Summary: Practice review into psychosocial disability and access to the National Disability Insurance Scheme (NDIS)

Introduction

The National Disability Insurance Scheme (NDIS) provides disability supports to Australians with permanent and significant disability.

In the NDIS, psychosocial disability refers to disability that arises from a long-term mental health condition, such as schizophrenia, major depression or bipolar disorder. The term ‘psychosocial disability’ focuses on an impairment’s impact on the person’s function rather than the diagnosis.

To access the NDIS, applicants must provide evidence that they meet the eligibility requirements set out in the *National Disability Insurance Scheme Act 2013* (NDIS Act). For people with psychosocial disability, this generally includes evidence that:

- their condition is, or is likely to be permanent
- their condition results in a significant reduction in functional capacity.

In recent years, people with psychosocial disability, carers and the mental health sector have raised concerns about declining NDIS access rates for people with psychosocial disability. While there have been no formal changes to NDIA access policy, guidance or decision-making processes, it was clear there had been a significant decline which required further consideration.

The National Disability Insurance Agency's (NDIA) Participant Outcomes, Evidence and Evaluation (POEE) Branch conducted an internal practice review to identify factors that could be affecting access outcomes for people with psychosocial

disability. POEE conducted the review between February and June 2026 and looked at the main steps in the NDIA access pathway.

Purpose of the practice review

A practice review is a structured way to look at how organisations deliver their services and to understand what is working well and where improvements can be made.

The purpose of this practice review was to:

- explore practice factors that could be affecting access rates for people with psychosocial disability
- provide greater visibility on how access decisions are made for applicants with psychosocial disability
- identify targeted areas for improvement to guidance and workforce capability
- provide actionable insights that support consistent practice and better-quality decision making.

What we did

The practice review explored the following key research questions:

- What are the current trends in Access Delegate assessment practices and decisions for applicants with psychosocial disability and how do they compare to practice and outcomes for applicants with other disabilities?
- How do Local Area Coordinators support the access process?

The review used a mixed-methods approach, drawing on several data sources including:

- in-depth interviews with NDIA Access Delegates, Quality Officers, and Technical Advisory and Practice Improvement Branch Advisors
- focus groups with Local Area Coordinators

- review of access cases processed in 2025 (including Administrative Review Tribunal matters)
- review of over 40 guidance documents on NDIS eligibility and access
- analysis of NDIA administrative data from 2025.

POEE analysed the findings from each data source and identified key themes and sub-themes based on the evidence.

Scope and limitations

Table 1 summarises the boundaries of what the review did and did not address and the corresponding limitations of the review.

Table 1: Practice review scope and limitations

Scope	Limitations
The practice review focused on the main stages and steps of the access pathway.	The practice review did not look at eligibility reassessments for NDIS participants with psychosocial disability.
The practice review focused on current NDIA practices. It only examined access requests processed by the NDIA during the 2025 calendar year.	The practice review did not review case files prior to 2025 and did not try to examine all the factors that may have contributed to changes in access rates for applicants with psychosocial disability over time.
The practice review focused on NDIA staff and Local Area Coordinator perspectives only.	The practice review did not explore applicant perspectives or other important stakeholders, including families, carers or other supporters and professionals/clinicians that may be involved in the access process.

Scope	Limitations
This practice review focused on access pathways through community settings.	The practice review did not explore other possible pathways to accessing the NDIS such as through hospital or justice systems, in detail.
The practice review looked at documents available on the NDIS external website and internal system during March and Apil 2026.	After completion of the document review, the NDIA undertook a redesign of the external website. As a result, accessibility of documents and website information may differ from practice review findings.

What we found

Our analysis found two key themes. These themes highlight specific challenges in the access process and NDIA practices for applicants with psychosocial disability. Each theme includes sub-themes that provide more detail about these challenges.

Theme 1: Evidence to support access applications

The NDIA's publicly available information on psychosocial disability access can be confusing, difficult to navigate and lacks the detail needed to understand NDIS eligibility requirements. As a result, access applications often do not include the evidence Access Delegates need to assess against NDIS eligibility criteria. Sub themes included:

- **Challenges accessing guidance on requirements.** Document review found more than 40 different documents on the NDIS website related to psychosocial disability and access. These documents provided inconsistent information on the functional assessment tools, type of clinician evidence and level of detail on impairments required for the applicant to meet eligibility requirements.

