



Media release

Australian Psychosocial Alliance

9 December 2025

NDIS reform is needed for people with psychosocial disability but we must get it right.

The Australian Psychosocial Alliance (APA) welcomes the attention of the Grattan Institute to designing an effective system of supports for people with psychosocial disability, particularly for the 130,000 people with psychosocial disability who are not on the NDIS. Released this week, the Grattan Institute's report, 'Bridging the Gap: Meeting the needs of Australians with Psychosocial Disability' highlights some of the fundamental problems with the implementation of the NDIS for people with psychosocial disability, along with the failures of the broader service system to effectively support people with psychosocial disability.

For those not eligible for the NDIS, there are not enough alternative supports available. Those programs which are funded are often overstretched by existing demand and need to be able to provide longer term supports. We agree with the Grattan Institute that there are opportunities to provide more value to government and reduce 'low value care', but reform needs to be handled with care. Any proposal to transition supports for some people with psychosocial support needs from the NDIS into other service streams should be regarded with caution.

Reforms to the overall approach to psychosocial disability, within and outside of the NDIS, must recognise the complexity and significance of the support needs required. We know that 92% of NDIS participants with a psychosocial disability have medium to high service and support needs; 31% in the highest need group. The APA's recent report, [Access Denied: Psychosocial Disability and the NDIS](#), also shows that many people with psychosocial disability who should be accessing the NDIS, are not able to do so.

Further work is required to recognise the range of supports needed by people with psychosocial disability, and to properly identify the cohort of people who need and have a right to access the NDIS. Failure to do this has serious consequences, including greater reliance on hospitalisation and emergency departments, insecure housing and homelessness, and compromised mental health support.

The Australian Psychosocial Alliance stands ready to work with federal and state and territory governments on a potential path forward, which must centre our partners in the lived experience peak bodies and community, to better meet the needs of those with psychosocial disability, both within the NDIS and outside of it.



APA spokesperson, Mark Orr AM said the needs of people with psychosocial disability must be properly understood and responded to.

“We believe there is further work needed on better identifying those with high needs who need and have a right to NDIS supports. Any transition in support for this group must be designed with them, and managed carefully.

We want to make sure that any proposal also ensures that people get the support they need, now, during any system transition, and beyond.

“We are committed to ensuring that people with lived experience lead these conversations that support their mental health recovery.”

For more information or to arrange an interview with an APA spokesperson, please contact Kate Paterson, Policy and Engagement Advisor, 0406 033 540.

About the Australian Psychosocial Alliance

The [Australian Psychosocial Alliance](#) (APA) brings together seven of the largest and longest serving specialist providers of community-managed mental health and wellbeing services in Australia. APA member organisations operate in rural, regional and metropolitan areas across all Australian States and Territories, and together support over 110,000 Australians with mental health challenges each year. The members are Mind Australia (incorporating One Door Mental Health and the Haven Foundation), Flourish Australia, Neami National, Ruah Community Services, Stride Mental Health, Open Minds and Wellways Australia.