

Concerns regarding NDIA Budget Cuts

What's happened

On 11 June 2025, the National Disability Insurance Agency (NDIA) released its 2024–25 Annual Price Review (APR)¹, followed by the updated National Disability Insurance Scheme (NDIS) Pricing Arrangements and Price Limits² on 16 June 2025, with all changes set to take effect from 1 July 2025; giving NDIS providers less than three weeks' notice to respond to significant and complex changes.

The changes include:

- The Physiotherapy rate in WA, SA, Tas and NT has gone down by \$40.63/ hour, and the national rate has gone down by \$10/ hour.
- The Psychology rate has gone down by \$1.84/ hour in WA, SA, Tas and NT, but gone up by \$10/ hour nationally.
- The Dietetics and Podiatry rate has gone down by \$5/ hour nationally.
- The Occupational Therapy and Speech Pathology rate has remained the same for the seventh year since prices were set in 2019.
- The travel rate for all therapists has been halved nationally.

This will affect access to essential supports in our community. Many providers are being forced to reduce services or withdraw from the Scheme altogether. These cuts are not congruent with the cost-of-living crisis.

Page 11 of the NDIA's 2024-2025 states that therapy supports represented "around 11% of the total Scheme expenditure". Considering this, it does not make sense as to why budget cuts would target therapists.

The community is deeply concerned about these changes. This is reflected in the 57,632 verified signatures (as of 1:14pm on 21/07/2025/2025) on the "Stand Up for Disability Supports: Stop the NDIS Cuts" petition³.

We kindly request your support to:

1. Raise concerns with Minister Butler and Senator McAllister, and the NDIA

¹ <https://www.ndis.gov.au/providers/pricing-arrangements/making-pricing-decisions/annual-pricing-review>

² <https://www.ndis.gov.au/providers/pricing-arrangements>

³ https://www.change.org/p/stand-up-for-disability-support-stop-the-ndis-cuts?cs tk=A1ts4-3lcsULUuPBYGgAAXicyyvNyQEABF8BvDAyMjM0ZjdkNTA0N2U3Y2UyYmRkMzU1NDg5OGMyNWewNzgzNjA3Njk3ODk2ODdmNTE2NjY5YWwMzgz5ZDlyYzY%3D&utm_campaign=f0fff42d3f634e209d34ad529bb60fd0&utm_content=initial_v0_0_1&utm_medium=email&utm_source=petition_response_created&utm_term=cs

- Minister Mark Butler, Minister for Disability and the National Disability Insurance Scheme Minister for Health and Ageing
 - Senator Jenny McAllister, Minister for the National Disability Insurance Scheme
2. Halt the hourly rate cuts for Dietitians, Physiotherapists and Podiatrists.
 3. Support an immediate and ongoing uplift to NDIA therapy pricing to be in line with inflation (approximately 22.4% between 2019 and 2025).
 4. Support the reversal of the 50% cut to travel claiming.
 5. Development of a fit-for-purpose allied health costing model to ensure long-term sustainability.
 - Call for the transparency of internal NDIA systems and expenditure, including use of the Administrative Reviews Tribunal.
 - Collaboration with NDIS Participants and Providers on NDIS reforms.

Our concerns

Viability of services

The NDIA has given only 19 days' notice about this incoming change to how we can bill on July 1, which has given an enormous amount of stress to Participants and Providers and is making Providers reconsider their entire business model. For many Providers, mobile therapy services will no longer be a viable option, reducing access to crucial services for people with disabilities.

The NDIA has three ways of NDIS participants managing their funding: self-managed, plan-managed (by a third-party organisation who act like an accountant), and NDIA-managed. The NDIS does not allow NDIS Providers to charge a gap-fee or co-payment to NDIS participants with NDIA- and plan-managed funding. How are therapists meant to make-up for the cuts to billing rates? At the same time, we do not want to charge some of the most vulnerable Australians a gap fee. A gap fee is also not an option that many Australians with disabilities can afford.

"...modelling shows there is a 10.9% difference between the fully loaded cost to deliver an hour of therapy supports and the NDIA Price Limit, for the current 2023-24 financial year. For the 2024-25 financial year there is a projected 12.9% difference"⁴.

