

# Psychosocial Disability Access Factsheet 4: Functional capacity and mental health conditions

This factsheet is part of a series about access to the National Disability Insurance Scheme (NDIS) for people with psychosocial disability.

It explains more about what the National Disability Insurance Agency (NDIA) means by psychosocial disability and recovery when it comes to functional capacity and the impact of your psychosocial disability on everyday life.

It provides information about the difference between **substantially reduced functional capacity** and **reduced functional capacity** in meeting the disability requirements.

## Meeting the NDIS eligibility criteria

The NDIS provides support to people who experience psychosocial disability resulting from a mental health condition. We decide if you are eligible to become an NDIS participant.

We make these decisions based on [NDIS laws](#) that set out who is eligible for the NDIS.

These laws state that you may be eligible to become a participant if you experience a permanent or likely permanent **impairment**.

This means that your impairment from your mental health condition is likely to be present across your lifetime.

For people who meet the disability requirements, we also look at your **functional capacity** for everyday activities without support.

This factsheet outlines the [NDIS disability requirements](#). But you may also be eligible under the early intervention requirements for supports now to reduce your future need for support. Visit the [Am I eligible?](#) page on the NDIS website for more information.

Many people may not at first understand the term ‘functional capacity’ as it is used by the NDIS. It can be hard to think how it applies to their mental health condition and how it impacts their everyday life.

We recognise that describing your mental health condition as a ‘disability’ that is ‘significant’ and ‘likely to be permanent’ may not fit with your views of recovery. Saying that you have a psychosocial disability that is ‘likely to be permanent’ does not change who you are, your experiences, or your ability to live a meaningful and contributing life. It may help show us how your mental health condition affects your life, and it may help us to support you.

If you become an NDIS participant with psychosocial disability, we will fund reasonable and necessary supports to support you with your psychosocial recovery. This is also known as personal recovery. We recognise that recovery is based on identifying strengths.

## Functional capacity

Functional capacity is the ability to carry out daily tasks. Each person’s experience of functional capacity is individual to them.

If you meet the disability requirements, your functional capacity for daily activities without support will be substantially reduced.

Understanding the difference between ‘reduced functional capacity’ and ‘substantially reduced functional capacity’ in the NDIS Act can also be difficult.

This factsheet explains these terms and how they apply to psychosocial disability under the NDIS disability requirements.

## The difference between ‘reduced’ and ‘substantially reduced’ functional capacity

Some people have difficulty carrying out some tasks. This is called **reduced** functional capacity.

Other people may not be able to complete a task without disability-specific support. This is called **substantially** reduced functional capacity.

Your impairment substantially reduces your functional capacity if you usually need disability-specific supports to participate in or complete the tasks in 6 specific life skill areas. We talk about these in the next section.

These disability-specific supports include:

- a high level of support from other people such as physical assistance, guidance, supervision or prompting
- assistive technology, equipment or home modifications prescribed by your doctor, allied health professional or other medical professional.

## How we apply the term ‘substantially reduced functional capacity’

To decide the difference between **reduced** and **substantially reduced** functional capacity, we look at day-to-day functioning in 6 specific life skill areas:

- **Communicating:** how you speak, write or use sign language and gestures to express yourself compared to other people your age. We also look at how well you understand people and how others understand you.
- **Socialising:** how you make and keep friends or interact with the community. We also look at your behaviour and how you cope with feelings and emotions in social situations. For example, you may experience social avoidance and difficulty accessing the community.
- **Learning:** how you learn, understand and remember new things, as well as practise and use new skills.
- **Mobility or moving around:** how easily you move around your home and community. We consider how you get out and about. A person applying for the Scheme for a primary psychosocial disability is not likely to have substantially reduced functional capacity in this life skill area.
- **Self-care:** personal care, hygiene, grooming, eating and drinking, and health. We consider how you dress, shower or bathe, eat or go to the toilet. For example, you may need ongoing direct interventions to manage your health care needs.

