The National Disability Insurance Scheme

1. INTRODUCTION

The National Disability Insurance Scheme (NDIS) has been described as the biggest social reform since the introduction of Medicare in the 1970s. The NSW Department of Family and Community Services (FACS) notes that the NDIS “replaces the existing state-based disability system with a national, insurance-based entitlement scheme, where people can exercise choice and control over their supports”; and “when fully implemented, [it] will benefit about 140,000 people with disability across NSW and will boost total funding from around $3 billion to over $6 billion per year”.

FACS outlines the key changes to the disability support system:

<table>
<thead>
<tr>
<th>Currently…</th>
<th>Under the NDIS…</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW and Commonwealth provide funding to service providers</td>
<td>The NDIS will provide funding and supports to people with a disability</td>
</tr>
<tr>
<td>Providers receive government funding to provide services through contracts with FACS</td>
<td>People with disability will use funding allocated to them to choose who provides their supports</td>
</tr>
<tr>
<td>Each State and the Commonwealth runs its own disability system with different entry and eligibility criteria</td>
<td>The NDIS is funded equally by the States and Territories and the Commonwealth and people can access the NDIS if they meet the disability or early intervention criteria</td>
</tr>
</tbody>
</table>
For a brief summary of the NDIS, see The National Disability Insurance Scheme: a quick guide, Commonwealth Parliamentary Library, 1 September 2016.

The timeline for the rollout of the NDIS in NSW is:

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2013</td>
<td>Trial commenced in the Hunter region</td>
</tr>
<tr>
<td>July 2015</td>
<td>NDIS commenced in the Nepean and Blue Mountains area (for children aged 0-17)</td>
</tr>
<tr>
<td>July 2016</td>
<td>NDIS commenced in these areas: Hunter New England, Southern New South Wales, Central Coast, Northern Sydney, South Western Sydney, Western Sydney, Nepean Blue Mountains.</td>
</tr>
<tr>
<td>July 2017</td>
<td>NDIS to be rolled out to rest of NSW</td>
</tr>
<tr>
<td>July 2018</td>
<td>NDIS to be fully operational in NSW</td>
</tr>
</tbody>
</table>

The estimated annual intake of NDIS participants in NSW is:

<table>
<thead>
<tr>
<th>Client Cohort</th>
<th>Trial</th>
<th>2016-17</th>
<th>2017-18</th>
<th>2018-19</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing FACS clients</td>
<td>6,583</td>
<td>36,655</td>
<td>35,570</td>
<td>0</td>
<td>78,808</td>
</tr>
<tr>
<td>New participants</td>
<td>5,528</td>
<td>6,567</td>
<td>24,650</td>
<td>26,404</td>
<td>63,149</td>
</tr>
<tr>
<td>Total intake</td>
<td>12,111</td>
<td>43,222</td>
<td>60,220</td>
<td>26,404</td>
<td>141,957</td>
</tr>
<tr>
<td>Total cumulative intake</td>
<td>12,111</td>
<td>55,333</td>
<td>115,553</td>
<td></td>
<td>141,957</td>
</tr>
</tbody>
</table>

Source: NDIS - Bilateral Agreement between the Commonwealth and New South Wales, Sch A

As outlined in the 2012-13 agreements between the Commonwealth and the States and Territories, the Productivity Commission is to undertake a review of NDIS costs in 2017. The review is intended to inform the final design of the full scheme, prior to its commencement. The Productivity Commission’s inquiry began in January 2017; it released an issues paper in February, and it is due to report in September 2017.

