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A truly sustainable NDIS must stop autism creep

The obvious sensitivities around disability and mental health accentuate the political challenge of scaling back the insurance scheme.



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The laws of finance dictate that what is unsustainable must eventually end. Yet the continued growth in the National Disability Insurance Scheme juggernaut continues to defy economic gravity.

The Australian Financial Review reports that the cost of payments to NDIS participants with autism as their primary diagnosis has **blown out to more than \$10 billion** [<https://www.afr.com/companies/healthcare-and-fitness/ndis-autism-costs-blow-out-to-10b-annually-20260224-p5o54e.html>] annually. This came as a record 62,500 children and adults diagnosed with the condition were added to the scheme last year, triggering a 16 per cent jump in the cost of autism-related payments.



One of the hundreds of NDIS providers lining the streets of Liverpool, Sydney. Max Mason-Hubers

Autism was already a major part of the story of the blowout in the NDIS. The extraordinary statistic that one in six six-year-old boys receives NDIS-funded support spurred the Albanese government to establish the Thriving Kids program to divert children with mild to moderate developmental concerns to alternative state-run, school-based services.

Thriving Kids, which is due to start in 2027, is the centrepiece of Labor’s plan to limit disability spending growth to a still unaffordable 5 to 6 per cent per annum. It’s aimed at reducing the rapid growth of autism participants. Parents now may be seeking to sign children diagnosed with autism up to the NDIS while they are still eligible.

The official data shows “strong growth in the number of people with adult autism applying for access”, who will be eligible to receive life-long taxpayer-funded support.

When the Gillard government conceived the NDIS, the intention was to provide life-changing support to the relatively few people with severe disabilities. Severe autism requires high-level support for children and families. But instead of being tightly targeted, the NDIS has become a much bigger social program for people with less serious conditions.

That is symbolised by the fact that 324,206 NDIS participants – 43 per cent of the total – are on the scheme due to autism. The total cost of supporting that group

accounts for more than one-fifth of the \$46 billion budget for disability services, which is now more costly than Medicare.

“Continuing to crowd in people ... risks crowding out the financial ability to properly support those with more severe disabilities.”

The NDIS is plagued by rorts and corruption among providers, which is estimated to cost \$2 billion annually. However, if the scheme is to be sustainable and ensure assistance can be provided to those most in need, the overarching integrity issues involve the root causes of the explosion in its size and cost.

That means asking legitimate but difficult questions about the number of participants with autism receiving support.

Is this a case of uncovering an unmet need? Or is it a result of the so-called “autism creep” [<https://www.afr.com/politics/federal/how-autism-creep-became-the-existential-ndis-threat-20250820-p5mocy>]? That refers to widening diagnostic criteria among mental health professionals, which has driven a surge in the identification of people with autism who previously would not have been counted.

Changing terminology around autism captures this shift. “Profound autism” refers to those whose major neurodevelopmental problems require intensive specialised services. “Autism spectrum disorder” covers those with a range of symptoms related to communication and social interaction.

There are wider cultural forces at work here. These days, social media feeds encourage people to self-diagnose as “on the spectrum”. That is part of the broader trend of over-medicalisation, which treats the ordinary everyday struggles of life that used to be considered all part of the human condition as mental health problems.

There is nothing objectionable per se about what is essentially another form of identity politics. But this becomes a matter of public policy importance when changes in clinical practice increase the diagnosis of autism, and when this, in turn, leads to a growing number of NDIS participants with that condition.

The fact that the vast bulk of new NDIS participants is due to autism identifies a key flaw with the scheme’s design and a major reason for its expansion far beyond its original purpose. Access to the NDIS can be secured by passing the relatively low

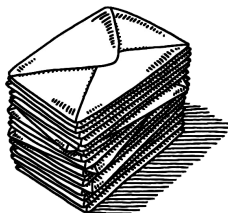
bar of a diagnosis for autism, as opposed to being based on a rigorous assessment and demonstration of a significant level of functional impairment.

The obvious sensitivities around disability and mental health accentuate the political challenge of scaling back the NDIS, on top of the difficulties governments always face when seeking to withdraw public entitlements.

Yet, continuing to crowd in people on the spectrum onto the NDIS is unaffordable and risks crowding out the financial ability to properly support those with more severe disabilities. A review of the rules around eligibility and stricter criteria for entry for adult autism is called for if Labor’s ambition to rein in the scheme is to have a realistic chance of success.

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