- **Evidence gaps in access requests.** Access Delegates reported that access requests involving psychosocial disability often had gaps in evidence including gaps in treatment history and lack of detail on how an applicant's impairments impact their daily lives.
- **Quality of evidence from different sources.** Access Delegates reported that access requests involving psychosocial disability often included conflicting evidence, particularly when gathered in community settings from a range of different clinicians.
- **Requests for information and NDIA interactions**. Administrative data showed that Access Delegates were less likely to request further information from applicants with psychosocial disability compared to other applicants. Access Delegates varied in how they make decisions about requesting further evidence, reflecting limited guidance on when additional evidence is needed.
- **Communicating outcomes of access decisions.** Case review found that templated letters used to communicate outcomes with applicants provided high-level information about which eligibility criteria were met or not met. As a result, applicants may not have had enough detail to fully understand what additional evidence was needed to support eligibility.

Theme 2: Guidance and decision making

Internal guidance and processes do not adequately support Access Delegates to interpret and assess complex psychosocial disability evidence. Without easily accessible resources and decision-making tools, Access Delegates reported difficulty assessing the evidence against eligibility criteria and making consistent decisions. Sub themes included:

- **Internal guidance and decision-making tools**. A document review found that internal guidance was process-focused and did not always support Access Delegates in assessing clinical evidence against the access criteria, particularly for psychosocial disability. To fill these gaps, some Access Delegates relied on knowledge from previous requests, quality assurance activities, peer-shared resources, or their own research. Case reviews

showed this may have led to decisions based on individual interpretations of whether applicants had exhausted ‘appropriate and available’ treatment options, contributing to inconsistent outcomes.

- **Interpreting psychosocial disability evidence and seeking advice.** Case reviews found that assessing psychosocial disability can be complex, particularly when deciding whether a condition is permanent and whether there was substantially reduced functional capacity. Access Delegates consider evidence assessment more difficult for psychosocial disability compared to physical disabilities as there are no clear thresholds for substantially reduced functional capacity (for example, like there is for hearing impairment). As Access Delegates do not generally have mental health or clinical backgrounds, they reported a need for more training, guidance and specialist support. Access Delegates also do not consistently access internal clinical advice to support decision-making.

Opportunities for action

Based on the review findings, POEE identified several opportunities to improve both NDIA practices and the experience of applicants with psychosocial disability. These include:

- **Better support for applicants, Local Area Coordinators and clinicians**: Clearer, simpler and more consistent public information could help applicants and supporting professionals better understand the NDIS eligibility requirements and the evidence needed to support an access request.
- **Better support for Access Delegates**: The NDIA could strengthen access decision-making through clearer guidance on eligibility requirements. Practical tools could also help Access Delegates interpret and assess complex clinical evidence consistently and confidently.

What is next

The practice review has highlighted key opportunities to improve practice. To do this, the NDIA will focus on:

- **simplifying public-facing guidance**
- **supporting staff, skills and practice.**

This will include actions that the NDIA will do now, and longer-term actions to support future changes to how NDIS access will work. Learn more about the future changes.

Details of actions are below.

Simplifying public-facing guidance

- **Our goal:** To help people with psychosocial disability know what information to give us when they apply
- **Right now:** We will make our public information consistent and easy to find. This includes changes we have already made to make our website easier to use.
- **Longer term:** We will make sure the public information about the new eligibility process is clear, easy to find and provides specific psychosocial information where needed.

Supporting NDIA staff, skills and practice

- **Our goal:** To make sure NDIA staff have the skills and support they need to support consistent practice and better-quality decision making.
- **Right now:** We will deliver targeted training on psychosocial disability and interpreting evidence in the context of psychosocial disability to all access delegates.

- **Longer term:** We will work to improve the guidance and support tools that are available to access delegates as part of our work to implement the new access process. This will include specific psychosocial disability content where needed.

We are committed to working with stakeholders on implementing these actions and on how we implement the new eligibility process. This will include working with the National Mental Health Sector Reference Group. Learn more about the National Mental Health Sector Reference Group.

Information about future changes to NDIS access

The new access process will begin on 1 January 2028. The changes include:

- eligibility decisions based on a new standardised, evidence-based assessment of functional capacity as informed by the Technical Advisory Group (TAG)
- more consistent assessment of permanence and whether an impairment can be alleviated or treated
- more consistent assessment of access to other compensation schemes.

There will be community consultation on these changes. Learn more about upcoming consultation opportunities.

The Australian Government has set up the TAG to provide independent, expert advice to support reforms to NDIS access and eligibility. The NDIA has given the Practice Review to the TAG to inform their advice to Government. Read more about the Technical Advisory Group for NDIS functional capacity.