absorbing some of the costs the NDIS refuses to pay for and the increased expenses due to the cost of living. But after five years of not even so much as indexation of therapy support pricing against inflation, our sector has reached breaking point.”
- The **CEO Collab** is extremely concerned by the recent Annual Price Review, seeing this as a major loss for participants and registered providers, and forcing many reputable providers to cease services. We call for the reinstatement of the high intensity payment for participants with complex behaviour and the 1% temporary loading.