



Disability rights and services - NDIS reforms - raise the NDIS age cap	
Party:	Australian Greens
<p>Summary of proposal:</p> <p>The proposal would raise the age cap for eligibility for the National Disability Insurance Scheme (NDIS) by one year every 2 years.</p> <p>This means a 65 year old (who is currently not in the NDIS) can access the NDIS from 1 July 2026, a 66 year old can access the NDIS from 1 July 2028 and so forth.</p> <p>The proposal would start on 1 July 2026 and would be ongoing.</p>	

Costing overview

The proposal would be expected to decrease the fiscal and underlying cash balances by around \$1.4 billion over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects increased administered and departmental expenses for new NDIS participants.

The proposal would be expected to have an impact beyond the 2025-26 Budget forward estimates period. A breakdown of the financial implications (including separate public debt interest (PDI) tables) over the period to 2035-36 is provided at Attachment A.

Table 1: Disability rights and services - NDIS reforms - raise the NDIS age cap – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-	-286.6	-347.9	-767.0	-1,401.5
Underlying cash balance	-	-286.6	-347.9	-767.0	-1,401.5

(a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

(b) PDI impacts are not included in the totals.

- Indicates nil.

The degree to which these estimates are uncertain is higher than normal. As the NDIS is yet to mature, it is difficult to provide an accurate assessment of the final costs of the proposal. As such, caution should be taken when interpreting the results.

The estimates are particularly sensitive to the following assumptions:

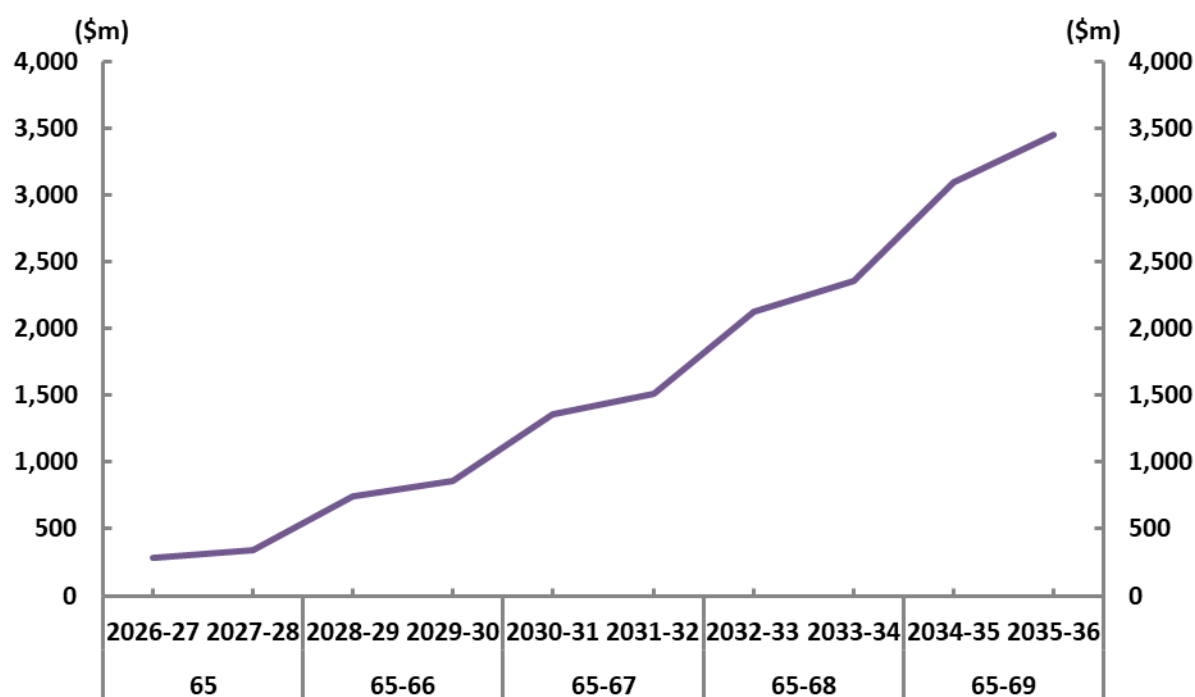
- *Number of eligible participants:*
 - The prevalence of disability for those aged 65 years and older.
 - The number of people aged 65 and older who would meet the requirements to access the NDIS.
 - The take-up rate of the NDIS as a result of the proposal.
 - The number of participants who would exit the NDIS and transition into residential aged care.

- *Average support package size provided to eligible participants:*
 - The level of care and support a person aged 65 years and older would need to live an ordinary life. This is particularly uncertain as there are currently few NDIS participants over the age of 65.
- The flow-on impacts on the public health system. These effects are highly uncertain and have not been included in this costing.

