EXPLANATORY STATEMENT

Issued by the authority of the Minister for the National Disability Insurance Scheme

National Disability Insurance Scheme Act 2013

National Disability Insurance Scheme (Support) Determination 2026

Purpose

The *National Disability Insurance Scheme (Support) Determination 2026* (the Determination) is made under subsection 34A(1) of the *National Disability Insurance Scheme Act 2013* (the Act).

The purpose of the Determination is to support the ongoing financial sustainability of the National Disability Insurance Scheme (NDIS) for current and future generations of Australians with disability.

The Determination gives effect to the support determination framework in section 34A of the *National Disability Insurance Scheme Act 2013* (Act). Under subsection 34A(1), the Minister may determine a percentage reduction to funding component amounts for specified groups of supports and specified classes of participants' plans.

The Determination also enables certain subgroups of supports to be excluded from a reduction. This is a safeguard that provides the ability to maintain funding for critical supports, including supports that are essential to participant health and safety, and to maintaining employment.

In particular, the Determination specifies:

- assistance with social, economic and community participation and improved daily living skills as the groups of supports to which a reduction applies;
- the percentage reduction that applies to those groups of support;
- the class of participants' plans to which the reduction applies;
- excluded subgroups of supports to which the reduction does not apply; and
- how to determine the portion of the funding component amount attributable to an excluded subgroup.

Background

The *National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Act 2026* (Amendment Act) introduced a range of reforms intended to support the long-term sustainability of the NDIS and ensure the NDIS remains available to current and future generations of participants.

As part of those reforms, the Amendment Act inserted section 34A into the Act, which enables the Minister to make a support determination. A support determination is a legislative instrument that may be used to reduce funding component amounts for specified groups of supports in specified classes of old framework plans.

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Support determinations apply only to the classes of old framework plans specified in the Determination and take effect on commencement of a participant's new, reassessed or renewed plan.

Old framework plans are the current plans established under the existing NDIS planning arrangements. From April 2027, new framework planning arrangements will be progressively introduced under the Act. Support determinations do not apply to new framework plans.

This Determination specifies two groups of supports will be impacted by a support determination. These are the assistance social, economic and community participation and the improved daily living skills groups of supports.

The effect of a support determination is to reduce the funding available for specified groups of supports by the percentage set out in the determination. It does not alter the supports included in a participant's plan, the content of a participant's plan, or decisions about what supports are reasonable and necessary for a participant.

The Determination also excludes certain subgroups of supports from any reduction to funding component amounts for assistance social, economic and community participation and improved daily living skills groups of supports. These excluded subgroups of supports include supports in employment, disability-related health supports, high intensity supports, intensive and complex behaviour supports, supports for fitting customised and wearable technology (such as customised prosthetics), and hearing services.

The Determination specifies a 50 per cent reduction to funding component amounts for assistance with social, economic and community participation and a 10 per cent reduction to funding component amounts for improved daily living skills groups of supports. This will reset funding for these groups of supports and assist in managing NDIS expenditure, to ensure the long-term sustainability of the NDIS.

Changes to funding for assistance with social, economic and community participation and improved daily living skills supports will be made for all participants' plans from 1 October 2026 onwards when they are created or reassessed, and from 1 February 2027 when plans are renewed.

Requirements in making the Instrument

Ensuring financial sustainability

Subsection 34A(1) of the Act provides that the Determination may only be made for the purposes of ensuring the financial sustainability of the NDIS. In this context, financial sustainability means ensuring that governments can continue to fund NDIS supports for current and future participants.

This Determination supports the responsible administration of the NDIS by providing a mechanism to adjust downwards funding for certain groups of supports where the level of funding is no longer considered sustainable.

The Determination partially gives effect to the 2026-27 Budget measure, *Securing the NDIS for Future Generations*, which was projected to reduce NDIS expenses by $38.1 billion over four years from 2026-27 to 2029-30.

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Safety of participants

In making the Determination, the Minister has had regard to the safety of participants in accordance with subsection 34A(3) of the Act. In particular, the Minister has considered the potential impacts of the Determination on the safety of participants, the extent to which the Determination safeguards participant safety, the availability of other available safeguarding pathways, and existing mechanisms for protecting the safety of participants.

The Determination will apply to the majority of NDIS participants. The size and significance of the reductions will vary between participants depending upon the amount allocated, utilisation and whether participants have excluded subgroups of supports.

Importantly, participants affected by a support determination will still be able to continue to access social, economic and community participation and improved daily living skills supports, noting access may be at a lower frequency, or through shared or group supports continuing to provide opportunities for connection. In some instances, this will mean that participants experience a reduction in social, economic and community participation or improved daily living supports.

There will be no changes to funding for core daily living functional supports, home and vehicle modifications, personal mobility equipment, consumable products used to manage incontinence and menstruation, Specialist Disability Accommodation, and other essential disability-related supports.

The Determination excludes certain subgroups of supports from any reduction in funding, including disability-related health supports, high intensity supports and intensive and complex behaviour supports. These subgroups of supports have been excluded from the funding reduction to ensure that funding for supports that are critical to participant health and safety are not reduced.

The size and significance of the reduction will vary between participants depending upon the amount allocated and whether participants have excluded subgroups of supports in their plan. The impact on spending will vary depending on participant utilisation, whether participants use other available core funding in their plan flexibility to offset the reduction, prices charged for assistance with social, economic and community participation and improved daily living skills supports and the availability of group-based supports.

In addition to carveouts identified in this Determination, a separate plan variation pathway under section 47B of the Act will be available for high support needs participants who require continuous 24-hour care to meet their disability support needs. This plan variation pathway will help ensure participants who require 24-hour disability supports have sufficient funding to safely meet those support needs.

Other existing mechanisms are also available to safeguard participant safety. This includes plan reassessments under section 48 of the Act and plan variations under section 47A of the Act. These mechanisms enable a participant's plan to be adjusted in response to changes in their circumstances, support needs or functional capacity.

Commencement

The Determination commences on the 1 October 2026.

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Consultation

Extensive consultation informed the development of the Determination.

The provisions establishing the support determination framework in section 34A of the Act were subject to significant public and community engagement and parliamentary scrutiny during the consideration and passage of the Amendment Act.

As part of this process, the National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026 (Bill) that became the Amendment Act, was referred to the Senate Community Affairs Legislation Committee (Committee) for inquiry and report. The Committee invited public submissions and held public hearings, providing an opportunity for the disability community, key stakeholders and organisations as well as the broader Australian community to provide views on the proposed reforms. The Committee received approximately 4,202 submissions, reflecting significant stakeholder and community interest in the proposed changes.

The Committee considered the proposed support determination framework, including concerns raised by stakeholders about the breadth of the Minister's power to reduce funding for groups of support, the participants and supports that could be affected by a determination, and the safeguards applying to the exercise of this power. Stakeholders also raised issues regarding the potential impact of support determinations on participant certainty and continuity of funding arrangements, the extent of parliamentary oversight of determinations, and the need for appropriate protections for participants who may be disproportionately affected by funding reductions. The Committee tabled an interim report on 23 June 2026 and a final report on 14 August 2026.

A number of parliamentary amendments were made in response to concerns raised during consultation and parliamentary consideration. These amendments included changes to strengthen safeguards governing the exercise of the power to make a support determination. They also clarify the scope of operation of support determinations and provide greater flexibility in excluding certain cohorts of participants and supports from the impact of a support determination.

Following passage of the Amendment Act, the Department of Health, Disability and Ageing undertook targeted engagement with the Reform Advisory Committee, Disability Representative Organisations, provider peak bodies and states and territories to support implementation of the support determination framework. Given the significant stakeholder engagement undertaken during development and passage of the Bill, including consideration of stakeholder feedback through parliamentary processes and subsequent amendments to the legislation, these targeted consultations focused on the practical operation of the support determination framework. Feedback received through these consultations informed the planned implementation of and communication about the Determination.

The National Disability Insurance Agency (Agency) was also closely consulted in the development of the Determination.

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

All feedback received through these consultations processes and stakeholder engagements has been considered in finalising the Instrument and has informed the way the Agency will implement the support determination framework.

