



Mental Health
Australia

Submission on NDIS Support Coordination and Connection reform

2 October 2026

Mentally healthy people, mentally healthy communities

mentalhealthaustralia.org.au



Contents

Introduction.....	3
Retain the role of Psychosocial Recovery Coaching distinct from Support Coordination	4
Why should Psychosocial Recovery Coaching be maintained?.....	4
How is Psychosocial Recovery Coaching different to Support Coordination?	5
The pricing model should enable safe and quality service delivery	6
Broader feedback on the new SCC service	8
Conclusion	10



About Mental Health Australia

Mental Health Australia is the national, independent peak body for the mental health sector. We unite the voices of the mental health sector and advocate for policies that improve mental health. Mental Health Australia represents 160 members, including organisations representing people with lived experience of mental health challenges, family, carers and kin, service providers, professional bodies, researchers and state and territory peak bodies.

This submission was developed through a webinar consultation and targeted engagement with Mental Health Australia's Members Psychosocial Network, other members and key stakeholders.

Introduction

Mental Health Australia understands that the government is proposing a new model for NDIS support coordination and acknowledge the potential of a block-funded approach.

As such, the success of the new Support Coordination and Connection (SCC) service will depend on the pricing model used, as it must be funded appropriately and not as a cost-cutting measure.

In developing the new SCC service, it is critical that Psychosocial Recovery Coaching is retained, to ensure the needs of people with psychosocial disability can be better met. The original intent and potential of Psychosocial Recovery Coaching have not yet been met due to inadequate pricing models and an unclear scope of practice, that views the role as Support Coordination 'plus'. However, the approach proposed in this consultation does not address existing barriers to providing quality Psychosocial Recovery Coaching and Support Coordination, and may increase them.

NDIS participants with psychosocial disability are disproportionately affected by the current and proposed NDIS reforms. The consultation paper reflects a limited understanding of the intended purpose and value of the Psychosocial Recovery Coach role, often conflating it with Support Coordination. Psychosocial Recovery Coaches were one of the few actions implemented by the NDIS that support a recovery-focused approach. They are unique in their application of psychosocial specific skills, knowledge and expertise to a recovery focused relationship, which acts as scaffolding from which people living with serious mental health challenges can build a life that is meaningful to them. **Mental Health Australia and our members are concerned about the reduction of psychosocial expertise proposed under this model**, which is further discussed below.

Summary of recommendations

Recommendation 1: Retain Psychosocial Recovery Coaching as a support item distinct to Support Coordination to ensure NDIS participants with psychosocial disability can continue to access this effective specialist support, informed by the findings of the NDIA evaluation on Psychosocial Recovery Coaching.

Recommendation 2: The NDIS should clarify Psychosocial Recovery Coaching scope of practice to ensure the role can deliver on its purpose, distinct to Support Coordination.

Recommendation 3: The Australian Government should improve the pricing model to allow delivery of safe and quality Psychosocial Recovery Coaching and Support Coordination.

Recommendation 4: The Australian Government should actively steward service delivery to ensure participants with psychosocial disability can access recovery-oriented support in every region.



Retain the role of Psychosocial Recovery Coaching distinct from Support Coordination

Mental Health Australia and our members are concerned about the removal of Psychosocial Recovery Coaching and psychosocial/recovery-specific expertise in the new Support Coordination and Connection service model and strongly support its retention. Removing this role will further reduce the limited psychosocial-focused supports in the NDIS and will disproportionately impact participants with psychosocial disability. Under the new service model, there is opportunity to clarify the scope of Psychosocial Recovery Coaches to enable this support to operate more effectively and deliver its full benefits to participants with psychosocial disability.

Why should Psychosocial Recovery Coaching be maintained?

Responds to consultation questions on service provider models and approaches:

- 3. What are the advantages and disadvantages of the lead organisation model?*
- 5. How might SCC providers manage variable need among the participants it supports? Which workforce, caseload, and service capacity factors should be considered?*

Psychosocial Recovery Coaching was added as an NDIS-funded support in 2020 following government consultation with the mental health sector and jurisdictions, as general support coordination did not meet the needs of participants with psychosocial disability.¹ Psychosocial recovery-oriented supports have demonstrated system-level benefits helping people avoid hospital admission or reduce their length of stay, achieve stable housing, build relationships, engage in employment and education and participate in the community.²

The NDIS Review (2023) found a psychosocial disability-specific approach was needed to focus on personal recovery and better connect the NDIS with the wider ecosystem. The Review also found the effectiveness of services for participants with psychosocial disability - including navigation and capacity-building - depend on providers who are trauma-informed and have a good understanding of psychosocial supports.³

A recent review of NDIS Psychosocial Recovery Coaches found this support has contributed positively to many aspects of personal recovery for NDIS participants with psychosocial disability - including connectedness, sense of meaning and purpose in life, empowerment in the use of NDIS services, and choice and control in daily life.⁴

The NDIA is currently undertaking a review of how the Psychosocial Recovery Coach is implemented in practice, to better understand how the role works, including alongside other supports.⁵ It is pre-emptive to remove this role while this review is underway. Rather, the government should draw on the findings of this review to inform how Psychosocial Recovery Coaching should work in the future.