The staggered timing of age cap increases under the proposal means that by the end of the medium term, those up to 69 years old would be eligible to access the NDIS. Further age cap increases beyond the medium term are not captured in this costing but would likely be increasingly impactful. Disability prevalence rises sharply with age, with the ABS estimating that 40.3% of 65-69 year olds have a disability, compared to 53.4% for 75-79 year olds, 77.1% for 85-89 year olds and 83.1% for people aged 90 and over.¹

Older people with disability also have greater support needs and in turn would incur greater expenses per person under the NDIS. In addition, beyond age 65, distinguishing disability from age-related conditions becomes increasingly difficult. Figure 1 displays how, over the medium term, age cap increases would have a progressively larger impact on NDIS expenses as older individuals are eligible to enter the program.

Figure 1: Participant plan budget cost by age cohort added



While the impacts of age cap increases beyond the medium term are uncertain, it is likely that expenses would increase at a sharper rate as the disability prevalence of the eligible cohort increases. Such increases in expenses would likely impact the long term fiscal sustainability of the NDIS.

¹ [Disability, Ageing and Carers, Australia: Summary of Findings, 2022 | Australian Bureau of Statistics.](#)

Key assumptions

The Parliamentary Budget Office (PBO) has also made the following assumptions in costing this proposal.

- There would be no impact on participants below the age of 65 and existing participants aged 65 and over.
- New participants would receive similar packages as current NDIS participants aged 55-64, uplifted to capture a higher proportion having higher care needs.
- The take-up of the NDIS by new participants aged over 65 would be comparable with the historical take-up of NDIS recipients aged 55-64.
 - Individuals would be more likely to join the NDIS in their last year of eligibility.
 - Participants would exit at a similar rate to participants over 65 years old currently on the NDIS. Note however that for age cap increases beyond the medium term, it is increasingly likely that exit rates may change, reflecting increased mortality and the relative attractiveness of the NDIS compared to aged care, given the uncapped and contribution-free nature of the NDIS.
- A proportion of people currently receiving Home Care packages would transition to the NDIS. The additional Home Care packages made available by individuals transitioning to the NDIS would be allocated to those currently on the waiting list for a Home Care package.
- Participants currently in residential aged care would not transition into the NDIS.
- The proposal would not affect tax revenue paid by employers and employees of NDIS providers.

Methodology

Administered expenses were estimated by multiplying the estimated payment by the projected additional number of NDIS participants.

- The payment is the estimated annual NDIS payment for the relevant age cohort.
- The number of additional NDIS participants was estimated by multiplying the number of additional eligible NDIS participants by the assumed take-up and exit rates.

The departmental expenses of the National Disability Insurance Agency (NDIA) were calculated using the average NDIA departmental cost per participant multiplied by the number of additional NDIS participants each year.

Financial implications were rounded consistent with the PBO's rounding rules.²

Data sources

Australian Bureau of Statistics (ABS) (2021) [Core Activity Need for Assistance](#), accessed 26 May 2025.

Commonwealth of Australia (2025) *Pre-election Economic and Fiscal Outlook 2025*, Commonwealth of Australia.

The NDIA provided the number of NDIS participants by age from 2022-23 to 2035-36, average payments for participants 55 and over, and the operating costs of the NDIA.

² <https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules>

Attachment A – Disability rights and services - NDIS reforms - raise the NDIS age cap – Financial implications

Table A1: Disability rights and services - NDIS reforms - raise the NDIS age cap – Fiscal and underlying cash balances (\$m)^(a)

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Expenses													
Administered													
<i>Additional NDIS payments</i>	-	-280.0	-340.0	-750.0	-860.0	-1,360.0	-1,520.0	-2,120.0	-2,360.0	-3,090.0	-3,450.0	-1,370.0	-16,130.0
Departmental													
<i>National Disability Insurance Agency</i>	-	-6.6	-7.9	-17.0	-19.2	-29.7	-32.4	-44.4	-48.3	-62.1	-67.8	-31.5	-335.4
Total (excluding PDI)	-	-286.6	-347.9	-767.0	-879.2	-1,389.7	-1,552.4	-2,164.4	-2,408.3	-3,152.1	-3,517.8	-1,401.5	-16,465.4

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

Table A2: Disability rights and services - NDIS reforms - raise the NDIS age cap – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Fiscal balance	-	-6.0	-21.0	-46.0	-85.0	-139.0	-211.0	-304.0	-422.0	-567.0	-746.0	-73.0	-2,547.0
Underlying cash balance	-	-5.0	-17.0	-40.0	-75.0	-126.0	-193.0	-281.0	-392.0	-531.0	-701.0	-62.0	-2,361.0

(a) As this table is presented as a memorandum item, these figures are not reflected in the totals above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary³.

(b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

³ [Online budget glossary – Parliamentary Budget Office \(pbo.gov.au\)](https://pbo.gov.au/online-budget-glossary)