Sunsetting

Part 4 of Chapter 3 of the Legislation Act 2013, relating to sunsetting, does not apply to the Instrument. This is due to the *Legislation (Exemptions and Other Matters) Regulation 2015* (LEOMR) which provides that instruments made under the Act are exempt from sunsetting (see table item 42AC in section 12 of the LEOMR).

The LEOMR was amended to exempt legislative instruments made under the Act from sunsetting by the *National Disability Insurance Scheme Amendment (Getting the NDIS Back on Track No. 1) Act 2004*. It is appropriate for all legislative instruments made under the Act to be exempt from sunsetting as they form part of an intergovernmental scheme, as provided in the Attorney-General's Department's *Guide to managing sunsetting of legislative instruments*.

Impact Analysis Statement

The Impact Analysis is set out in **Attachment C**.

Details

The Instrument is a legislative instrument for the purposes of the *Legislation Act 2003*. The Determination is not an NDIS rule within the meaning of section 209 of the Act.

Details of the Instrument are set out in **Attachment A**.

The Instrument is compatible with the human rights and freedoms recognised or declared under section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*. A full statement of compatibility is set out in **Attachment B**.

The Impact Analysis is set out in **Attachment C**.

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Attachment A

Explanation of the provisions

Part 1 – Preliminary

Section 1 - Name

Section 1 provides that the Instrument is titled the *National Disability Insurance Scheme (Support) Determination 2026*.

Section 2 – Commencement

Section 2 provides that the whole of the Instrument commences on the 1 October 2026.

Section 3 – Authority

Section 3 provides that the Instrument is made under subsection 34A(1) of the *National Disability Insurance Scheme Act 2013*.

Section 4 – Definitions

Section 4 provides the definitions for terms used in the Instrument.

A legislative note provides that a number of expressions used in the instrument are defined in section 9 of the Act, including:

- CEO;
- funding component amount;
- old framework plan;
- participant;
- plan;
- supports;
- statement of participant supports;
- total funding amount.

Section 4 also provides that in the Instrument, a reference to the following terms, have the following meanings:

Act means the *National Disability Insurance Scheme Act 2013*.

excluded subgroup has the meaning given by subsections 7(1) and 8(1)

IDLS group of supports has the meaning given by subparagraph 5(a)(ii).

renewed plan has the meaning given by subsection 9(6).

SECP group of supports has the meaning given by subparagraph 5(a)(i).

source plan has the meaning given by subsection 9(6).

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Part 2 – Reducing funding for groups of supports

Division 1—The percentage for reducing funding component amounts

This division deals with the percentages for reducing funding component amounts and the classes of participant plans to which the percentage reductions apply. A 'funding component amount' means the amount of funding specified in an old framework plan for a particular group of reasonable and necessary supports under paragraph 33(2A)(c) of the Act.

Paragraph 34A(1)(a) of the Act provides that funding component amounts may be reduced by percentages specified in the determination. Paragraph 34A(1)(b) of the Act provides that a support determination may specify the class of participants' plans to which percentage reductions apply.

Section 5 – Reduced funding for specified groups of supports

Section 5 sets out the groups of support and the percentage reduction that applies to funding component amounts for each group of supports.

Paragraph 5(a) specifies the assistance with social, economic and community participation (SECP group of supports) and the improved daily living skills (IDLS group of supports) as the groups of supports to which a support determination applies. These are the groups of supports permitted to be specified under subsection 34(1A) of the Act.

Paragraph 5(b) specifies a reduction of 50 per cent for funding component amounts allocated to the SECP group of supports and 10 per cent for funding component amounts allocated to the IDLS group of supports.

If a participant's plan includes funding for the SECP group of supports and other groups of supports, only the funding allocated to the SECP group of supports would be reduced under a support determination. This is because the percentage reductions specified in paragraph 5(b) apply only to the groups of supports specified in paragraph 5(a). Funding allocated to any other groups of supports in the participant's plan, such as supports in home, would not be affected.

Although funding for SECP and IDLS groups of support may be reduced under a support determination, the impact on participants is not expected to reflect the full reduction in funding as participants often do not utilise their full allocated funding.

Example – Omar

Omar has a plan with $40,000 for the SECP group of supports. On 1 March 2027, Omar's plan is renewed and the 50 per cent reduction is applied to the SECP funding in his new plan. This means the amount available for Omar to spend on community participation supports is reduced from $40,000 to $20,000. While Omar's allocated funding for the SECP group of supports is reduced by 50 per cent, the actual impact on him is less as Omar typically utilises only $28,000 of his SECP budget.

Example – Tama

Tama has a plan with $26,000 for the IDLS group of supports. On 1 June 2027, Tama's plan is reassessed and the 10 per cent reduction is applied to the IDLS

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

budget in his new plan. This means the amount available for Tama to spend on therapy and other improved daily living skills supports is reduced to $23,400.

Example – Francis

Francis has a plan with $32,000 for the SECP group of supports, and $12,000 for the IDLS group of supports. On 1 November 2026, Francis' plan is reassessed and the percentage reduction for both groups of support is applied to her plan. Francis' SECP budget is reduced by 50 per cent, with $16,000 available to spend on social and community participation supports. Francis' IDLS budget is reduced by 10 percent, meaning Francis will have $10,800 to spend on therapy related supports. While Francis' allocated funding is reduced across both SECP and IDLS budgets, the actual service impact is lower, as she typically utilises only $26,000 of her SECP budget and $9,500 of her IDLS budget.

Section 6 – Class of participants' plans to which percentage applies

Section 6 specifies the class of participants' plans to which the funding reductions in subsection 5(b) apply.

This section provides that the Determination applies to all old framework plans that come into effect on or after 1 October 2026. Old framework plans are plans developed under the current NDIS planning arrangements. This includes a participant's first plan, a new plan following a plan reassessment, and, from 1 February 2027, a new plan resulting from a plan renewal. From 1 February 2027, participants will transition to the new plan renewal process. Under this process, a participant's plan will cease on its reassessment date and be replaced by a renewed plan. Where a participant's reassessment date is scheduled to occur after 1 October 2027, the plan end date will be brought forward to occur on or before 30 September 2027.

This means that a support determination does not apply to new framework plans, which will be progressively introduced from April 2027. Once a participant transitions to a new framework plan, the support determination will cease to apply.

Division 2—Excluded subgroups

This division deals with subgroups of supports that are excluded from the impact of a support determination.

Subsection 34A(1C) of the Act provides that a support determination may specify a subgroup within a specified group of supports as an excluded subgroup for the purposes of calculating a net funding component amount under subsection 34A(2A).

Section 7 – Excluded subgroups within the SECP group of supports

Section 7 sets out the excluded subgroups of supports within the SECP group of supports.

Subsection 7(1) provides the following subgroups within the SECP group of supports are specified as excluded subgroups:

- supports in employment;
- high intensity supports;

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

- intensive and complex behaviour supports.

Supports in employment includes services that support a participant to do paid work. This includes on the job assessments of the impact of a person's disability on their ability to work, job customisation, on-the-job training and support with daily work tasks, direct supervision, physical assistance and personal care in the workplace, supports to manage disability-related behaviour or complex needs at work and non face-to-face activities that are directly related to supporting a participant's employment.

High intensity supports include critical disability related health supports and behaviour supports. They are delivered both in the home and in the community by support workers with specific skills and experience. High intensity supports include but are not limited to supports such as ventilatory and tracheostomy management, percutaneous endoscopic gastrostomy (PEG) and nasogastric feeding, catheter management and subcutaneous injections.

Intensive and complex behaviour supports include specialist behaviour support assessment and planning, implementation of behaviour support strategies, worker training and oversight of regulated restrictive practices where authorised.

Subsection 7(2) provides that the excluded subgroups of supports specified in subsection 7(1) consist of the supports identified for each subgroup in Part 1 of Schedule 1 to the Determination.

This means that if a participant receives supports in an excluded subgroup specified in subsection 7(1), such as supports in employment, funding allocated to those supports is not subject to reduction under the Determination. The effect of excluded subgroups of supports on the calculation of the participant's net funding component amount is explained under section 10.

Example – Iris

Iris has a plan with $52,000 for the SECP group of supports. On 10 November 2026, Iris' plan is reassessed and the 50 per cent reduction to SECP supports is applied. Iris' SECP budget includes $18,000 for supports in employment. Supports for employment is an excluded subgroup of supports, therefore is not affected by the funding reduction. Deducting the amount specified for supports in employment, only $34,000 of Iris' SECP budget is subject to the 50 percent reduction. This means Iris' has a total of $35,000 in her SECP budget to spend on both supports in employment ($18,000) and social and community participation supports ($17,000).