Inappropriate data modelling used to support cuts to dietitian, physiotherapy and podiatry rates.

Data used to support this price cut was sourced from outdated private health insurance and Medicare benefit Scheme (MBS) data. This cannot be used as a benchmark as prices were not compared for the full hour of service delivered to NDIS participants. NDIS participants also require more complex and time consuming

⁴ <https://www.abilityroundtable.org/post/ndia-annual-price-review-submissions-core-supports-and-therapy-supports>

interventions than Medicare clients due to the complex nature of their disability and impact on function, independence and participation.

Reduced access to therapy services

NDIS Participants who are unable to travel due to their disability, or the disability of their caregivers, will prevent vulnerable people from accessing services.

For example, an NDIS Participants' Mother has epilepsy and is not able to drive her child to appointments because of this. Halving the rate which therapists can bill for their travel time will mean that this is a less viable service, meaning Participants who can't attend a clinic will be left without.

Impact on the hospital system

Reduced access to allied health professionals and a switch to more telehealth services due to these cuts will have profound impacts on the health and wellbeing of participants. Allied health workers such as physiotherapists and dietitians improve the respiratory health, mobility, nutrition status and growth of participants while preventing malnutrition, dehydration, nutrient deficiencies, pressure injuries and complications related to their tube feeding. Without adequate support from allied health professionals there will be increased preventable hospitalisations resulting in increased morbidity and mortality. As per the Australia Physiotherapy Association "These changes do not save money. This then shifts costs downstream and increases the cost of care to Australia's broader healthcare system". Therapy with NDIS Participants in their home keeps them as mobile, healthy and independent as possible, which reduces hospital admissions.

Overall rates of potentially preventable hospitalisations of people with intellectual disability are 3.5 to 4.5 times as high as for the general population⁵. Already 1 in 4 people with a disability attend emergency and 1 in 5 are hospitalised yearly; much higher than the general population⁶. With 6.2 % of hospitalisations classed as potentially preventable this costs the health system millions each year. According to the AIHW these admissions could potentially been prevented through the provision of appropriate individualised preventative health interventions or early disease management by general practitioners, medical specialists, dentists, nurses and allied health professionals. Once hospitalised the risk of further complications is as much of 10% of inpatients which leads to further hospital costs⁷.

As per NDIS practice alert for people with a disability, "there are serious and life threatening risks if transitions of care between services and hospital are

⁵ ⁵ <https://onlinelibrary.wiley.com/doi/10.5694/mja2.51113>

⁶ <https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/contents/health/access-to-health-services>

⁷ <https://www.aihw.gov.au/hospitals/topics/admitted-patient-safety-and-quality/potentially-preventable-hospitalisations>

mismanaged”⁸. Specific research into community based allied healthcare preventing hospitalisation in the disability population is difficult to obtain, however some research suggests that community-based Allied health services may positively impact acute care utilizations, highlighting their potential to alleviate the pressure on acute care⁹.

Impact on women

Carers

The unpaid labour would be perpetuated by reducing therapy travel, which further entrenches gender inequality.

The caregivers of people with disabilities will have to shoulder the extra load; reducing or juggling work, study, and other family responsibilities while transporting their young, adolescent or adult child with disabilities to and from appointments. How can we expect mothers to reduce their paid work hours in a cost-of-living crisis?

The Australian Institute of Family Studies report titled, “Building the evidence base for the National Carer Strategy”¹⁰ on page four states, “unpaid carers generally experience poorer wellbeing, income, employment and education outcomes relative to their non-carer peers, and these effects tend to be worse the greater the level of caregiving (hrs/week and intensity of caring)”.

NDIS workforce

In disability services, “...88 per cent of allied health professionals or allied health assistants were women...[and]... Sixty-five per cent of disability support workers were women...”¹¹. The NDIA’s budget cuts will have a profound impact on women.