Mental Health Australia members also report that a significant proportion of the Psychosocial Recovery Coach workforce includes people with lived experience of mental health challenges or psychosocial

¹ [Psychosocial Recovery Coach](#), National Disability Insurance Scheme, July 2020.

² [The case for investing in Psychosocial Supports to improve the lives of South Australians](#), Mental Health Coalition South Australia, October 2021.

³ [Working together to deliver the NDIS - Independent Review into the National Disability Insurance Scheme: Final Report](#) (2023) Commonwealth of Australia, Department of the Prime Minister and Cabinet.

⁴ Elmes et al (2025) [Psychosocial Recovery Coaching and the National Disability Insurance Scheme: Outcomes and their Alignment with the CHIME-D Recovery Framework](#), *Community Mental Health Journal* 61:1390–1405

⁵ [National Mental Health Sector Reference Group Meeting June 2026](#), National Disability Insurance Scheme, 10 July 2026.



disability themselves. Lived experience peer workers provide unique, immense value and Mental Health Australia is deeply concerned about the potential loss of this workforce in transition to generalist roles.

“... participants often voice a desire to engage with peer workers so would be a shame to remove this role and opportunity for that.” - *Mental Health Australia member*

The potential loss of this workforce and specialisation via the new SCC service risks poor outcomes for NDIS participants with psychosocial disability and would compound the cuts to NDIS participant budgets for ‘Social, Civic and Community Participation’ which already disproportionately impact this cohort. Mental Health Australia members strongly recommend maintenance of Psychosocial Recovery Coaching as a distinct role, to ensure participants with psychosocial disability can continue to access specialist psychosocial support that has been demonstrated to be effective in improving personal outcomes. Mental Health Australia members preference is for Psychosocial Recovery Coaching to be maintained as a distinct support item within individual participant budgets. This reflects the intended role of Psychosocial Recovery Coaching as distinct to Support Coordination. Alternatively, a psychosocial specialist stream could be established within the new SCC model, to maintain an avenue to ensure specialist psychosocial support for participants with psychosocial disability.

Recommendation 1: Retain Psychosocial Recovery Coaching as a support item distinct to Support Coordination to ensure NDIS participants with psychosocial disability can continue to access this effective specialist support, informed by the findings of the NDIA evaluation on Psychosocial Recovery Coaching

How is Psychosocial Recovery Coaching different to Support Coordination?

Responds to consultation questions on service provider models and approaches:

3. *What are the advantages and disadvantages of the lead organisation model?*

5. *How might SCC providers manage variable need among the participants it supports? Which workforce, caseload, and service capacity factors should be considered?*

The consultation paper demonstrates a limited understanding of the intended purpose of the Psychosocial Recovery Coach role, often conflating it with Support Coordination. In practice, this confusion is reinforced by the unclear scope of the Recovery Coach role and ongoing pressure to undertake responsibilities that fall outside its intended functions.

A Support Coordinator coordinates NDIS supports for NDIS participants with different disabilities. A Psychosocial Recovery Coach builds a holistic recovery plan with a participant with psychosocial disability, bringing psychosocial specific skills, knowledge and experience and uses a recovery-oriented approach to build their confidence to engage in a life that’s meaningful to them. They understand and accommodate fluctuating, episodic and changing support needs. Recovery Coaches also maintain connection with participants through periods of engagement, ensuring continuity that other roles often cannot sustain. Generalised support coordination does not respond well to these needs and is why Psychosocial Recovery Coaching should remain a distinct service from Support Coordination.

The NDIS has described the responsibilities of recovery coaching to include:

- developing recovery-enabling relationships, based on hope
- supporting the person with their recovery planning
- coaching to increase recovery skills and personal capacity, including motivation, strengths, resilience and decision-making
- collaborating with the broader system of supports to ensure supports are recovery-oriented



- supporting engagement with the NDIS, including support with plan implementation documentation and reporting.⁶

The NDIA also recommends minimum level of qualifications and experience for Psychosocial Recovery Coaching as Certificate IV in Mental Health Peer Work or similar training and/or two years' experience in mental health-related work.⁷

"Recovery Coaching is fundamentally relational and recovery-focused. It requires consistent engagement over extended periods, specialist psychosocial expertise, understanding of recovery-oriented practice and the ability to support fluctuating and episodic mental health conditions.