Section 8 – Excluded subgroups within the IDLS group of supports

Section 8 sets out the excluded subgroups of supports within the IDLS group of supports.

Subsection 8(1) specifies the following subgroups within the IDLS group of supports are specified as excluded subgroups:

- disability related health supports;
- customised and wearable technology;
- hearing services.

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Disability-related health supports is a broad category of supports connected to a participant's disability-related health needs, which may include nursing, allied health, equipment, consumables, training and direct support.

IDLS supports for customised and wearable technology include fitting and assistance in using customised prosthetics, orthotics and specialised wearable devices. Wearable technology does not include items such as smart watches or alert systems.

Hearing supports includes supports for participants aged 26 and over who are not eligible for the Hearing Services Program (HSP) and for other participants including children with complex hearing needs outside of the HSP. These supports help participants communicate, participate safely and maintain functional independence.

Subsection 8(2) provides that the excluded subgroups of supports specified in subsection 8(1) consist of the supports identified for each subgroup in Part 2 of Schedule 1.

This means any funding allocated to these subgroups of supports would not be impacted by a support determination.

Example – Milo

Milo has a plan with $24,000 for IDLS supports. On 12 February 2027, Milo's plan is renewed and the 10 per cent reduction applies. Milo's IDLS supports includes $10,000 for disability-related health supports, which is an excluded subgroup of supports. Accounting for the amount specified in IDLS supports for disability related health supports, Milo has $22,600 to spend on therapy ($10,000) and other improved daily living skills supports ($12,600).

Example – Carmen

Carmen has a plan with $60,000 for SECP supports, and $14,000 for IDLS supports. On 19 October 2026, Carmen's plan is reassessed and the support determination applies to her plan. Within Carmen's SECP budget, $20,000 is included for high intensity supports, and $10,000 for intensive and complex behavioural supports. Within the IDLS budget Carmel has $6,000 for disability-related health supports.

When the support determination applies, $30,000 of Carmen's SECP budget would be subject to the 50 per cent reduction. This means Carmen would have $45,000 to spend on SECP supports. $8,000 of Carmen's IDLS budget would also be subject to the 10 per cent funding reduction. This would mean Carmen would have $13,200 to spend on IDLS supports.

Division 3—Subclasses of plans for excluded groups

This division deals with the identification of a subclass of participants' plans in relation to an excluded subgroup of supports. The purpose of the subclass is to identify plans that include an excluded subgroup of support so that the funding component amount for a specified group of supports can be calculated.

Subsection 34A(1CA) of the Act provides that, where a determination specifies an excluded subgroup of supports, the determination may also specify a 'subclass' of the class of participants' plans to which the percentage reduction applies. The subclass may be identified

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

by reference to matters relating to the plans, or the participants, or both, including by using information contained in records held by the Agency.

Section 9 – Subclasses of plans for excluded groups

Section 9 deals with the identification of subclasses of participants' plans in relation to excluded subgroups of supports.

Subsection 9(1) creates four subclasses of plans – subclasses A, B, C and D – for each excluded subgroup of supports. The criteria for determining whether a plan falls within a particular subclass are set out in subsections 9(2) to 9(5). Subsection 9(6) deals with terms defined for the purposes of this section.

Table 1 – *Identification of subclasses of participants' plans in relation to excluded subgroups of supports*

Subclass of participants' plans	**Identification approach**
New/source plan commencing on or after 1 October 2026 – identification relies on information in a plan	
Subclass A plans – New and reassessed plans	• Plan commences on or after 1 October 2026 • Agency records show an amount was allocated for the excluded subgroup when determining funding for the relevant support group.
Subclass B plans – Renewed plans	• Renewed plan comes into effect on or after 1 February 2027. • Source plan came into effect on or after 1 October 2026. • Agency records show an amount was allocated for the excluded subgroup when preparing the source plan.
Source plans commencing before 1 October 2026 – identification relies on payments data	
Subclass C plans – Renewed plans	• Renewed plan comes into effect on or after 1 February 2027. • Source plan came into effect before 1 October 2026. • Funding for the relevant support group was agency or plan managed throughout 2026. • Agency records show: o a payment was made for supports in the excluded subgroup during 2026 and o an amount was allocated for the excluded subgroup when preparing the source plan.
Subclass D plans – Renewed plans	• Renewed plan comes into effect on or after 1 February 2027. • Source plan came into effect before 1 October 2026. • Funding for the relevant support group was self-managed or nominee-managed at some point during 2026. • Agency records show: o a payment was made for supports in the group containing the excluded subgroup during 2026 and

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

	○ an amount was allocated for the excluded subgroup when preparing the source plan.

Subclass A plans

Subsection 9(2) provides that subclass A captures new or reassessed plans made otherwise than through plan renewal where:

- the commences on or after 1 October 2026, and
- Agency records show that, when preparing the plan, an amount was allocated for supports in the excluded subgroup.

A legislative note to subsection 9(2) clarifies that an amount may be allocated for supports in an excluded subgroup in preparing a plan even though the amount is not separately specified in the plan and funding may be used flexibly within the relevant group of supports.

Subclass B plans

Subsection 9(3) provides that subclass B captures renewed plans that commence on or after 1 February 2027, where:

- the source plan for the renewed plan commenced on or after 1 October 2026; and
- Agency records show that in preparing the source plan, an amount was allocated for supports in the excluded subgroup.

The terms ‘renewed plan’ and ‘source plan’ are defined in subsection 9(6).

Subclass C plans

Subsection 9(4) provides that subclass C captures renewed plans where:

- the renewed plan commences on or after 1 February 2027,
- the source plan commenced before 1 October 2026,
- the funding for the excluded subgroup was managed by a registered plan management provider or by the Agency throughout 2026,
- Agency records show that:
    - at any time during 2026, a payment of an NDIS amount was made for supports in the excluded subgroup, and
    - in preparing the source plan, an amount was allocated for supports in the excluded subgroup.

Subclass D plans

Subsection 9(5) provides that subclass D captures renewed plans where:

- the renewed plan commences on or after 1 February 2027,
- the source plan for the renewed plan commenced before 1 October 2026,
- the funding for the excluded subgroup was managed wholly or to a specified extent by the participant or by a participant’s nominee, at any time during 2026
- the Agency’s records show that:

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

- during 2026, a payment was made for supports in the group of supports containing the excluded subgroup; and
- in preparing the source plan, an amount was allocated for supports in the excluded subgroup.

For the purposes of the above, it is enough if funding for the excluded subgroup was participant or nominee managed at any time during 2026. The funding does not need to have been participant or nominee managed for the entirety of 2026. This is because, in these circumstances, only evidence of a payment for supports within the broader group of supports containing the excluded subgroup may be available. The Agency does not capture claims and payments data at the level of subgroups of supports where a participant or nominee manage the funding.

Definitions

Subsection 9(6) defines the terms '***renewed plan***' and '***source plan***'.

The term 'renewed plan' means a plan that, by force of section 50A of the Act, is renewed as a new plan.

Section 50A of the Act relates to the renewal of participant's old framework plan following its end date. Section 50A provides that a participant's old framework plan, by operation of law, will be renewed as a new plan immediately after the end date specified in the old plan.

The term 'source plan' for a renewed plan, means the most recent plan for a participant that:

- was made otherwise than by renewal by force of section 50A of the Act; and
- was replaced, directly or through one or more renewed plans, by the renewed plan.

In practical terms, the source plan is the last plan made through a reasonable and necessary planning or reassessment process before a chain of section 50A renewals began. It is not necessarily the plan immediately before the current renewed plan. This term is critical as subclasses B, C and D all look back to the source plan to identify whether an amount was originally allocated for supports in the excluded subgroup of supports when that plan was prepared.

Division 4—Determining the portion of the funding component amount attributable to an excluded subgroup

This division deals with how to determine the portion of a funding component amount attributable to an excluded subgroup.

Subsection 34A(2B) of the Act provides that the determination must specify how to determine the portion of the funding component amount that is attributable to funding for supports in the excluded subgroup.