Teachers

72% of all education professionals are women¹². Many teachers are severely under the pump and on the brink of burnout themselves. Removing therapists from schools

⁸ <https://www.ndiscommission.gov.au/sites/default/files/2022-05/practice-alert-transitions-care-between-disability-services-and-hospitals%20%281%29.pdf>

⁹ <https://pubmed.ncbi.nlm.nih.gov/39605931/>

¹⁰ <https://aifs.gov.au/research/commissioned-reports/building-evidence-base-national-carer-strategy>

¹¹

https://nds.org.au/images/State_of_the_Disability_Sector_Reports/NDS_Workforce_Census_Report_2024.pdf

¹²

[https://www.aph.gov.au/About_Parliament/Parliamentary_departments/Parliamentary_Library/Research/FlagPost/2024/October/Teachers_in_Australia#:~:text=The%20most%20recent%20Labour%20Force,professionals%20are%20women%20\(72%25\).&text=Source:%20ABS%2C%20Census%20of%20Population,various%20from%201961%20to%202021\).](https://www.aph.gov.au/About_Parliament/Parliamentary_departments/Parliamentary_Library/Research/FlagPost/2024/October/Teachers_in_Australia#:~:text=The%20most%20recent%20Labour%20Force,professionals%20are%20women%20(72%25).&text=Source:%20ABS%2C%20Census%20of%20Population,various%20from%201961%20to%202021).)

will prevent teachers, whom (for mainstream education) are not trained in disability, from having access to supports, and will exacerbate the burnout of teachers.

Parents – parental leave

88% of therapists working in disability services are women. For a lot of women working in community services, we do not have access to, or have very limited access to, parental leave. This will only get worse as the hourly therapy rate continues frozen or decreases, and organisations cannot afford to offer parental leave.

Increased prevalence and risk of domestic abuse

People who are vulnerable to abuse are less likely to be seen by therapists who are trained in safeguarding protocols to advocate for their safety. Page 83 of the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability - Final Report Volume 3¹³ states, “People with disability experience more interpersonal violence and abuse than people without disability. More than half of adults aged 18 to 64 with disability, or 55 per cent, have experienced physical and/or sexual violence since age 15 compared with 38 per cent of adults aged 18 to 64 without disability”.

For many people with disabilities, using technology for telehealth is not an option. An individual may be non-speaking, they might not have the intellectual capacity to set up a device to answer a telehealth call at a scheduled time, and/or they physically may not be able to use a device. Over telehealth there is also no way for a therapist to ensure that the individual is in a private space to disclose information regarding abuse, to be able to get help.

If Mothers are going to be forced to work less to take their disabled child/ren to clinic appointments, they are going to be more financially dependent on others, such as their partners. This places women at greater risk of domestic abuse. The ABC reported on 3 June 2025¹⁴ that “One in three Australian men report using intimate partner violence”. The ability to access therapy at home is not just a convenience; it is a lifeline.

Against Best Practice

The National Guidelines for Best Practice in Early Childhood Intervention recommends “Engaging the Child in Natural Environments” i.e. working with the child in their home, school and community. Not being able to work with a child in their natural environments is against Best Practice. Additionally, it goes against the NDIA’s own guidelines, encouraging therapy in natural environments: “early supports

¹³ <https://disability.royalcommission.gov.au/publications/final-report-volume-3-nature-and-extent-violence-abuse-neglect-and-exploitation>

¹⁴ <https://www.abc.net.au/news/2025-06-03/one-in-three-australian-men-report-using-domestic-violence/105370948>

build capacity in you and your child across natural settings. They promote everyday learning in your home and other environments”¹⁵.

Decreased school attendance

With less providers having funding to travel, more will be forced to opt for a clinic model, which will result in students with disabilities being pulled out of school to travel to and from appointments.

Lack of transparency on NDIA decision-making and use of tax-payer funds

At the moment therapists write reports to support the justification of a Participant’s next 12 months of NDIS funding. These reports are collated by the Participant’s Local Area Coordinator (LAC) and then sent to the NDIA where decisions about what funding someone receives are made. It appears that most NDIA staff do not have any professional background in disability or healthcare.

If a Participant’s NDIS funding plan was missing crucial therapy or equipment funding, a Participant can request an internal review by the NDIA. If it is still not appropriately funded, a Participant can have the matter taken to the Administrative Review Tribunal (previously the Administrative Appeals Tribunal).

Administrative Reviews Tribunal

As the NDIA appears to be cutting funding from Participant’s plans, more and more Participants are going to the Administrative Reviews Tribunal to fight for their crucial funding.

