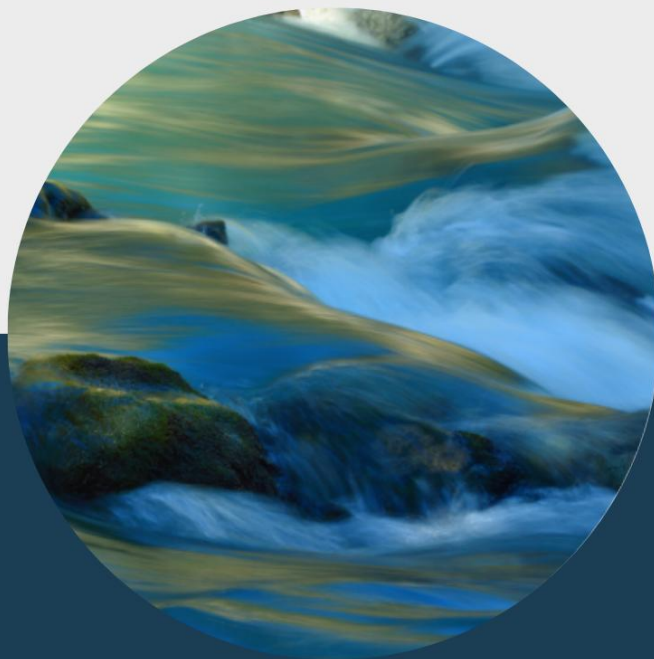


SUBMISSION ON SUPPORT COORDINATION AND CONNECTION CONSULTATION



OTSi

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OTSi Submission: NDIS Support Coordination & Connection (SCC) Consultation 2026

About the OTSi contribution

OTSi welcomes the opportunity to respond to the Support Coordination and Connection (SCC) consultation paper.

The Occupational Therapy Society for Hidden and Invisible Disability (OTSi) is a national society whose purpose is to enable occupational therapists who work alongside people with invisible and hidden disabilities to reduce barriers to full participation in our world as active citizens of Australia.

Invisible and hidden disabilities, including psychosocial disability, neurodivergence and cognitive impairment, are often poorly understood or overlooked. People with these disabilities frequently have fluctuating needs, may present as more capable than they are, and rely heavily on trusted relationships to remain engaged with services.

OTSi members are occupational therapists who work alongside people with psychosocial and other invisible disabilities. They work in the same local networks, with the same participants, and often in the same small businesses, that the SCC reform will reshape. Some OTs also deliver specialist support coordination.

We have consistently argued that people with invisible and hidden disabilities are best served by local, relationship-based responses, and that the current support coordinators are a valuable community asset.

OTSi Recommendations

OTSi recommends that the Australian Government, and departmental decision-makers:

1. Require sub-contracting to local small and medium providers, open panel arrangements, and participant choice of navigator or support coordinator.
2. Protect local knowledge through evidence of existing relationships and referral pathways rather than organisational size.
3. Ensure relationship continuity is a design principle, including a participant right to request retention of a trusted navigator or support coordinator.
4. Ensure that there is a funding option for support coordinators to provide detailed handovers.
5. Establish a funded Support Coordination (and other workforce groups) Transition Strategy, modelled on the 2019 *Growing the NDIS Market and Workforce Strategy*, including financial transition-out support for providers and workers who will not continue in the new model.

Responses to consultation questions

1. Commissioning arrangements (Q1) and lead organisation model (Q2, Q3)

OTSi supports the NDIA's goals of quality, consistency and stronger safeguarding. Conflicts of interest where an organisation provides both support coordination and direct services are a genuine concern, and we support clear separation.

However, we have significant concerns that a single lead organisation per region, as the preferred model, may:

- favour large national providers with the tender and compliance capacity to win regional contracts, and crowd out small and medium local providers;
- reduce participant choice and control, since the lead organisation would control who participants work with;
- create concentration risk, where the failure or withdrawal of one provider affects an entire region; and
- lose local, place-based knowledge, particularly for cohorts with invisible and psychosocial disability whose needs are nuanced and poorly served by homogenous service responses.
- Provide a generic support coordinator rather than one who has developed skills in working with particular community and disability groups.