Section 10 – How to determine the portion attributable to an excluded subgroup

Section 10 sets out how the portion of the funding component amount attributable to an excluded subgroup of support is to be determined. It explains how to identify the part of a funding component amount that is attributable to excluded subgroup supports, so that amount can be carved out from the impact of a support determination.

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Subsection 10(1) provides that this section specifies how to determine the portion of the funding component amount stated in a plan for a group of supports that is attributable to funding for the supports in an excluded subgroup within that group for the purposes of subsection 34A(2B) of the Act.

Subsection 10(2) provides the substantive rule. That is, the 'protected' portion is the amount that was allocated for supports in the excluded subgroup as part of preparing the relevant plan.

A legislative note to subsection 10(2) confirms that the amount referred to in subsection (2) may have been taken into account in determining funding for a group of supports without being separately specified in the plan. That is, the excluded subgroup amount does not need to appear separately in the participant's plan. The note confirms that the amount may have been used internally in calculating the group-level funding, even if the plan only states a single global amount for the group.

Subsection 10(3) provides the amount referred to in subsection 10(2) is to be identified:

- if the amount is separately specified in the relevant plan—from that plan; or
- otherwise—from the Agency's records.

This means that the portion of the funding component amount for a support in the excluded subgroup of supports will be identified from the plan where it is separately identified or otherwise it will be identified from the Agency's records.

Subsection 10(4) identifies that for the purposes of subsections 10(2) and (3), the 'relevant plan' is:

- for a plan in subclass A—that plan; or
- for a plan in subclass B, C or D—the source plan for that plan.

Example – Application of support determination with excluded subgroup of supports

Connor has a plan with $73,000 for SECP group of supports. This funding includes support to take part in social and community activities like participating in sporting groups and attending community events, as well as supports that help Connor find and keep a job.

On 1 November 2026, Connor's plan is reassessed and the Agency decides that $73,000 remains reasonable and necessary for his SECP group of supports which includes $46,000 for supports in employment. This information is recorded in the Agency's records.

As supports in employment is an excluded subgroup, $46,000 is not affected by the reduction. The remaining $27,000 in his SECP group of supports budget is subject to the 50 per cent reduction.

This means Connor's SECP group of supports funding is reduced by $13,500 and he has $59,500 available in total for SECP group of supports, which includes $46,000 for supports in employment.

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Division 5—Application and transitional provisions

Section 11 – Application

Section 11 deals with the application of the Determination.

Subsection 11(1) provides that section 6 applies in relation to an old framework plan that comes into effect on or after 1 October 2026 whether or not the plan reassessment resulting in the plan began before that day.

Subsection 11(2) provides that, in applying sections 9 of 10, regard may be had to information in the Agency's records about a payment made, or an amount allocated, before 1 October 2026.

Schedule 1 – Supports in excluded subgroups

Schedule 1 sets out the supports that are included in each excluded subgroups of supports specified in subsection 7(1) and subsection 8(1).

Part 1 – Supports in excluded subgroups within the SECP group of supports

Clause 1 – Supports in the supports in employment subgroup

Clause 1 specifies in a table the supports in the support in employment subgroup within the SECP group of supports for the purposes of paragraph 7(1)(a).

Clause 2 – Supports in the high intensity supports subgroup

Clause 2 specifies in a table the supports in the high intensity supports subgroup within the SECP group of supports for the purposes of paragraph 7(1)(b).

Clause 3 – Supports in the intensive and complex behaviour supports subgroup

Clause 3 specifies in a table the supports in the intensive and complex behaviour supports subgroup within the SECP group of supports for the purposes of paragraph 7(1)(c).

Part 2 – Supports in excluded subgroups within the IDLS group of supports

Clause 4 – Supports in the disability related health supports subgroup

Clause 4 specifies in a table the supports in the disability related health supports subgroup within the IDLS group of supports for the purposes of paragraph 8(1)(a).

Clause 5 – Supports in the customised and wearable technology subgroup

Clause 5 specifies in a table the supports in the customised and wearable technology subgroup within the IDLS group of supports for the purposes of paragraph 8(1)(b).

Clause 6 – Supports in the hearing services subgroup

Clause 6 specifies in a table the supports in the hearing services subgroup within the IDLS group of supports for the purposes of paragraph 8(1)(c).

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Attachment B

STATEMENT OF COMPATIBILITY WITH HUMAN RIGHTS

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

National Disability Insurance Scheme (Support) Determination 2026

The *National Disability Insurance Scheme (Support) Determination 2026* (the Instrument) is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the Instrument

The purpose of the Determination is to support the ongoing financial sustainability of the National Disability Insurance Scheme (NDIS) for the benefit of all people with disability who have access to the NDIS.

The Determination gives effect to the support determination framework in section 34A of the *National Disability Insurance Scheme Act 2013* (Act). Under subsection 34A(1), the Minister may determine a percentage reduction to funding component amounts for specified groups of supports and specified classes of participants' plans.

The Determination also enables certain subgroups of supports to be excluded from a reduction. This is a safeguard that provides the ability to maintain funding for critical supports, including supports that are essential to participant health and safety.

In particular, the Determination specifies:

- assistance with social, economic and community participation and improved daily living skills as the groups of supports to which a reduction applies;
- the percentage reduction that applies to those groups of supports;
- the class of participants' plans to which the reduction applies;
- excluded subgroups of supports to which the reduction does not apply; and
- how to determine the portion of the funding component amount attributable to an excluded subgroup.

The Determination does not alter the content of a participant's plan or a decision of the Chief Executive Officer (CEO) of the National Disability Insurance Agency (Agency) about what supports are reasonable and necessary for a participant.

In making the Determination, the Minister has had regard to the safety of participants, as required by subsection 34A(3) of the Act.

The Determination supports the rights of people with disability by promoting the ongoing financial sustainability of the NDIS through targeted measures to manage growth in NDIS expenditure and to maintain the continued availability of reasonable and necessary supports for current and future eligible participants.

Human rights implications

This Determination engages the following human rights:

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

- Rights of people with disability – Articles 3 and 4(3) of the Convention on the Rights of Persons with Disabilities (CRPD)
- Right to equality and non-discrimination – Articles 2 and 5 of the CRPD and Articles 2 and 26 of the International Covenant on Civil and Political Rights (ICCPR)
- Right to social security – Article 9 of the International Covenant on Economic, Social and Cultural Rights (ICESCR) and Article 28 of the CRPD
- Right to habilitation and rehabilitation – Article 26 of the CRPD
- Right to live independently and be included in the community – Article 19 of the CRPD.

Rights of people with disability – Articles 3 and 4(3) of the CRPD

Article 4(3) of the CRPD requires States Parties to closely consult with and actively involve people with disability, including through their representative organisations, in the development and implementation of legislation and policies concerning issues relating to people with disability. This obligation reflects the principles in Article 3 of the CRPD, including respect for individual autonomy and the full and effective participation and inclusion of people with disability in decisions that affect them.

The Determination engages these rights as part of the support determination framework. The framework established by section 34A of the Act was subject to significant public consultation and parliamentary scrutiny during consideration of the National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026, including through a Senate inquiry that invited public submissions and held public hearings. This provided opportunities for people with disability, Disability Representative Organisations (DROs), providers and other stakeholders to contribute their views. Feedback received through these processes informed parliamentary consideration of the framework and contributed to amendments that strengthened safeguards and clarified its operation.

Following passage of the legislation, the Department of Health, Disability and Ageing undertook targeted consultation with the NDIS Reform Advisory Committee, DROs, provider peak bodies, states and territories, and the Agency on the practical operation and implementation of the framework. Feedback received through this engagement informed the development and finalisation of the Determination and associated implementation arrangements.

Accordingly, the Determination promotes the rights reflected in article 4(3) and principles in article 3 of the CRPD.

Right to equality and non-discrimination – Articles 2 and 5 of the CRPD and Articles 2 and 26 of the ICCPR

The right to equality and non-discrimination is recognised in articles 2 and 5 of the CRPD, and articles 2 and 26 of the ICCPR. This is a fundamental human right that underpins the protection and enjoyment of all other human rights. It provides that every person is entitled to enjoy their human rights without discrimination, including on the basis of disability, and that all persons are entitled to the equal protection of the law without discrimination.