This Issues Backgrounder provides a collection of key sources on the NDIS including information and reports published by the National Disability Insurance Agency, government departments, statutory bodies, and parliamentary committees. It also includes references to commentary from the media, academics and non-government organisations. Links are provided to the full text of sources. For copyright reasons, some linked items are only available to Members of Parliament.
2. NATIONAL DISABILITY INSURANCE AGENCY

2.1 WEBSITE

NDIS

NDIS in New South Wales

Independent Advisory Council

2.2 KEY PUBLICATIONS

Operational Guidelines of the National Disability Insurance Agency

National Disability Insurance Scheme: COAG Disability Reform Council Quarterly Report, January 2017

NDIA Annual Report 2015-16, October 2016

Market Position Statement – New South Wales, March 2016

NDIS Early Childhood Early Intervention (ECEI) Approach, February 2016

Independent Advisory Council advice to the NDIA Board and Agency response, 2015

Interim report: Review of the optimal approach to transition to the full NDIS, July 2014

3. NEW SOUTH WALES

3.1 GOVERNMENT

Websites

Family and Community Services, National Disability Insurance Scheme

National Disability Insurance Scheme in New South Wales

Policy

Family and Community Services National Disability Insurance Scheme Transition Plan – Overview, December 2015

Minister’s media releases

NSW ready to begin transition to NDIS, 30 June 2016

NSW takes next bold step on the NDIS, 28 April 2016

NSW welcomes clarity on specialist disability housing, 1 April 2016

NDIS to create jobs boom in New South Wales, 14 March 2016

Non-government sector to lead redevelopment, 17 October 2015
3.2 STATUTORY BODIES

NSW Audit Office, Building the readiness of the non-government sector for the NDIS, Performance Audit, 23 February 2017

Mental Health Commission of NSW, The NSW NDIS and Mental Health Analysis Partnership Project: Insights from the first two years of the NDIS rollout in the Hunter region, Summary Issues Paper, October 2015

3.3 PARLIAMENT

General Purpose Standing Committee No. 2, Budget Estimates 2016-17, Examination of proposed expenditure for the portfolio area Ageing, Disability Services and Multiculturalism, Transcript, 5 October 2016

General Purpose Standing Committee No. 2, Budget Estimates 2016-17, Examination of proposed expenditure for the portfolio area Ageing, Disability Services and Multiculturalism, Transcript, 30 August 2016


Hon J Ajaka, Second reading speech on the National Disability Insurance Scheme (NSW Enabling) Bill 2013, Hansard, 23 October 2013

3.4 LEGISLATION

Disability Inclusion Act 2014

National Disability Insurance Scheme (NSW Enabling) Act 2013

4. COAG AND AGREEMENTS

4.1 DISABILITY REFORM COUNCIL

Disability Reform Council

National Disability Insurance Scheme (NDIS) Quality and Safeguarding Framework, 9 December 2016

NDIS Integrated Market, Sector and Workforce Strategy, June 2015

4.2 AGREEMENTS

Operational Plan Commitment between the National Disability Insurance Agency (NDIA), New South Wales Government and Commonwealth Government for Transition to Full Implementation of the NDIS, 16 December 2016
The National Disability Insurance Scheme

**NDIS - Bilateral Agreement between the Commonwealth and New South Wales**, 16 September 2015

**Bilateral Agreement for NDIS Launch between the Commonwealth and New South Wales**, 7 December 2012

**Intergovernmental Agreement for the National Disability Scheme Launch**, 7 December 2012

### 5. COMMONWEALTH

#### 5.1 GOVERNMENT

**Website**
Department of Social Services, [National Disability Insurance Scheme](#)

**Reports**


Ernst and Young, [Independent review of the NDIS Act](#), December 2015


ARTD Consultants, [National Disability Insurance Scheme Quality and Safeguarding Framework Consultation Report](#), 31 August 2015

J Whalan, P Acton and J Harmer, [A Review of the Capabilities of the National Disability Insurance Agency](#), January 2014

National Institute of Labour Studies, [NDIS Evaluation Framework](#), November 2013

**Minister’s media releases**

[A national commitment to NDIS Quality and Safety](#), Media release, 3 February 2017

[Investment to unlock workforce innovation for NDIS participants and providers](#), 6 October 2016

[Disability Reform Council achieves significant agreement to support the rollout of the NDIS](#), 2 September 2016