The paper identifies the need to preserve participant choice and control and the continuity of trusted relationships. In OTSi's view, a pure lead-organisation model is in tension with both.

Recommendation: If a lead-organisation model proceeds, it should be a lead-organisation-with-panel model. Lead organisations should be contractually required to:

- establish and maintain open, transparent local provider panels or sub-contracting arrangements, with defined entry criteria and periodic re-opening;
- demonstrate, at tender and through ongoing reporting, the proportion of SCC delivery sub-contracted to local small and medium providers;
- offer participants a genuine choice of worker or provider within the region wherever possible; and
- meet fair and prompt payment terms for sub-contracted providers.

We also encourage the NDIA to consider multi-provider and panel models in regions where they would better protect local expertise, and to allow consortia of small providers to bid together.

2. Subcontracting and partnering with small businesses (Q1, Q2, Q9)

Small and medium businesses and sole traders make up a very significant segment of the current NDIS workforce. They have evolved to meet highly localised needs, particularly for people with psychosocial and invisible disability, and are often not represented by national peaks or unions, which has left them under-represented in reform consultation to date. The small providers often have lived experience of disability and/or carer needs and require very flexible work arrangements.

Sub-contracting is the primary mechanism through which the commissioned model can retain this capability. To make it workable, OTSi recommends:

- sub-contracting obligations and targets be written into commissioning contracts and reported on publicly;
- Mapping of local networks of small and medium providers to help identify who is best placed to deliver in each region.

3. Workforce capability and retaining relationships (Q5, Q8)

The current workforce includes experience in disability, sustaining working relationships and working with people with complex needs. We encourage the NDIA to recognise this expertise and to:

- recognise prior experience as a pathway into SCC worker roles.
- allow flexible employment arrangements (part-time, contract, sub-contract) so that experienced workers with caring responsibilities or their own health needs can remain in the workforce. This is important because the sector is predominantly female, and workforce reports indicate about 20% of the NDIS workforce were not working before the NDIS
- protect relationship continuity by giving participants a right to request that a trusted current coordinator be retained or engaged by the new SCC organisation where feasible.

4. Payment models (Q6)

OTSi acknowledges the need for a sustainable payment model including:

- payment structures for sub-contractors that do not leave them carrying unpredictable caseload risk;
- recognise that people with psychosocial and invisible disability have fluctuating needs, so payment settings should not penalise providers for intensive support during periods of higher need, or incentivise early exit of people who look stable but are at risk of relapse
- Avoid incentives to under-serve people with complex or intermittent needs.
- Provide safeguards against “cherry picking” of people with less complex needs

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- Enable existing participants to opt-in to sustain support coordinator funding in their NDIS plan rather than transition to new models.

5. Quality and safeguarding (Q7)

We support consistent national standards. To avoid unintended exclusion of quality small providers, requirements should be proportionate, clear and supported with transition assistance for compliance and administration. Workers should have training in trauma-informed practice and in the specific needs of people with psychosocial and invisible disability. Complaints mechanisms should be accessible and independent of the SCC provider.

Participants with complex and overlapping needs (Q11) and thin markets (Q10)

People with severe mental illness and psychosocial disability often experience additional and under-recognised impacts, including cognitive, sensory and physical difficulties, which can be hard to see and to assess.

The paper notes that SCC will not be available to all participants, and that people who do not meet SCC eligibility may receive other coordination supports. The SCC eligibility process requires further consultation to ensure firm criteria do not exclude disability needs.

In thin markets, sub-contracting to and partnering with local sole traders and small practices is often the only way to maintain any service. Regionally tailored delivery, funded viability loadings, and partnerships with ACCOs, ACCHOs and other local specialist organisations are critical.

Transition arrangements (Q12): a funded strategy for providers and workers

The consultation paper acknowledges that some current providers "will no longer deliver these services from 1 July 2028." OTSi believes this area of the reform needs further design.