The Determination engages the right to equality and non-discrimination as it applies to specified participants with old framework plans and reduces funding available for the

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

assistance with social, economic and community participation and improved daily living skills groups of supports included in those plans. Participants with new framework plans are not subject to the reductions provided for by the Instrument.

The differential treatment between participants with old framework plans and participants with new framework plans reflects the different funding arrangements that apply under the old and new framework planning provisions of the Act. Participants with new framework plans are subject to a different approach to determining available funding. As a result, the support determination mechanism is required only in relation to old framework plans to achieve the intended funding outcomes for the relevant groups of supports.

The support determination reduction may also have a disproportionate impact on certain participants depending on their individual circumstances and support needs, including the nature and extent of their need for supports within a specified group of support. Participants who rely more heavily on supports within the specified groups of support may experience a greater impact from the reduction than other participants whose plans are also subject to the support determination.

To the extent that the Instrument gives rise to differential treatment or has a disproportionate impact on particular participants, the differential treatment reflects the operation of the legislative framework established by the Act, while any disproportionate impacts are addressed through the safeguards and review mechanisms available under the Act.

The Determination may only be made for the purpose of ensuring the financial sustainability of the NDIS, applies only to support groups specified in the Act, and includes safeguards that provide targeted protections for participants. In particular, the Determination enables subgroups of supports to be excluded from a reduction, providing the ability to maintain funding for critical supports where appropriate, including supports that are essential to the health and safety of participants and to maintain employment arrangements.

Participants also retain access to existing mechanisms under the Act to seek changes to their plan where their circumstances or support needs change, including through requests for reassessment and plan variation. In addition, section 47B of the Act provides a plan variation pathway that may be used to ensure participants with high support needs can continue to receive funding for continuous 24-hour disability-related care and support where required.

Accordingly, any differential treatment arising from the Determination is reasonable, necessary and proportionate to achieving the legitimate objective of supporting the ongoing financial sustainability of the NDIS and ensuring the NDIS remains available to current and future participants with permanent and significant disability.

Right to social security – Article 9 of the ICESCR and Article 28 of the CRPD

The right to social security is recognised in article 9 of the ICESCR and article 28 of the CRPD. The right to social security requires the establishment of a social protection system and access to benefits that assist individuals to secure an adequate standard of living and to address circumstances that may limit their capacity to participate fully in society.

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

The Determination engages the right to social security as it supports the effective operation and integrity of the NDIS. The NDIS is a significant social protection scheme that provides funded disability supports to eligible people with permanent and significant disability. The Determination reduces funding component amounts for specified groups of supports in specified classes of participants' plans.

The reductions provided for by the Determination may limit the extent of funding available to some participants for assistance with social, economic and community participation and improved daily living skills supports. Participants who have a greater reliance on supports within those groups of supports may be more significantly affected by the reduction than other participants.

The Determination does not alter the content of a participant's plan or the decision about what supports are reasonable and necessary for a participant, consistent with subsection 34A(4) of the Act. However, in accordance with subsection 34A(5), the reduction applies even where supports within the affected groups of supports continue to be reasonable and necessary for the participant. Accordingly, the Determination may reduce the funding available for supports that continue to be assessed as reasonable and necessary.

To the extent that the Determination limits the right to social security, the limitation pursues the legitimate objective of supporting the ongoing financial sustainability of the NDIS and ensuring that the NDIS remains available to current and future participants with permanent and significant disability. The limitation is accompanied by safeguards under the Act, including the ability to exclude particular subgroups of supports from a reduction, mechanisms for participants to seek reassessment or variation of their plans where circumstances or support needs change, and the availability of the section 47B plan variation pathway for participants with high support needs.

Accordingly, any limitation on the right to social security is reasonable, necessary and proportionate.

Right to live independently and be included in the community, and the right to habilitation and rehabilitation – Articles 19 and 26 of the CRPD

The right to live independently and be included in the community is recognised in article 19 of the CRPD. This right recognises the equal right of people with disability to live in, and participate fully in, the community, with choices equal to others.

The right to habilitation and rehabilitation is recognised in article 26 of the CRPD and requires appropriate measures to enable people with disability to attain and maintain maximum independence, full physical, mental, social and vocational ability, and full inclusion and participation in all aspects of life by strengthening habilitation and rehabilitation services and programmes.

The Determination engages these rights as it applies a reduction to funding available for supports within the assistance with social, economic and community participation and improved daily living skills groups of supports in specified participants' plans. These groups of supports assist participants to engage in community activities, develop skills, increase independence, build capacity and participate in social and economic life.

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

The reduction in funding provided for by the Determination may affect the extent to which some participants are able to access supports that facilitate community participation, skill development and independence. The impact of the reduction may vary depending on a participant's individual circumstances and support needs, including the nature and extent of their reliance on supports within the affected groups of supports.

To the extent that the Determination limits the rights in articles 19 and 26 of the CRPD, the limitation pursues the legitimate objective of supporting the ongoing financial sustainability of the NDIS and ensuring that the NDIS remains available to current and future participants with permanent and significant disability.

The Determination applies only to support groups specified in the Act and is supported by safeguards that provide targeted protections for participants. In particular, the Determination enables particular subgroups of supports to be excluded from a reduction, providing the ability to maintain funding for critical supports where appropriate, including supports that are essential to the health and safety of participants and supports that assist participants to maintain employment arrangements. The Minister is also required under subsection 34A(3) of the Act to have regard to the safety of participants when making the Determination.

Participants also retain access to existing mechanisms under the Act to seek changes to their plan where their circumstances or support needs change.

Accordingly, any limitation on the rights to live independently and be included in the community, and to habilitation and rehabilitation, is reasonable, necessary and proportionate to achieving the legitimate objective of supporting the ongoing financial sustainability of the NDIS.

Conclusion

The *National Disability Insurance Scheme (Support) Determination 2026* is compatible with human rights as it supports the ongoing operation of the NDIS for current and future generations. To the extent that the Determination limits certain human rights, those limitations are reasonable, necessary and proportionate to achieving the legitimate objective of ensuring the sustainability of the NDIS for the benefit of people with disability who access, or may access, the NDIS.

Minister for the National Disability Insurance Scheme, the Hon Jenny McAllister MP

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Dashboard Impact Analysis: Implementation of Support Determinations in NDIS old framework plans – exclusions and safeguards for NDIS participants

Department of Health, Disability and Ageing

Proposed approach

In the 2026-27 Budget, the Australian Government announced it would reset funding for some National Disability Insurance Scheme (NDIS) supports from 1 October 2026 through a 'support determination'.

The impacts of the support determination measure as announced in the 2026-27 Budget was assessed in a previous Impact Analysis published on 14 May 2026[1]. This Dashboard Impact Analysis complements that assessment and should be read alongside it; it does not assess the impacts of the original measure. The focus of this analysis is the impacts of:

- targeted exclusions for specific support types to ensure the original policy intent is achieved, and
- the safeguards for high support needs participants who require continuous 24-hour care for their disability support needs.

2026-27 Budget Support Determination Measure

The original support determination measure announced in the 2026-27 Budget will impact budget allocations in participants' old (current) framework plans for:

- social economic and community participation[2] (SECP), and
- improved daily living skills[3] (IDLS) supports.

Funding amounts of SECP and IDLS in participants' plans will be reset by 50 per cent and 10 per cent respectively. Funding for other support categories in participants' plans will not be impacted.

[1] Accessible at https://oia.pmc.gov.au/published-impact-analyses-and-reports/national-disability-insurance-scheme-reforms

[2] Previously referred to as 'social, civic and community participation supports'.

[3] Previously referred to as 'capacity building daily activities'.

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

The support determination measure will be applied to participant plans progressively over a 12-month period. The measure will apply to participants whose plans are created or reassessed from 1 October 2026, and to participants with renewed plans from 1 February 2027. The intent is that all participants who receive funding for SECP and IDLS supports will have their funding reset by 30 September 2027.

Safeguards for participants – focus of this impact analysis

To implement this measure, the Minister for the National Disability Insurance Scheme (the Minister) will make two disallowable legislative instruments to:

1. Implement the 50 per cent reduction to SECP and 10 per cent reduction to IDLS. This will also set out the excluded subgroups of supports within these support categories that the reduction will not apply to.
2. Make a new plan variation pathway for high support needs participants with 24-hour disability support needs.

