

The 64,000 question: How did the NDIS lose so many Australians with a mental illness?

There is widespread dismay at the low number of NDIS places for Australians with a mental illness. To anyone familiar with the mental health sector, 64,000 places is a disturbingly-low number. It almost certainly excludes the majority of people with a psychosocial disability from the full NDIS support they need. Is this the most devastating example of stigma that Australia has ever seen, or is there another explanation?

The Productivity Commission (PC) bears primary responsibility for this far-reaching decision. In preparation for the NDIS, it recommended that just 57,000 (later revised to 64,000) people with a psychosocial disability needed support, despite mental illness being a leading cause of disability in Australia).¹ This would comprise just 14% of the total of 460,000 people to be receiving NDIS support by 2019.

In the face of subsequent criticism, the PC repeated in its June 2017 Position Paper on NDIS costs that 'according to the NDIA, only around 64,000 people with psychosocial disability are expected to be eligible' using the current narrow eligibility criteria. However, elsewhere in the same document it also admits PC responsibility for recommending this figure, and even continues to stress that 'the Commission does not support changing the eligibility criteria to relax the definition of permanency and how it relates to psychosocial disability' (p. 24).²

In its initial estimations, the PC disregarded other Commonwealth data which record higher numbers than the 64,000, which was derived from a single 2009 ABS survey.³ The mental health experts consulted originally concurred with this estimate, but many other experts in the field now disagree strongly as it becomes clear how many severely disabled people are ineligible for support – for example, in a submission to the PC by the Royal Australian and New Zealand College of Psychiatrists.⁴

Over 250,000 Australians are recorded as being so seriously affected by mental illness that it is the primary medical condition qualifying them for the Disability Support Pension. The Australian Department of Health itself has stated that around 230,000 people have a 'chronic, persisting' form of mental illness. Research undertaken by PricewaterhouseCoopers on behalf of the Government in planning the NDIS also estimated the number of Australians with 'severe or profound core activity limitations' due to mental illness as 206,000. For people living with psychotic illness alone (ICD-10), a large-scale epidemiological study commissioned by the Government coincidentally found that 64,000 were clients of public mental health services, and that the actual prevalence was likely to be up to 50% higher – and that's for just one mental health-related diagnosis.⁵

These data are listed in the table below. They show some variation due to the purpose and method used, but provide confirmation from a range of official sources that the number of Australians with a psychosocial disability in need of full NDIS support far exceeds those currently allowed to be eligible. Due to the nature of psychosocial disability, not all of these people would require NDIS support at the same time, all of the time, or at the same level, but they should certainly all be eligible.

A perverse result of introduction of the NDIS will be exclusion of well over 100,000 people with psychosocial disability from the support they need and which many previously received.

Mental Health Australia, the Royal Australian and New Zealand College of Psychiatrists (RANZCP), and over a hundred other organisations and individuals have made submissions to the current Parliamentary Enquiry into the provision of services for people with psychosocial disabilities, expressing alarm at the

limited number of places, poor funding, bureaucratic processes, and poor outcomes for people with mental illness. The states (excluding NSW) have also exacerbated this situation by abrogating responsibility for psychosocial disability support to the NDIS.

Even if the manifold challenges with service delivery were solved, however, the fundamental problem remains of inadequate NDIS support places for people with psychosocial disability, due to the unfair capping of numbers and application of over-stringent and arguably inappropriate eligibility criteria.

Would this situation be tolerated for any other form of disability instead of the so-called ‘invisible effects’ of mental illness?

People affected by psychosocial disability: Australian Government sources

290,000	The Australian Government’s unpublished <i>National Mental Health Service Planning Framework</i> estimated that 290,000 people with mental illness require some form of community support every year. ⁶
258,600	Psychiatric and psychological conditions are the largest single cause for people being on the Disability Support Pension: 258,640 (31.3%). ⁷
230,000	According to the Australian Government, Department of Health, ‘current estimates suggest that around one third of the 690,000 Australians with serious mental illness [230,000] have chronic, persisting illness’. ⁸
206,000	Data prepared by PricewaterhouseCoopers in the planning of the NDIS estimated the number of adult Australians with a disability due to mental illness with ‘severe or profound core activity limitations’ as 206,000. ⁹
64,000	The Productivity Commission’s estimate of the number of Australians with mental illness eligible for the NDIS, is just 57,000 (now adjusted to 64,000 at full rollout). ¹⁰

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- 1 Productivity Commission, 2011. *Disability Care and Support Inquiry Report: Appendix M: The intersection with mental health*. Commonwealth of Australia
- 2 Productivity Commission, 2017. *National Disability Insurance Scheme (NDIS) costs: Productivity Commission position paper*. Commonwealth of Australia
- 3 ABS, 2009. *Disability, ageing and carers Australia: 4430.0*. Commonwealth of Australia
- 4 RANZCP, 2017. Royal Australian and New Zealand College of Psychiatrists submission: National Disability Insurance Scheme costs. RANZCP
- 5 Morgan et al, 2012. *People Living with Psychotic Illness 2010: Report on the second Australian national survey*. Australian Government Department of Health and Ageing
- 6 Morton, R, 2016. 100,000 mentally ill lose NDIS cover. *The Australian*, 19 December 2016. Available at: <<http://www.theaustralian.com.au/national-affairs/health/100000-mentally-ill-lose-ndis-cover/news-story/3f2363653fc5e86044f4ae2116395273>>. [Accessed 6 June 2017].
- 7 Department of Social Services, 2014. *A new system for better employment and social outcomes: Interim report of the Reference Group in Welfare Reform to the Minister for Social Services*. Commonwealth of Australia
- 8 Department of Health, 2015. *Australian government response to Contributing Lives, thriving communities – review of mental health programmes and services*. Commonwealth of Australia
- 9 PricewaterhouseCoopers, 2009. *Disability Investment Group – National Disability Insurance Scheme final report*. Commonwealth of Australia
- 10 Productivity Commission, 2011. *Disability Care and Support Inquiry Report: Appendix M: The intersection with mental health*. Commonwealth of Australia