



MEDIA STATEMENT

4 June 2026

NDIS Bill will push more people with psychosocial disability into crisis

The Australian Psychosocial Alliance (APA) has warned that the National Disability Insurance Scheme Amendment Bill 2026, if passed without major changes, will deepen inequity for people with psychosocial disability and deny support to people who are already being left behind.

The Alliance is made up of leading psychosocial support specialist organisations including Flourish Australia, Mind Australia, Neami, Open Minds, Stride, Ruah Community Services and Wellways. The Alliance says the NDIS reforms in this Bill unfairly target people with psychosocial disability, although they are one of the groups least responsible for recent scheme growth – and despite mounting evidence that they are already being excluded at alarming rates.

Last year, the APA reported that rates of access to NDIS support for people with psychosocial disability have fallen sharply¹, while an analysis of unmet need commissioned by Commonwealth, State and Territory Governments shows around half a million Australians with moderate to severe mental health challenges are missing out on psychosocial supports outside the NDIS².

This is not reform. It is cost shifting at the expense of people with significant mental health challenges.

Tightening access to the NDIS without first building the supports that should exist outside it will push more people into crisis, increase pressure on hospitals and emergency services, and leave families carrying the load without help. The APA has three key concerns:

- The Bill gives the Australian Government sweeping new powers in determining people's eligibility, the types and amount of supports they can receive and other NDIS plan decisions, with too few safeguards.
- The Bill's proposed definitions of functional capacity, permanency and appropriate treatment do not work for psychosocial disability and risk locking people out of the Scheme unfairly.
- Cuts to supports without viable alternatives in the community will cause unnecessary and avoidable harm.

The APA is calling on the Senate Community Affairs Legislation Committee to recommend that the Bill be delayed and that:

- psychosocial-specific safeguards be written into the legislation
- federal and state governments commit to fully funded alternative psychosocial supports before any contraction of NDIS access takes effect
- the Bill be amended in genuine partnership with people with lived experience and people with expertise in psychosocial disability support.

Quote attributable to APA spokesperson Debra Zanella, Chair, Australian Psychosocial Alliance:

"People with psychosocial disability did not cause the problems this Bill is trying to solve, but they will be among those hit hardest if Parliament gets this wrong. You cannot cut people off from the NDIS before the supports outside it exist. That is not sustainability — it is abandonment. We are



calling on the Government and the Parliament to slow this Bill down, listen to people with lived experience, and fix the provisions that will entrench exclusion and harm.”

1: [Access Denied: Psychosocial Disability and the NDIS \(2025\)](#)

2: [Analysis of unmet need for psychosocial supports outside of the National Disability Insurance Scheme – Final Report \(2024\)](#)

For more information or to arrange an interview with Debra Zanella, Chair, Australian Psychosocial Alliance, contact:

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