Both instruments will commence on 1 October 2026.

Targeted exclusions for specific support types

Implementation of the support determination will ensure subgroups of supports in the SECP and IDLS support categories that protect participants' health, safety, and employment arrangements are excluded from funding resets. These exclusions encompass employment supports, high intensity supports, intensive and complex behaviour supports, disability-related health supports, supports for customised and wearable technology and hearing services.

The National Disability Insurance Agency (NDIA) will review claims and payments data to identify participants who may have these subgroups of supports in their plans and triage participants that require further analysis.

- Where funding allocations to the excluded subgroups can be reliably determined, the NDIA will limit the application of the support determination to the funding of SECP and IDLS supports within scope.
- Where records confirm a participant's plan has excluded supports, but the funded amounts cannot be accurately determined, a CEO-initiated plan reassessment will be undertaken by the NDIA.
- Where there is no evidence that excluded supports are funded, the support determination will apply in full.
- Participants who were not funded for an excluded subgroup of support, but have purchased support in an excluded subgroup through flexible use of their plan funding, may seek a reassessment where they have had a significant and ongoing change to their circumstances since their last plan approval.

A legislative framework has been established to implement the proposed approach. The *National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations)*

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Act 2026 (the Amending Act), passed Parliament on 19 August 2026 and received Royal Assent on 20 August 2026. The Amending Act contains amendments agreed to by Parliament to ensure that a support determination can only apply to the SECP and IDLS support categories, consistent with the original policy intent. A legislative note confirms that excluded support subgroups in these support categories include supports in employment and disability-related health supports. Additional support subgroups will also be excluded including:

- high intensity supports
- intensive and complex behaviour supports
- customised and wearable technology supports
- hearing supports.

Safeguards for high support needs participants

The Amending Act also provides high support needs participants with a mechanism to apply to the NDIA to have plan funding increased through a plan variation after the support determination is applied to their plan.

High support needs participants with 24-hour disability support needs will be able to apply for a plan variation after a support determination has taken effect. A participant cannot apply for a plan variation until after a support determination has taken effect.

Participants, or their nominee, will be able to apply for a plan variation within 90 days of a support determination being applied to their plan; that is, after their plan is created, reassessed or renewed. The NDIA may extend this period by written notice in exceptional circumstances. If a participant does not have a nominee, they can be assisted by someone such as a provider, support worker or advocate. The NDIA cannot initiate a plan variation on behalf of a high support needs participant in relation to the impact of a support determination.

A plan variation, if approved by a delegate, may increase funding for specific supports[4] to ensure a participant's 24-hour disability supports are safely maintained at a support ratio necessary for their disability support needs.

To ensure consistency in eligibility requirements and decision making, a participant is defined as having high support needs if they:

- receive 24-hour funded NDIS support, and
- have a total budget in their plan for Assistance with Daily Life, Home and Living, and Assistance with Social Economic and Community Participation of $215,030 or more (combined) before a support determination was applied.

[4] Funding can be reinserted into the support categories Assistance with Daily Life and Home and Living.

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

24-hour disability support means NDIS funded disability supports that are funded through the day and night to meet a participant's ongoing disability-related support needs. This can include a combination of shared supports, individual supports and overnight assistance.

Participants can request a review of decisions made under the high support needs new plan variation pathway. This includes decisions about whether a participant meets the definition of a high support needs participant for the purposes of the pathway, and whether a plan variation under the pathway is approved.

Policy problem

The policy problem under consideration in this Impact Analysis is how to implement support determinations in a way that delivers the intended funding resets while preventing unintended impacts on other funded supports and the safety of participants with high support needs. This requires consistent, safe and administratively workable approaches to excluding specified supports from reductions and ensuring 24-hour disability care arrangements are maintained.

When the National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026 (the Bill) was introduced to Parliament, it did not provide for specified subgroups of supports to be excluded from the support determination. The Bill also did not provide for additional safeguards for participants with high support needs affected by a support determination to maintain 24-hour support arrangements.

A series of amendments to the Bill were supported by the Government and agreed by Parliament. These are included in the Amending Act and establish a legislative framework for these protections, which are consistent with the Government's original policy intent. The amendments make it clear that subgroups of supports within the SECP and IDLS categories can be excluded from the impact of the support determination. Amendments also establish a new plan variation pathway for high support needs participants.

Implementation planning is focused on accurately identifying and preserving funding for excluded subgroups of supports while limiting unnecessary plan reassessments and ensuring the high support needs new plan variation pathway is clear, objective and accessible for eligible participants.

Summary of impacts and methodology

The proposed approach preserves critical supports from the impact of a support determination, and the variation pathway provides a safeguard for high support needs participants to maintain 24-hour care. It supports Scheme sustainability while preventing or correcting unintended reductions to supports that are critical to participant health, safety and employment.

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

The support determination is part of the NDIS reforms announced in the 2026-27 Budget, which were projected to reduce NDIS expenses by $38.1 billion over four years from 2026-27 to 2029-30.

Based on the Scheme Actuary's latest June 2026 projections, the exclusion of subgroups of supports and high support needs variation pathway could increase NDIS expenses by $0.8 billion over four years from 2026-27, compared to the policy parameters used in 2026-27 Budget. This does not include costs for implementation.

Status quo

The status quo would be that the support determination applied funding resets without any exclusions or safeguards.

Proposed option (part A) – Targeted exclusions of support subgroups from support determination

Implementation of this option will require high administrative effort, including additional NDIA workforce to undertake manual plan analysis and data transposition activities. Participants claiming excluded support subgroups would have their plans manually checked to identify funding allocated to the relevant subgroups. The funding identified through this process would then be excluded from the support determination after it is applied. Participants would not be required to take any action in most cases. Where the amount of funding allocated is unable to be determined, a plan reassessment may be required, and the NDIA will initiate a plan reassessment with affected participants.

Proposed option (part B) – New plan variation pathway for participants with high support needs

This option defines the cohort with 'high support needs' as participants who:

- receive 24-hour funded NDIS supports, and
- have a total budget in their plan for Assistance with Daily Life, Home and Living, and Assistance with Social Economic and Community Participation of $215,030 or more (combined) before a support determination was applied.

It enables participants to apply for a plan variation to increase the funding for certain groups of supports in their plan to ensure 24-hour disability supports can be maintained after a support determination has been applied. This option is open to all participants who believe they are eligible to apply. There are two decisions to be made by the NDIA as part of the variation pathway:

1. Does the participant meet the high support need definition
2. Does the participant require a plan variation to maintain safe 24-hour disability supports.

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Both of these decisions are reviewable.

Alternative option (part A) – Plan reassessment for all participants with identified excluded subgroups and self-managed participants

The alternative option would require the NDIA to conduct plan reassessments for approximately 300,000[5] participants. This would include those participants where claiming data and manual analysis by the NDIA of planning documents identify excluded supports that are funded or being utilised, and all self-managed participants (as data is not available to determine their use of excluded supports).[6] Due to the significant resource requirements and inefficiency of this option it is not feasible for the NDIA to implement.

Alternative option (part B) – Exclude high support needs participants from the support determination

The alternative option considered would exclude all high support needs participants from the support determination.

However, given that some high support needs participants might still have their 24-hour disability support needs met even if the support determination was applied in full, this option was considered to be disproportionate to the safeguarding risk. Participants have a variety of different support and funding arrangements and some may be able to use their plans flexibly to maintain their 24-hour disability supports even with the support determination in place.

Given this, a variation pathway was considered to be more suitable than a broad carve-out of participants with high support needs. A broad carve-out would risk poorly targeted funding adjustments, and inconsistent application of the support determination across all participants in the Scheme who are funded for SECP and IDLS. The variation pathway is a more equitable approach to delivering on the Government's intent to establish safeguards for high support needs participants who require continuous 24-hour care for their disability support needs, while maintaining policy intent of restoring SECP and IDLS funds to more sustainable levels.

Analysis and methodology

The analysis considered those affected, the likely scale and direction of impacts, the reliability of available data, and implementation risks. The analysis distinguishes between exclusions that can be applied using objective administrative data and those requiring participant-level assessment.