[NDIS MyPlace portal](#), 31 August 2016

[Real Money for a real commitment to NDIS](#), 3 May 2016

[NDIS to create jobs boom in NSW](#), 14 March 2016
5.2 STATUTORY BODIES

Australian Bureau of Statistics, 4430.0 - Disability, Ageing and Carers, Australia: Summary of Findings, 2015, 18 October 2016

Australian Institute of Health and Welfare, Disability support services: services provided under the National Disability Agreement 2014–15, June 2016

Australian National Audit Office, National Disability Insurance Scheme - Management of Transition of the Disability Services Market, 9 November 2016

Australian National Audit Office, Early Intervention Services for Children with Disability, 1 March 2016

Productivity Commission, National Disability Insurance Scheme (NDIS) Costs, [current inquiry]

Productivity Commission, Disability Care and Support, Inquiry Report No. 54, 31 July 2011

5.3 PARLIAMENT

Parliamentary Library


Committees

Joint Standing Committee on the National Disability Insurance Scheme, The provision of hearing services under the National Disability Insurance Scheme, [current inquiry]

Joint Standing Committee on the National Disability Insurance Scheme, The provision of services under the NDIS for people with psychosocial disabilities related to a mental health condition, [current inquiry]

Joint Standing Committee on the National Disability Insurance Scheme, Accommodation for people with disabilities and the NDIS, 5 May 2016

Joint Standing Committee on the National Disability Insurance Scheme, Second progress report on the implementation and administration of the National Disability Insurance Scheme, 12 November 2015 [see also Government response]

Senate Standing Committee on Community Affairs, Adequacy of existing residential care arrangements available for young people with severe physical, mental or intellectual disabilities in Australia, 24 June 2015

Second reading speech

Hon J Gillard, Second reading speech on the National Disability Insurance Scheme Bill 2012, Hansard, 29 November 2012
5.4 LEGISLATION

National Disability Insurance Scheme Act 2013, as compiled on 21 October 2016

NDIS Rules

6. MEDIA COMMENTARY

Effort to find 2000 NDIS-eligible young people lost in aged-care limbo is faltering, AUST, 17 February 2017

NDIS latest victim of partisan politics, SMH, 16 February 2017

Canberra faces huge surge in NDIS costs, AUST, 15 February 2017

Autism rise attributed to clinicians diagnosing milder cases, SMH, 24 January 2017

Nation building at its best: amid gloom, something for Australians to feel proud of, SMH, 23 January 2017

Major review for disability costs, SMH, 21 January 2017

$3.7 billion hole in NDIS funding, AUST, 13 January 2017

Canberra looks to assert control over the NDIS, AFR, 22 December 2016

100,000 mentally ill lose NDIS cover, AUST, 19 December 2016

Carers falling through the cracks under NDIS, SMH, 5 December 2016

Surging autism a growing headache for NDIS, AUST, 24 November 2016

Global firm prepares to move in to fix NDIS, AUST, 21 November 2016

Big firms to grab slice of NDIS $500m, AFR, 16 November 2016

‘Lost’ to the NDIS: thousands miss out, AUST, 12 November 2016

How Siobhan Daley became the public face of the NDIS, SMH, 7 November 2016

Push for uniform autism diagnosis, AUST, 6 October 2016

NDIS hits families for funds upfront, AUST, 16 September 2016

NDIS at ‘real risk’ of full rollout failure, AUST, 3 September 2016

NDIS may force employers to ‘cut corners’, inquiry hears, SMH, 20 July 2016

NDIS is a game changer full of opportunities, SMH, 13 July 2016

NDIS will open up huge market, AFR, 1 July 2016

Families warned they may face a ‘massive gap’, SMH, 18 June 2016

More media articles can be found on the Parliamentary Library’s intranet page.
7. ACADEMIC COMMENTARY

7.1 RESEARCH CENTRES


Australian Housing and Urban Research Institute, *NDIS, housing assistance and choice and control for people with disability*, Final Report No. 258, December 2015