In 2019, the Commonwealth released the *Growing the NDIS Market and Workforce Strategy* to support the transition *into* the NDIS. It committed \$45 million to a Jobs and Market Fund, building on the Sector Development Fund's investment of more than \$112 million, in recognition that providers and the workforce needed targeted assistance while the market transitioned. That principle applies equally to a transition *out of* the current model.

OTSi recommends a planned and funded Support Coordination Transition Strategy, which should be:

- Temporary, targeted, conditional and outcomes-linked, tapering over 12 to 24 months to avoid dependency.
- Available to small and medium providers and sole traders who will not be part of the future SCC model, including those with business ownership, leases, staff, or debts and obligations incurred to operate under current NDIS settings.

Components could include:

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1. Financial transition-out support. Assistance for providers and sole traders who choose to or must wind down their support coordination business in an orderly way, including help with staff entitlements, lease and contract obligations, record-keeping and data-retention obligations, and business closure costs.
2. Transition to new roles. Support for workers to move into SCC worker roles within commissioned organisations, sub-contracting arrangements, or other roles in the disability, mental health, primary care and allied health system. This includes recognition of prior learning and funded upskilling.
3. Business redesign grants. Support for providers who can pivot to other services or sub-contract within SCC panels.
4. Compliance and administrative support to help small providers meet new registration, accreditation and reporting requirements.
5. Participant transition supports. Funded handover activity so that participants can transition, with their consent, to a new worker, or retain their current worker where the worker moves into the SCC service. This handover time should not be drawn from participants' own budgets.

Without such a strategy, the risks are foreseeable: accelerated, disorderly exit of experienced workers, particularly women and people with disabilities and caring responsibilities, loss of local knowledge and supervisory capacity; reduced access in regional areas; and disengagement of participants who lose trusted relationships. Workforce capacity that leaves the market is slow and costly to rebuild.

We also recommend that:

- transition planning be staged, with commissioning timelines, provider notification and financial supports sequenced so that providers have realistic time to decide whether to bid, partner or exit;
- the NDIA publish clear information for providers early, including on how sub-contracting will work and how to register interest; and

Section Two: Transition and Sustainability Packages

Aligning NDIS Reform, Workforce Strategy, and Women's Economic Participation

Recent NDIS reforms have materially altered the viability of large segments of the support coordination market, particularly small and medium practices delivering early and moderate intervention to children and families affected by autism, developmental delay, and psychosocial disability. These reforms have created a policy-induced risk of rapid workforce contraction and may lead to unemployment, bankruptcy, and economic and mental hardship.

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The impacts are disproportionately borne by a female-dominated workforce and directly undermine national objectives relating to workforce sustainability, employment of people with disabilities and carers, and women's economic participation.

This section proposes a **time-limited Transition and Sustainability Package** to support coordinators, allied health, and other impacted workforce groups. This will aim to stabilise workforce participation, preserve service capacity, and support transition. This proposal is a workforce stabilisation, retention, and market stewardship mechanism, not a business subsidy.

The Problem

NDIS settings over the past decade deliberately expanded the market through:

- Pricing signals
- Encouragement of private provision
- Emphasis on early intervention
- Community-based service delivery

In response, thousands of people predominantly women, built small and medium practices structured around flexible work, part-time participation, and local delivery to children and families.

Current disability and mental health reforms are fundamentally altering these market conditions, including a shift away from private provision toward commissioned models. This shift has created a sharp transition risk:

- Sudden loss of viable service models
- Accelerated workforce exit rather than orderly transition
- Loss of experienced clinicians, supervisors, and trainers
- Long term leases, mortgages and other business expenses could result in bankruptcy and economic hardship

Once this workforce exits the market, re-entry is slow, costly, and uncertain. Unmanaged provider collapse therefore represents a long-term fiscal and service risk.

The bankruptcy rate has already increased for small and medium businesses, and the unemployment rate for women is also rising. These are likely to be early indicators of a much bigger problem.