The analysis draws on:

[5] This represents all participants who utilised an excluded SECP or IDLS subgroup and all self-managed participants.

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

- administrative and claims data to identify affected support subgroups and participant cohorts
- planning records and approved planning tools to assess whether excluded supports can be reliably identified
- operational advice on system, workforce and delivery impacts
- stakeholder feedback on participant, provider and market risks.

This qualitative multi-criteria analysis compares the proposed approach with the status quo. The methodology to assess the options prioritises the core consideration of participant risk and preservation of essential supports that safeguard participant health, safety and wellbeing. This is balanced with consideration of the cost to Government to implement the policy and what is legally and operationally feasible.

Option	Benefits	Other costs	Net impact	Regulatory burden
Proposed option (part A) - Targeted exclusions from support determinations Indicative impact*: **Category of spending: total participants (88,000) who claimed. Note: this does not include participants self-managing SECP and IDLS supports.* Supports in employment: 21,000 participants High intensity supports: 29,000 participants Intensive & complex behavioural supports: 2,000 participants Disability-related health supports: 31,000 participants Customised and wearable	Reduced risk of participant harm, clearer safeguards and reduced risk of unintended consequences of the original support determination measure announced in the 2026-27 Budget.	Moderate increased Scheme costs. High implementation cost for manual data analysis, quality assurance processes, and communications to participants. Some delay and escalation handling costs are likely. These costs would be incurred by the NDIA. There is also a potential cost to participants if they need to undergo reassessment or seek further review.	Positive overall impact if exclusions can be applied consistently and accurately.	Expected minor increase to regulatory burden compared to the status quo on participants who have exclusions applied to their plan. These participants will require some additional communication and will need to spend approximately 2 hours understanding any exclusions applied to their plan. Where participants have been using funding flexibly to access excluded supports they will experience an increased regulatory burden of approximately 3 hours if they choose to apply for a reassessment to

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Option	Benefits	Other costs	Net impact	Regulatory burden
technology supports: 14,000 participants Hearing services: 2,000 participants				access the exclusions. Providers will need to understand how support determination exclusions are applied and may need to adjust service agreements to align to supports available.
Proposed option (part B) - New plan variation pathway for high support needs cohort Total high support needs participants in 2025: 72,000* **Total participants with funded 24-hour disability support needs who had a payment in 2025.*	This approach ensures 'high support needs' participants can apply for a variation to have plan funding increased (and backdated) after the support determination is applied to ensure their 24-hour disability support needs are met.	Moderate increase to Scheme costs, high implementation cost for the NDIA workforce to undertake plan variations. Other costs are dependent on the number of participants who apply for the variation. There will also be an increase in costs to the Administrative Review Tribunal for matters related to reviewable decisions for plan variations. Providers may also face costs or moderate cashflow challenges when delivering unfunded services to participants who are awaiting the outcome of a variation.	Positive safeguard for participants with 24-hour disability support needs. Will reduce the risk of unintended impacts from funding resets.	Expected increase in regulatory burden on participants seeking a plan variation. The burden will be immediate for participants who have a gap in 24-hour paid disability supports after the application of the support determination. Participants seeking a variation to increase plan funding after a support determination has been applied will need to submit a plan variation application. It may take approximately 2 hours to complete, submit and provide relevant evidence in support of the application. There

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Option	Benefits	Other costs	Net impact	Regulatory burden
				may also be an increased burden on nominees to support participants to prepare and apply for a new plan variation. Providers may face increased administrative costs to manage rostering changes and supporting participants while awaiting the outcome of a variation. The level of impact on providers will vary depending on how many high support needs participants they deliver support to.
Alternative option (part A) – Plan reassessment for all participants with identified excluded subgroups and self-managed participants (approx. 300,000)	Reduced risk of unintended consequences of funding resets. Strong mitigation of safeguarding risk to participants. High accuracy of amounts to be excluded from support determination as the current support needs of participants will be considered during the reassessments.	Significant implementation cost to Government through increased workforce requirements for NDIA to complete the reassessments. High impact on NDIA's ability to implement other reform priorities and support effective engagement with participants and providers.	Positive safeguarding approach for participants. High regulatory burden for participants, providers and the NDIA.	Expected increase in regulatory burden on approximately 300,000 participants who would undergo a plan reassessment. This may take approximately 3 hours required for plan reassessment plus preparation and other correspondence activities. Increased burden on service providers due to support required for participants in preparation for plan

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Option	Benefits	Other costs	Net impact	Regulatory burden
				reassessments and uncertainty regarding ongoing service arrangements pending the outcome of the plan reassessment. Additional burden for participants and providers related to the need to update any service agreements.
Alternative option (part B) – Exclude high support needs participants from the support determination	Reduced risk of unintended consequences of funding resets. Strong mitigation of safeguarding risk to participants.	Higher Scheme costs and minor implementation costs associated with NDIA ICT builds to identify and exclude participants with 24-hour disability support needs from the support determination.	Positive safeguarding approach for excluded participants. However, given that some high support needs participants might still have their 24-hour disability support needs met even if the support determination was applied in full, this option was considered to be disproportionate to the safeguarding risk. Participants have a variety of different support and funding arrangements, and some may be able to use their plans flexibly to maintain their 24-hour disability supports. A broad carve-out	Lower regulatory burden compared to proposed option. However, a broad carve-out would risk poorly targeted funding adjustments, and inconsistent application of the support determination across all participants in the Scheme who are funded for SECP and IDLS. The variation pathway is a more equitable approach to delivering on the Government's intent to establish safeguards for high support needs participants who require continuous 24-hour care for their disability

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Option	Benefits	Other costs	Net impact	Regulatory burden
			may result in inconsistent and inequitable application of the support determination.	support needs, while maintaining policy intent of restoring SECP and IDLS funds to more sustainable levels.

Economic and social impacts

Status quo	Proposed option
People: Without clear exclusions, participants may experience unintended reductions to supports that Government intends to preserve. Participants with high support needs may face disruption of critical supports. Participants who are using SECP supports to enable them to work may need to cease work or reduce work hours.	**People:** The proposed exclusions and new plan variation pathway would reduce the risk of unintended impacts on participants. They would preserve specified supports from the operation of a support determination and allow high support needs participants to pursue the variation pathway who have 24-hour funded disability support needs to ensure those supports are maintained. Exclusions and the new plan variation pathway protect critical supports linked to health, safety, employment, and continuity of care.
Businesses: Providers may face uncertainty about whether supports remain funded. This may affect service continuity, especially for providers delivering employment supports or disability-related health supports. There will be a reduction in demand for services from providers which may impact staff hours and workforce numbers. Businesses employing participants requiring employment supports may face uncertainty about their employee's ability to remain in work or their hours of work.	**Businesses:** Providers would benefit from clearer rules on which supports are affected by a support determination. Some providers may still face uncertainty where participant plans require manual analysis or reassessment or where there is an application for a plan variation. There will be an impact on workforce numbers (increased workforce demand) compared to the status quo.
Others: Informal carers may experience increased pressure if support changes disrupt participant routines or service access. Stakeholders have raised concerns about participant harm, provider viability and the need for clear safeguards. Informal caregivers will be likely to have increased caring responsibilities when supports are reset.	**Others:** Informal carers benefit from improved continuity of funded supports. The proposal may reduce avoidable complaints, review activity and service disruption if exclusions are applied accurately. Informal caregivers will be likely to experience less impacts on the amount of care they need to provide as the exclusions will limit funding reductions. Stakeholders are likely to support safeguards, but may seek greater transparency on the cohorts, supports

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Status quo	Proposed option
	and evidence used to apply exclusions and methodology used to consider new plan variation applications.