The NDIA spent \$46.3 million on legal fees in 2023-24 fighting NDIS participant appeals at the AAT¹⁶. This does not include the fees for non-legal personnel. 70% of the cases that went to the AAT in 2023-24, the NDIA changed how they funded someone’s plan (likely changing it to include the crucial therapy or equipment funding that had previously not funded).

It costs taxpayers “\$29,899 on average for proceeding to an [2.5 day] AAT hearing”¹⁷. In comparison to “on average, an autistic NDIS participant receives \$32,800 in annualised NDIS funding which has remained broadly consistent during

¹⁵ <https://ourguidelines.ndis.gov.au/early-childhood/early-connections/what-types-early-connections-are-available/connections-early-supports>

¹⁶

https://www.righttoknow.org.au/request/12177/response/39010/attach/9/FOI%2024.25%200250%20Disclosure%20Log%20Document.pdf?cookie_passthrough=1&fbclid=IwY2xjawLKF4lleHRuA2FlbQlxMABicmlkETFDZ3N1VldOQm5MYVJuRUN2AR4vcToXHa-30SPcfeMN1G1VLid1-PoX_j_Cg93PQT4gwCtNTyJDW7-SElriA_aem_2AQNkEiCx0wmsyJjjhF7PA

¹⁷ <https://dataresearch.ndis.gov.au/media/3885/download>

the NDIS trial and transition period. Further, autistic children aged under seven receive on average \$16,700 per year under the NDIS”¹⁸.

NDIS Participants are scared that they will get their funding cut going through a funding review meeting. More and more funding that should be for therapy is having to be spent on therapists writing lengthy reports providing evidence to justify funding. Reports to which Senator McAllister has said at Senate Estimates on February 27, 2025, “my [NDIA] staff can’t read the 280-page reports that they get”¹⁹.

Despite therapists using information available from the NDIA to write reports and provide evidence, including using their Early Childhood Intervention Provider report template²⁰, Assistive Technology templates²¹, the NDIA preferred types of “disability evidence”²², writing how funding meets the NDIS guidelines²³, and how the Participant meets the NDIS Act 2013²⁴ (especially section 24, disability requirements), funding is still not approved.

For example, the NDIA’s systems resulted in a disability car seat taking going to the Administrative Appeals Tribunal and three years of family fighting to get approved, resulting in a total cost of \$32,000. The original cost of this car seat was likely between \$3,000-\$7,000:

NDIA CEO’s salary

The CEO of the NDIA, Rebecca Falkingham receives an annual salary of \$808,689²⁵. Therapists and Participants must prove supports meet the NDIA’s “reasonable and necessary” criteria to receive funding. It is deflating for therapists and Participants to advocate for crucial funding supports, when this is the CEO’s salary, and how much funding the NDIA spends in Appeals.

No consultation

¹⁸ <https://www.ndis.gov.au/news/1276-ndis-plans#:~:text=On%20average%2C%20an%20autistic%20NDIS,per%20year%20under%20the%20NDIS.>

¹⁹ <https://www.dailytelegraph.com.au/news/world/ndis-boss-admits-staff-dont-have-time-to-read-costly-reports/video/6f48588afa47420ec27eb0802dc08baf>

²⁰ <https://www.ndis.gov.au/understanding/families-and-carers/early-childhood-approach-children-younger-9/early-childhood-intervention-provider-reports>

²¹ <https://www.ndis.gov.au/providers/housing-and-living-supports-and-services/providing-assistive-technology>

²² <https://www.ndis.gov.au/applying-access-ndis/how-apply/information-support-your-request/types-disability-evidence>

²³ <https://ourguidelines.ndis.gov.au/>

²⁴ <https://www.ndis.gov.au/applying-access-ndis/how-apply/information-support-your-request/types-disability-evidence>

²⁵ <https://www.transparency.gov.au/publications/social-services/national-disability-insurance-agency/national-disability-insurance-agency-annual-report-2023-24/6.-appendices/6.6.2-information-about-remuneration-of-key-management-personnel>

The NDIA did not consult with any allied health bodies or Participants on their 2025 Annual Pricing Decision. It ignored mounting evidence that providers are struggling, even though costs like rent, insurance, fuel and wages which have all gone up.