Strategic Alignment: National Workforce Objectives - Health and Disability Workforce Sustainability

Australia faces acute workforce pressures driven by:

- Rising demand
- Regional maldistribution
- Workforce attrition
- Inflexible employment models that do not meet workforce needs

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The NDIS enabled market stewardship of small providers, allowing people to work flexibly in ways that accommodated caring responsibilities and personal disability or health needs. The current reform trajectory reduces demand for private provision, yet commissioned service models will not suit a significant proportion of this workforce.

Alignment with Women's Economic Participation

The NDIS workforce has a high rate of women's participation.

NDIS reform disproportionately impacts women by:

- Collapsing service models built around flexible work
- Forcing workforce exit rather than transition
- Reducing lifetime earnings and superannuation
- Exacerbating gendered workforce insecurity

The proposed transition model directly supports:

- Women's workforce retention
- Small business continuity
- Regional women's employment
- Viable return-to-work pathways following caring breaks

This aligns with national priorities including the Women's Economic Equality Taskforce, closing the gender participation gap, and productivity growth through improved workforce utilisation. Failure to intervene embeds gender inequity as a reform outcome.

Policy Rationale: Market Stewardship, Not Business Assistance

The NDIS market expanded in direct response to government policy settings. When those settings change fundamentally, governments retain responsibility for:

- Orderly transition
- Workforce protection
- Service continuity
- Mitigation of systemic risk

In 2019, the Commonwealth Government released the Growing the NDIS Market and Workforce Strategy, designed to support the rapid transition into the NDIS. The strategy aimed to build a capable, sustainable market that could deliver innovative, people-centred services so participants could achieve their goals. To achieve this, the Government recognised that providers and the workforce would require targeted assistance during the transition period and committed significant funding to support market and workforce development:

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“In the short-term — Assistance to transition

Given the scale and pace of reforms to the disability support sector, the Government recognises the need to support business and workforce development while the market transitions and matures.

Significant changes from providers in the Disability service Sector are still required for the sector to adapt to a market-based model of the NDIS. . In light of this, the Growing the NDIS Market and Workforce Strategy (the Strategy) outlines the Government’s approach to NDIS market and workforce development taking into account the market infrastructure and information-sharing needs of an efficient NDIS market in the long-term as well as the additional support necessary during the transition.

The government has committed \$45 million to a Jobs and Market Fund (JMF) to fund targeted projects to grow the provider market and workforce in capacity and capability to meet the needs of NDIS participants. Most JMF expenditure will be through grant rounds, with procurements conducted where appropriate to secure services such as market demand forecasts and analysis.

the JMF will build on the sector Development Fund (SDF) which provided more than \$112 million to projects to prepare NDIS providers, participants and the workforce for the transition to the NDIS. “

We propose that an equivalent, planned and funded strategy is now required to support an orderly transition out of the NDIS for services, providers, and the workforce. As eligibility tightens and funding arrangements change, disability and health systems beyond the NDIS will increasingly absorb participants, service demand, and skilled workers. Without deliberate transition support, the broader disability and health systems risk workforce loss, service gaps, and inefficiencies. A structured transition-out strategy, mirroring the principles applied to the transition into the NDIS, would support system stability, protect workforce capability, and ensure continuity of support for people with disability.

Package Components

Packages may include:

- Transitional workforce retention payments
- Grants for service redesign and funding model transition
- Compliance and administrative transition support
- Grants to support retraining for other industries.
- Funded supervision and scope adaptation
- Regional viability loadings

Packages can be time-limited and taper to avoid structural dependency.

Purpose:



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- Immediate workforce retention
- Prevention of rapid market exit
- Time-limited bridge to reformed funding pathways, including Focused Functional Interventions and Medicare-funded models

Conclusion

NDIS reform is reshaping Australia’s disability support landscape. Without transitional workforce investment, reform risks hollowing out the workforce capability on which the care economies depend—particularly a female-dominated and disability and carer dominated workforce.

The proposed package represents a measured, responsible, and fiscally prudent response that:

- Protects workforce participation
- Supports women’s economic security
- Strengthens long-term care economy sustainability