Regulatory burden

Status quo	Proposed option
People: Participants would have the full support determination applied. They can apply for a plan variation or reassessment if they meet the relevant requirements. With no exclusions to the support determination, participants would have to explore other options outside the NDIS to access the support they need.	**People:** There will be some burden on participants to understand which supports have been excluded and which have not. In some circumstances, participants may need to undergo a reassessment which would involve discussing their current needs with a planner – a process which takes approximately 3 hours. There will also be added burden on a cohort of high support needs participants with 24-hour disability support needs, to prepare and apply for a variation of their plan.
Businesses: Providers may incur time costs explaining changes, supporting participants, adjusting service bookings or responding to uncertainty about funding. There would be a material impact on the number of hours of support providers are able to deliver.	**Businesses**: Providers may face minor to moderate burden in understanding the exclusions, understanding criteria for the new plan variation pathway, responding to participant queries and adjusting service arrangements accordingly. Burden is lower than if there were no exclusions, or if reassessment was required for all participants to implement the exclusions. There will still be a reduction in the number of hours of support providers are funded to deliver but this impact is reduced due to the exclusions.
Others: Informal carers may need to help participants understand changes, gather information or engage with the NDIA. They would face moderate burden associated with seeking other supports.	**Others:** Informal carers and nominees may face some information and engagement costs. These costs should reduce if communications are clear about the changes. Additionally, there will be more support hours available in participant plans compared to the status quo as a result of the exclusions and variation pathway, which should positively impact the care and support workforce which delivers NDIS services.

Other considerations and implementation

What success looks like

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Success means the exclusions and new plan variation pathway are implemented in a way that:

- preserves supports that Government has determined be unaffected by support determinations, including supports critical to participant health, safety and employment,
- ensures high support needs participants with 24-hour disability support needs are able to have this level of support maintained,
- applies exclusions and assessment of new plan variations consistently and transparently across participants, providers and NDIA decision-makers,
- minimises avoidable reassessments, complaints and escalation activity, and
- is legally robust and supported by objective and auditable exclusion criteria wherever possible.

Indicators of success may include:

- the proportion of in-scope plans where exclusions are applied correctly at reassessment or renewal, measured through quality assurance, sampling, complaints and reassessment requests,
- the number and proportion of participants identified as potentially meeting the high support needs criteria who submit a plan variation request,
- the number and proportion of high support needs participants who have plan variations approved, and
- number and proportion of plan variation requests processed within statutory timeframes.

Monitoring by the department, NDIA and NDIS Quality and Safeguards Commission would assess whether exclusions and assessments of plan variations are operating as intended, protecting identified supports and participant cohorts while avoiding unnecessary administrative burden and implementation risk.

Implementation approach

Implementation will require coordination between the department and the NDIA on policy, operational, data, system and communication activities to give effect to the support determination exclusions and new plan variation pathway.

Key implementation activities include:

- develop data markers, approved data sources and exception processes,
- prepare operational guidance, training and quality assurance processes for NDIA staff,
- deliver communications for participants, providers and other stakeholders, and
- monitor implementation outcomes, including complaints, review activity, market impacts and participant safety indicators.

Identifying and mitigating implementation risks

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

The proposed approach has been designed to anticipate implementation risks with clear mitigations embedded from the outset. The NDIA's implementation will prioritise participant safeguards and continuity of critical supports, ensuring the measure is delivered consistent with the Government's original policy intent.

Preserving funding for excluded subgroups of supports

The key implementation risk is that some participants with critical supports, such as employment supports, lose access to these supports after a support determination is applied. To address this risk, the implementation approach needs to:

- reliably identify participants who are funded for excluded subgroups of supports, and
- ensure these funds are excluded from the impact of the support determination.

Residual risks associated with implementing the proposed approach include:

- NDIA ICT systems do not reliably distinguish funding for excluded support subgroups within participant plans, therefore participants may have funding for excluded supports incorrectly impacted by a support determination,
- participants and providers may experience delays, uncertainty or the need for plan reassessments where available information is insufficient to identify excluded supports,
- large-scale manual reassessment activity may exceed operational capacity, and
- implementation outcomes may vary where decisions rely on proxy data, incomplete records or interpretation of historical planning information.

These risks will be mitigated through the following:

Manual NDIA processing using multiple data sources: manual processes will draw on claims, payments, historical planning records and participant information to identify excluded supports and preserve the associated funding. Using multiple data sources provides a stronger evidence base where no single source contains sufficient information.

Opportunities for reassessment: participants may remain eligible to seek a plan reassessment where the support determination has reset their funding because they have not claimed for an excluded subgroup of support. This also applies where a participant has been flexibly claiming for an excluded subgroup of support without specific funding for that subgroup. In both cases, the participant must be able to demonstrate a significant and ongoing change to their needs or circumstances since their last planning decision.

Operational readiness: clear operational guidance and streamlined assessment processes will support timely identification of excluded supports and resolution of cases involving incomplete or unclear information. This will minimise delays and reduce the need for unnecessary plan reassessments. Nationally consistent operational guidance, staff training and quality assurance arrangements will support accurate and consistent decision-making. These

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

controls will help identify errors, manage judgement-based decisions and promote consistent implementation.

Dedicated resourcing and triage: targeted identification and prioritisation arrangements will focus manual reviews on participants most likely to be affected. This will limit unnecessary reviews and direct operational resources to cases requiring detailed delegate consideration.

Ensuring high support needs participants who require 24-hour disability supports can maintain support arrangements

The key implementation risk is that some participants with 24-hour disability support needs may experience a funding shortfall after the support determination is applied, creating a risk to continuity of essential support arrangements.

To address this, the variation pathway must:

- identify eligible participants consistently, and
- determine whether the support determination has created a shortfall in the funding needed to maintain necessary 24-hour disability supports.

This targeted approach avoids automatically excluding all high support needs participants from the impact of a support determination, while providing a safeguard where the support determination would otherwise affect the participant's ability to maintain 24-hour disability supports.

Residual risks associated with implementing the proposed approach include:

- participants with high levels of informal supports may not meet the definition because they do not receive funded 24-hour supports,
- participants may experience delayed access to additional funding where demand for plan variations exceeds operational capacity,
- participants may not apply for a variation despite being eligible,
- providers deliver unfunded services while awaiting the outcome of the decision, and
- a high volume of review requests may occur where participants disagree with delegate decisions.

These risks are mitigated through the following:

Ongoing monitoring of the impacts on informal supports: this risk will be monitored through implementation, including feedback from participants, carers and providers. Participants with significant and ongoing changes to their circumstances, including changes to informal supports, can continue to seek a plan reassessment.

Operational readiness: the NDIA is establishing dedicated resources to implement the plan variation pathway. Where possible, the NDIA will also proactively identify and engage participants who may be eligible for the variation pathway.

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332

Clear communications and support: proactive NDIA communications and engagement will support high support needs participants to be aware of the variation pathway. These participants can also be assisted by a nominee, support worker, advocate or provider to apply for the variation. The NDIA will also be closely monitoring implementation and has the capacity to undertake a CEO-initiated plan reassessment if required.

Objective criteria: the use of objective eligibility criteria and a set calculation method reduces uncertainty for participants, providers and decision-makers, and supports more consistent outcomes. It may also provide greater confidence to providers where they continue providing supports while an eligible participant's variation request is being assessed.

These safeguards and mitigations are intended to ensure the pathway operates consistently and remains focused on high support needs participants whose support arrangements would otherwise be at risk.

Planned evaluation

The Amending Act includes a statutory review requirement to ensure the reforms are subject to independent evaluation following implementation. The review will assess the operation, effectiveness and impacts of the reforms. This includes whether they are achieving their intended objectives of improving the sustainability, integrity and administration of the NDIS while maintaining appropriate support for participants. The review will take place in 2029.

The statutory review is intended to strengthen transparency and accountability by providing Government, Parliament and stakeholders with an evidence-based assessment of the reforms. The review will draw on administrative data, evaluation activities and stakeholder feedback, providing an important mechanism to assess whether support determinations are delivering on the intended objectives while maintaining appropriate safeguards.

The statutory review is not expected to impose any material regulatory burden on participants, providers or other stakeholders. Any consultation undertaken as part of the review will be voluntary and limited in duration. Accordingly, the review is expected to have a negligible regulatory burden while supporting effective oversight of the broader reform package.

In addition to the requirement for a statutory review, an evaluation is planned for the NDIS reforms announced in the 2026-27 Budget. This was noted in the NDIS Reforms Impact Analysis published on 14 May 2026. It is anticipated to involve a full evaluation in 2030-31, with an interim evaluation in 2028-29. Work is being undertaken to consider handling of the planned evaluation alongside the requirement for the statutory review and an additional statutory review associated with the *National Disability Insurance Scheme Amendment (Getting the NDIS Back on Track No.1) Act 2024*.

Authorised Version Explanatory Statement registered 29/09/2026 to F2026L01332