



Blended Payments: What we heard report

1 July 2026

What was the plan?

Blended payments are a mix of payment approaches used together to pay NDIS providers. The Independent Review of the NDIS recommended outcome-based payment approaches could be used to better align incentives for providers with the needs of participants.

To test this, we set out to trial the use of enrolment and outcome payments together as a blended payment.

We planned to trial blended payments in 3 different areas:

- **Employment Supports for School Leavers** to improve employment outcomes for young people with disability who have recently left or are about to leave high school.
- **Supported Independent Living (SIL)** to test if the payment model could incentivise higher quality supports for SIL participants.
- **Younger People in Residential Aged Care (YPIRAC)** to test if changes to the payment model would support more younger people to exit residential aged care, and transition into more appropriate living arrangements of their choice. This was in line with recommendations from the Royal Commission into Aged Care Quality and Safety that no one under the age of 65 be living in residential aged care (RAC) by 2025, apart from exceptional circumstances.

What did we learn?

Between August and October 2024, we held 38 co-design workshops with NDIS participants and providers, peak bodies, and Disability Representative and Carer Organisations (DRCOs).

We would like to thank everyone who took part in co-design workshops. The insights, perspectives, and lived experiences you shared have helped us understand the outcomes that are important to participants and providers, and how a blended payment model might work in the NDIS.

From these sessions we learnt:

- Young people engaging in Employment Supports for School Leavers value hands-on support that extends beyond landing a job.
- Providers of Employment Supports need resources to engage with participants who have intersectional needs.
- Participants accessing SIL supports value outcomes that improve their quality of care, connections, and choice and control.
- Payment models are not a barrier to YPIRAC participants moving out of residential aged care.

Key outcomes of co-design

Employment Supports for School Leavers

The co-design workshops identified 3 outcomes relating to employment supports. They were:

- **Paid employment** – defined as regular work of up to 10 hours per week, retained for at least 3 months. Participants should continue to feel supported by their provider after they get a job.
- **Work-related education** – participants should feel they are a part of a team and are building a career plan. It is important that learning matches their individual skills and career goals.
- **Work-related volunteering or experience** – new skills should align with the goals and interests of participants.

Two blended payment models were developed during co-design. There were different parts of both models that co-design attendees liked. It was clear that the final model should be simple to implement, support the participant's sense of achievement, and balance risks. There was no agreement on which model was best.

Supported Independent Living

The co-design workshops identified 4 outcomes relating to good quality supports in SIL. They were:

- **Participant choice and control** – participants should have choice and control over daily life and the way they live in their homes.
- **Relationship with providers** – participants should be supported by providers in the way that is best for them.
- **Enabling relationships with others** – participants should continue to engage with friends and family outside of their SIL home.
- **Sense of home** – a house with SIL supports should feel like home.

It was important to co-design attendees that providers are paid outcome payments for things that are in their control. Attendees told us providers should not be paid for things they should do as their standard level of care.

We also heard it is important there is an accessible way to measure if the outcomes were achieved or not so providers could be paid appropriately. Workshop attendees told us a survey would be the right way to measure if providers achieved outcomes for SIL participants.

Younger People in Residential Aged Care

The co-design workshops identified 3 outcomes that were important in the transition from residential aged care:

- **Person-centred** planning – plans should be based on the individual needs of the participant
- **A supportive environment** – participants should feel supported and have multiple housing options to try and choose from.
- **Quality of care and connection** – participants should be able stay connected to their community and receive quality care during the transition out of residential aged care.

We heard that the common experience of people who had successfully transitioned out of residential aged care was having a main supporter or advocate who could coordinate service providers across sectors.

The workshops explored how blended payments could support YPIRAC participants to move into other accommodation.

We heard that while there may be some younger people planning to leave aged care who could benefit from blended payments, there are already a number of successful YPIRAC support programs in place and we would be duplicating this work with our trial.

Co-design attendees felt that changing the way providers are paid was not likely to make a significant difference to where a person lives because the barriers to leaving residential aged care are largely structural.