WHAT IS THE NATIONAL DISABILITY INSURANCE SCHEME (NDIS)?

This fact sheet talks about what the National Disability Insurance Scheme (NDIS) is and why it was created. It also lists some of the ways the NDIS is designed to improve the lives of people with disability in Australia.

Why the NDIS was needed
People with disability and their families experienced, and continue to experience, many problems with state and territory funded disability support. Problems have included long waiting lists to get support, not enough resources available to purchase supports, and inconsistent allocation of support.

The big problems in disability
In 2009 the big problems in disability were described in a number of reports. These included that:

- People with disability were not getting the supports they needed. They needed a better, dignified quality of life. Some people with disability were not able to get any support at all
- Some people with disability living in a certain area got more supports than people living in other areas
- People with disability often did not get any choice about what supports they received or what organisation they were from

The other big problem was that Australia was spending billions of dollars on disability supports without resolving these problems. The Productivity Commission did the complicated research and calculations to show that the way disability supports were funded before the NDIS, would mean the then current doubling up and poor practice would become too expensive for the budget in future years without an NDIS.
A new system

The National Disability Insurance Scheme (NDIS) is a completely new system of disability support in Australia. It aims to support people with a permanent and significant disability that affects their ability to take part in everyday activities. The NDIS also includes an early intervention strategy targeting both children and adults. People may be eligible to access early intervention through the NDIS if receiving the support will benefit the person by reducing their future need for disability support; slow the deterioration of their medical condition; or give them increased functionality.

The Productivity Commission calculations

The Productivity Commission worked out (and all sides of Government agree) that it will be much better in the long term if we invest in people with disability now, so that:

- More people with disability will be able to work - which means they will pay tax instead of needing the Disability Support Pension
- People with disability will be healthier – so will need less money from the health system
- People with disability will be more independent – so will need less special (expensive) support and allow more carers to go back to work
- People with disability will not be in crisis – which always costs more money than helping people along the way
- More jobs will be created
- If all these things happen, then the cost of disability supports will slowly decrease, rather than continue to increase

Information, Linkages and Capacity Building

The biggest part of the NDIS is the provision of Individual Funded Packages for eligible people with disability. In addition, the Information, Linkages and Capacity Building (ILC) program is a large component of the NDIS. ILC includes Local Area Coordinators (LACs), another important part of the NDIS.

The transition to ‘full Scheme’

The NDIS has begun to replace many of the state, territory, and local government disability support systems. The NDIS will continue to gradually replace these existing disability support systems until late 2019, when the NDIS is expected to be available throughout all of Australia - assuming all states and territories sign bilateral agreements with the Federal Government in a timely manner.