On 25/06/2025, The Australian Physiotherapy Association met with the Office of Senator Jenny McAllister “While the NDIA acknowledged the limitations of the methodology used to inform these decisions and indicated they are open to ongoing consultation over the next 12 months, they remain intent on implementing these changes from 1 July. The APA is gravely concerned that despite the NDIA’s knowledge of the limitations of this data they remain committed to implementing changes that will significantly reduce access, drive providers out of the scheme, and risk lives”²⁶.

Impact on the economy

According to the report, “False Economy: The economic benefits of the National Disability Insurance Scheme and the consequences of government cost-cutting” by Per Capita for National Disability Services, published November 2021²⁷,

“Any increase in cost of the NDIS will translate very quickly into strong economic gains, through high levels of increased employment and local level economic activity dispersed throughout local communities”. Page 4.

“The direct benefit of the NDIS is likely to exceed the value of expenditure markedly... This is particularly the case during an economic downturn. Research strongly supports the conclusion that health expenditure has the greatest impact during times of economic decline... and consequently any decision to reduce NDIS funding would be contrary to historical evidence supporting such expenditure during times of economic instability... As the Productivity Commission 2011 report states very clearly, “(t)he bottom line is that benefits of the NDIS would significantly exceed the additional costs of the scheme.” (p941)” Page 19.

Appendix A: Additional reflections from members of the community

²⁶ https://australian.physio/media/fight-fair-ndis-pricing-continues?fbclid=IwQ0xDSwLKNXtleHRuA2FlbQlXMQABHmBjtIWdH4k_7cZ0NuD9qMX5JsLihiM9cRgzGMTSVkRSzjkyeg_EL8AxoAu8_aem_M2sN5eGZPofm5A_Tj6Hrdw

²⁷ https://percapita.org.au/our_work/false-economy-the-economic-benefits-of-the-ndis-and-the-consequences-of-government-cost-cutting/?fbclid=IwY2xjawLKFNleHRuA2FlbQlXMAbicmlkETfPRHpUTW5pOFRrQXNhak1vAR6HVu6kDkuhiBlnoWKOv37hBjjPLYu5OKH5YmaMwXheNexN_yN0enQS0pap2Q_aem_n0AdPUqUgpQkl0g9tYQ9TQ

"I am writing to express my deep concern regarding the proposed changes in the National Disability Insurance Agency's 2024–25 Annual Price Review, particularly the recommendation to reduce the rate and cap on provider travel claims for therapy supports.

As the parent of an adult with a disability, I can say with certainty that the ability to receive therapy at home is not a matter of convenience — it is essential. My son is neurodivergent and engages best when he is in a familiar, low-stress environment. The consistency and frequency of home-based therapy visits play a critical role in supporting his ongoing development, emotional regulation, and capacity to participate meaningfully in the local community.

If therapists are no longer able to viably offer mobile services, we will lose access to a vital part of his support network. Travelling to a clinic is not always possible for us, as it can be highly distressing for him and logistically unmanageable for our family. This change would significantly disrupt his progress and place undue pressure on my husband and me as his primary carers.

I urge you to consider the serious and long-lasting impact this recommendation will have on adults like my son and families like ours. We need policies that protect access to meaningful, flexible supports — not measures that create further barriers."
- Mother of a 35-year-old NDIS Participant

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- 1. Having an OT visit him [my son] at school eliminates disruptions as the sessions are booked in for an hour which work for him and the school. Rather than potentially having to take him to the OT and spending up to 3 hours in time - losing half a day of school.*
- 2. Also having 3 other therapists involved means he could potentially lose many schooldays/school time on a regular basis*
- 3. Ensures that he's in a safe environment- he becomes anxious with travelling rather than being in a place which is not home or school.*
- 4. Also having a short attention span and having the extra time impacts his ability to make the use of the session, the anxiety of having to go somewhere and the impact on energy and concentration means the sessions are likely to be less effective.*
- 5. The impact of being away longer than the set time brings more attention to him with peers asking where he is for longer periods of time and having the feeling of being excluded and being different/*
- 6. Costs to his NDIS funding are not reduced as you then require a support person to transport having to pay travel, including to the school and then to the therapist and return there is also a KM charge - all of this is likely to exceed the current costs."* - Mother of an 8 year old NDIS participant.