The service model is highly personalised, localised and dependent on the development of trusting relationships.

For these reasons, ... Psychosocial Recovery Coaching is more closely aligned to specialised psychosocial support work than to Support Coordination."

– *Mental Health Australia member*

However, as participants are typically funded for either Psychosocial Recovery Coaching or Support Coordination rather than both, Psychosocial Recovery Coaches frequently end up performing Support Coordination tasks in addition to their own role, which can impact the effectiveness of the role and has reinforced conflation between Support Coordination and Psychosocial Recovery Coaching roles. In 2021 Mental Health Australia, Mental Illness Fellowship of Australia and Community Mental Health Australia raised concerns regarding the implementation of Psychosocial Recovery Coaching. The initial policy intent for Psychosocial Recovery Coaches support item was to provide specific psychosocial support to NDIS participants distinct from Support Coordination, which could still be provided as a separate support if required by the participant. In practice however, members have advised that NDIS participants were being advised to choose between engaging Support Coordination or a Psychosocial Recovery Coach in their NDIS plans, which has led to a blended, under-resourced model.⁸

Commissioning Support Coordination through a single provider would similarly risk conflating Support Coordinators with specialist Psychosocial Recovery Coaches who require skills to deliver trauma-informed and recovery-oriented supports to participants with psychosocial disability. There is also the risk that the additional skills required to deliver Psychosocial Recovery Coaching will not be reflected in wages and the pricing models, which is discussed below. The proposed SCC lead organisation model's reliance on a generalist workforce may erode specialist expertise (for example, for specific disability types and/or participant cohorts), and risks limiting participants' access to support that is tailored to their needs.

Recommendation 2: The NDIS should clarify Psychosocial Recovery Coaching scope of practice to ensure the role can deliver on its purpose, distinct to Support Coordination.

The pricing model should enable safe and quality service delivery

Responds to consultation questions on service provider models and approaches:

6. Which payment and funding approaches would best support participant outcomes, workforce sustainability and innovation?

8. How can the future SCC model attract, build and retain workforce capability, including retaining participant relationships?

⁶ [Psychosocial Recovery Coach](#), National Disability Insurance Scheme, July 2020.

⁷ [Psychosocial Recovery Coach](#), National Disability Insurance Scheme, July 2020.

⁸ [Submission to the Joint Standing Committee on NDIS Inquiry into NDIS Workforce](#), Mental Health Australia, Mental Illness Fellowship of Australia and Community Mental Health Australia, August 2021



Mental Health Australia understands that a number of mental health specialist organisations have elected to exit the market or reduce delivery of Support Coordination and Psychosocial Recovery Coaching, due to the current unsustainable pricing model that does not adequately cover the cost of delivering safe and quality recovery-oriented supports. However, those that remain consistently report that they continue delivering these services because they are critical for participants with psychosocial disability, despite the financial unsustainability. Because many participants do not receive Recovery Coaching funding, one member reports often delivering recovery-oriented supports through Core Supports.

“These activities are embedded within our approach to supporting people with psychosocial disability because they are essential to achieving meaningful recovery outcomes. However, delivering specialised psychosocial support through Core Supports is financially unsustainable.”

– *Mental Health Australia member*

Mental Health Australia is encouraged by the opportunity for a commissioned SCC service to “introduce a payment model that better supports the delivery of high-quality services” mentioned in the government’s consultation paper, and recommends that pricing model for Psychosocial Recovery Coaching and Support Coordination be improved.

“Recovery Coaching for us is really about getting to know the participant and going along the journey with them and at their own pace, recognising that this may take time...”

The funding for psychosocial recovery coaching is important because it gives us time to build that relationship with the person and not feel limited due to funding or hours (when compared to Support Coordination).”

– *Mental Health Australia member*

Members and other service providers have indicated that sustainable pricing for Psychosocial Recovery Coaching should include:

- Good wages that attract skilled staff and include superannuation, leave, backfill, penalty rates, redundancy provisions and workers compensation premiums.
- Indexation that keeps pace with award and wage increases and the real cost of delivering the service
- One-on-one professional supervision and reflective practice (beyond day-to-day management supervision), including for peer workers, who make a significant proportion of this workforce
- Ability to respond to complexity - e.g. sending two workers if attending a home visit in an unsafe location
- Back-end costs (such as insurance and office running costs)
- Professional development
- Collaboration across services in order to deliver an effective service
- Investment in quality improvement, outcomes measurement and evaluation

Ultimately, pricing should encourage a suitably skilled, supported and sustainable workforce.⁹ Support Coordination is also underpriced relative to the skill and time required to deliver it well.