Deeble Institute for Health Policy Research, *Implications of the National Disability Insurance Scheme for health service delivery*, Issues Brief, June 2014

7.2 JOURNAL ARTICLES


J Cullen and others, *Will the National Disability Insurance Scheme improve the lives of those most in need? Effective service delivery for people with acquired brain injury and other disabilities in remote Aboriginal and Torres Strait Islander Communities* (2014) 73(2) *Australian Journal of Public Administration* 260-270


7.3 THE CONVERSATION ARTICLES

I Wiesel and K Fisher, Shared ownership can help make housing affordable for people with disability, 10 February 2017

F Macdonald, New risks for disability care workers under the NDIS, 22 August 2016

D Gilchrist, Understanding the NDIS: the challenges disability service providers face in a market-based system, 11 July 2016

J Gilroy, Understanding the NDIS: the scheme does not yet address all the needs of Indigenous people with disabilities, 8 July 2016

K Fisher, Understanding the NDIS: many eligible people with disabilities are likely to miss out, 7 July 2016

A Marchbank, Understanding the NDIS: will parents of newly diagnosed children with disability be left in the dark? 7 July 2016

P Ramcharan, Understanding the NDIS: a history of disability welfare from ‘deserving poor’ to consumers in control, 6 July 2016

C Laragy, Understanding the NDIS: how does the scheme work and am I eligible for funding? 6 July 2016

D Winkler and L Bo’sher, To get young people out of nursing homes, we need to back up the NDIS with housing – here’s how, 3 May 2016

L Callaway and M Brown, Sorry, not my department – why the NDIS and health systems need to collaborate, 8 December 2015

L Callaway, Bringing the NDIS home: smarter housing design for people with disability, 29 September 2015

8. NON-GOVERNMENT ORGANISATIONS COMMENTARY

8.1 WEBSITE

Every Australian Counts
8.2 PAPERS

Anglicare, Carers Doing it Tough, Doing it Well, December 2016


National Disability Services, Australia’s Disability Services Sector 2016: Report 1 Financial Sustainability Summary of key findings, September 2016

NCOSS, Plan first, don’t ‘retrofit’: Delivering on the promise of the National Disability Insurance Scheme (NDIS) for Aboriginal and CALD people in NSW, January 2016

Monash University, Yooralla, Summer Foundation and Multiple Sclerosis Limited, Considerations for National Disability Insurance Scheme design: The health and disability interface for people with complex needs living in shared supported accommodation, December 2015

Federation of Ethnic Communities’ Councils of Australia, Access and Equity in the Context of the National Disability Insurance Scheme, 30 June 2015


People with Disability Australia, National Disability Insurance Scheme Citizens’ Jury Scorecard for the National Disability Insurance Agency and People with Disability Australia 17th - 20th February 2015, February 2015

Mental Health Council of Australia, Developing a framework for providing psychosocial disability support through the National Disability Insurance Scheme, March 2014

Centre for Independent Studies, The New Leviathan: A National Disability Insurance Scheme, Policy Monograph 131, November 2012

8.3 SUBMISSIONS

This webpage of Joint Standing Committee on the National Disability Insurance Scheme lists submissions and communications received.

Author: Lenny Roth

Last updated: 7 March 2017

For further information please contact the Research Service on 9230 2356

Issues Backgrounders are prepared by the NSW Parliamentary Research Service for Members of Parliament on Bills or subjects of topical importance.

This Issues Backgrounder provides links to parliamentary material, journal articles, media articles and interest group web sites to provide Members with detailed information relating to matters under consideration by the NSW Parliament. Although every
attempt is made to ensure that the information provided is correct at the time of publication, no guarantee can be made as to its ongoing relevancy or accuracy. This Issues Backgrounder should not be considered a comprehensive guide to this particular subject and is only a representative sample of the information available. This Issues Backgrounder does not constitute a professional legal opinion.