“Our daughter has complex developmental needs in all areas of her life and has multiple therapists involved. With this support, she is making little gains every day and our worries for her future capabilities feel just a little bit lighter. She has a long way to go still, but the supports we have set up will help her get there. But to achieve this progress, we rely on visits in her natural environments.

For starters, there's not enough hours in the week to see multiple therapists in different clinics after school. And what progress can we make on her daily life skills outside of the places that she does those tasks? How does she practice dressing in a clinic? How do we work out what changes we need to make to her environment if the therapist can't be in the environment with us?

While therapists may be able to group clients together to make travel viable, that doesn't help us now. Our therapist may not have other clients around us or their availability may be in direct conflict with ours. Not to mention the logistical nightmare this would create for already overstretched small providers.

We have taken the time to hand-pick the therapists with the expertise and skill to provide the support our daughter needs. And now that we have a wonderful team for our daughter, this is being threatened, along with our choice and control.

Then there's the potential for a gap fee to cover the difference. There's only so much we can afford so this will once again make it harder for us to access all the support our daughter needs.

So with these changes, something has to give. Which developmental need should we neglect in order to manage these changes? Developing her self-care skills to learn to brush her hair or dress herself? Her physical skills for running and playing keep up with her friends? Her regulation skills so she can feel safe and secure? Her communication skills so she can make friends and have a clear voice? Or what about her eating skills, so she doesn't choke on her food? Maybe the powers at NDIA can help me decide which of these skills can be sacrificed because I'm at a loss.” - Mother of a 5-year-old NDIS Participant

“Lachlan was regularly travelling unsafely, with the upper part of his body out of his child restraint and his Australian standard child restraint was not meeting his comfort, safety, and support needs. In response to this, Lachlan's parents embarked on a three year long journey to find an appropriate car travel solution for their son. Lachlan was assessed by an allied health professional as needing a special purpose child restraint (Carrot 3000). However, this lengthy process came at an emotional and financial cost, with Lachlan's family unable to travel together as a family unit during this period. Additionally, the ultimate cost of the Carrot 3000 totalled nearly \$32,000. This resolution was also only achieved by Danielle and Luke persevering with their case to the Federal Government's Administrative Appeals Tribunal”²⁸.

“My child is a different person since receiving therapy after her diagnosis. I am so grateful for her therapy team which includes two therapists that visit her at school. If they were unable to see her at school it would mean more missed time at school, longer days, less therapy sessions and the biggest consequence would be reduced functionality. This would not only affect my child but everyone of us that lives at home, decreasing our capacity to provide care and increasing our demands on support services available to us” - Mother of a 15-year-old NDIS Participant.

“Having an OT visit him [my son] at school eliminates disruptions as the sessions are booked in for an hour which work for him and the school. Rather than potentially having to take him to the OT and spending up to 3 hours in time - losing half a day of school. Also having 3 other therapists involved means he could potentially lose many schooldays/ school time on a regular basis - Mother of an 8-year-old NDIS participant.

Added 03/07/2025: A parent reported that their 5-year-old child who is a NDIS Participant lost \$3,500 from their last NDIS plan in June 2025 from the NDIS starting the Participant’s NDIS plan 22 days prior to the end of the previous plan. Additionally, the Participant’s therapy budget in the new NDIS plan was reduced by over \$4,000.

Therapy Discipline	WA/SA/NT/TAS 24–25	WA/SA/NT/TAS 25–26	National Rate 24–25	National Rate 25–26
Physiotherapy	\$224.62	\$183.99	\$193.99	\$183.99
Psychology	\$234.83	\$232.99	\$222.99	\$232.99
Dietetics	\$193.99	\$188.99	\$193.99	\$188.99
Podiatry	\$193.99	\$188.99	\$193.99	\$188.99
Occupational Therapy	\$193.99	\$193.99	\$193.99	\$193.99
Speech Pathology	\$193.99	\$193.99	\$193.99	\$193.99
Provider Travel	100% of therapy rate	50% of therapy rate	100% of therapy rate	50% of therapy rate