Recommendation 3: The Australian Government should improve the pricing model to allow delivery of safe and quality Psychosocial Recovery Coaching and Support Coordination

⁹ MHA [Submission to the National Disability Insurance Scheme Review, 14 December 2022](#)



Broader feedback on the new SCC service

Responds to consultation questions on service provider models and approaches:

1. What commissioning arrangements would best balance participant outcomes, quality, sustainability and choice and control?
3. What are the advantages and disadvantages of the lead organisation model?
12. What transition arrangements would minimise disruption and support successful implementation?

While there are potential benefits of the broader changes outlined to transition to a new block funded SCC model, Mental Health Australia members also raised concerns about reduction in participant choice and control, and recommendations to support transition.

Mental Health Australia is concerned that the proposed lead organisation SCC model may reduce participant choice by excluding the diversity of sole traders and smaller organisations that currently provide Support Coordination and have expertise in supporting people with psychosocial disability. Given the limited number of providers with psychosocial capability across the market, there is a continued need for the Australian Government to actively steward service delivery to ensure participants with psychosocial disability can access recovery-oriented support. There is an opportunity through the new SCC model to strengthen outcomes for participants by requiring specialist psychosocial support coordination to be available in every region, and pricing specialist supports appropriately. Our members have raised concerns that the proposed model of a lead organisation that subcontracts specialist services will not reduce fraud or improve service standards. Rather, it may just shift the regulatory burden that currently sits with government onto the lead organisation or multiple providers.

Members also raised concerns around proposed changes restricting choice and self-determination for Aboriginal and Torres Strait Islander NDIS participants.

We are also concerned about how this move will impact existing trusting and long-term relationships that have been established between Support Coordination and Psychosocial Recovery Coaches and NDIS participants. Strong relationships with providers are critical to positive outcomes for participants with psychosocial disability¹⁰ so it is imperative that transition to the new model supports continuation of established relationships where possible, and appropriate time for handover and transition if not. Mental Health Australia's members support at least a 12-month transition period funded through participants plans to minimise disruption, ensure these supports are delivered while the new service is established and allow the development of trusting relationships which take considerable time.

"Trust is not built quickly when you are supporting people who have been harmed by systems previously."

- Mental Health Australia member

"In our experience, it is the relationship and trust that is built over considerable time between the Support Coordination/Psychosocial Recovery Coaching and participant that delivers the most positive outcomes. If Support Coordination commissioning becomes similar to what is currently provided through NDIS Local Area Coordinators... psychosocial participants will continue to be disadvantaged and discriminated against as many also have difficulty advocating for themselves and are already even affected by recent plan reassessment reforms"

- Mental Health Australia member

There are significant concerns across the community and mental health sector about participants losing access to Support Coordination supports. The Australian Government must fully implement Foundational Supports outside the NDIS before there is a reduction of existing psychosocial supports. During the

¹⁰ Elmes et al (2025) Psychosocial Recovery Coaching and the National Disability Insurance Scheme: Outcomes and their Alignment with the CHIME-D Recovery Framework, *Community Mental Health Journal* 61:1390–1405



transition period, clarity on eligibility requirements and processes are critical, as well as clear direction on alternatives if a participant is not eligible for the service.

“Families and carers are feeling anxious about eligibility of their person, and who will coordinate services if it turns out their person is no longer eligible.”

- *Mental Health Australia member*

Recommendation 4: The Australian Government should actively steward service delivery to ensure participants with psychosocial disability can access recovery-oriented support in every region.



Conclusion

Mental Health Australia welcomes the opportunity to respond to the Australian Government Department of Health, Disability and Ageing's consultation on Support Coordination and Connection reform. We strongly recommend that the NDIS retain Psychosocial Recovery Coaching as a support item distinct to Support Coordination, in order to provide appropriate supports and improve outcomes for participants with psychosocial disability. Psychosocial Recovery Coaching should continue to be available through individual NDIS participant budgets. Alternatively, a psychosocial specialist stream could be created within the SCC for participants with psychosocial disability. We also recommend the NDIA clarify the scope of practice and improve the pricing model for Psychosocial Recovery Coaching and Support Coordination to better enable each role to deliver positive outcomes for participants and optimise the return of investment through the NDIS.



PO Box 9611
Deakin ACT 2600

+61 2 6285 3100
info@mentalhealthaustralia.org.au

mentalhealthaustralia.org.au