- **Self-management:** how you organise your life. We look at how you plan, make decisions, and look after yourself. This may include daily tasks at home, how you solve problems or manage your money. We consider your functional ability to manage your life, not your physical ability to do these tasks. For example, you need help with a tenancy or to make decisions and look after yourself.

Someone is likely to have substantially reduced functional capacity if usually they are not able to function without support for most activities in at least 1 of the 6 life skill areas.

We recognise that people will usually have both functional strengths and weaknesses. It is not necessary to have substantially reduced functional capacity in all 6 life skill areas. Someone only needs to have substantially reduced capacity in 1 area to be a participant.

We look at what a person can and cannot do within each life skill area.

## Tasks and activities

The NDIS Act uses the term 'activity' to describe a 'life skill area' or domain such as communication or self-care. A **task** is a specific task within the activity (life skill area). For example, having a shower is a **task** in the **activity** of self-care.

A person is not considered to have substantially reduced functional capacity for self-care if they are unable to have a shower but are still able to do the following on a day-to-day basis:

- wash
- use a bath
- clean their teeth.

This is because they can still do a range of tasks in the activity (life skill area) of self-care.

For a person with psychosocial disability, we may ask these questions about if they have substantially reduced functional capacity for **self-care**:

- Does the person identify when to wash and change clothes independently?
- Does the person neglect any self-care tasks such as eating or hygiene? If so, how often?
- Does the person need support to manage their health care needs?

For episodic or fluctuating periods of wellbeing, we consider a person's ability day-to-day, or over time, taking into account their ups and downs.

### **Taking longer to complete tasks is not considered a reduction in functional capacity**

Taking longer to complete a task is not a substantial reduction in capacity. This is also the case when doing tasks differently to commonly accepted practice.

#### **Example**

Someone who feels anxious about going to the shops at busy times but is able to do so at quieter times would not have **substantially** reduced capacity to do the **task** of shopping.

That same person may have a lot of difficulty making and keeping friends but keeps a limited circle of friends. They also join in activities with others who have common interests. In this case, their capacity for social interaction would not be considered substantially reduced.

This is because the person can participate in social activities, even though this may be modified or limited next to someone who does not experience impairment.

### **A person does not need to be completely non-functional within an activity (life skill area)**

A person does not need to be completely non-functional within an activity (life skill area) to have **substantially** reduced capacity. We look at the balance between what a person can and cannot do.

For example, someone who has substantially reduced capacity in self-management may be able to manage their own budget for minor expenses.

But they may need help from another person for a weekly meal plan and to shop online for groceries. Without this support, the person would not purchase and consume food.

## **Functional capacity over time**

### **Substantially reduced functional capacity only when you are unwell**

If your functional capacity is reduced on a day-to-day basis but only **substantially** reduced during an acute episode, you will probably not meet NDIS disability requirements.

To meet the disability requirements, a person will have substantially reduced capacity on a day-to-day basis despite their episodic and fluctuating wellbeing.

We consider what you can and cannot do within the 6 life skill areas. For example, not being able to work because of a mental health condition does not, by itself, show substantially reduced capacity in 1 of the life skill areas.

[Factsheet 5: NDIS and other services supporting your mental health](#) has information about the supports that may be available to you outside the NDIS. [Factsheet 1: General information](#) also explains community connections that local area coordinators offer to people who may not be eligible for the NDIS.

### **How the NDIA determines functional capacity over time**

We look at how someone manages between acute episodes, and not just at a point in time. We do this to see whether your functional capacity is substantially reduced. We will be able to look at your functional capacity over time, whether you are acutely unwell or feeling well when applying to the NDIS.

For example, a person may have substantially reduced capacity for self-management on a day-to-day basis. They may need occasional help with self-care and social interaction when they are unwell.

In these cases, a person would meet the disability requirement for substantially reduced capacity in the **self-management life skill** area.

If you meet all the disability requirements and become an NDIS participant, you will be eligible for an NDIS plan.

We will look at your support needs across all life skills and think about your episodic needs in your NDIS plan. This is as well as considering the support needs in the life skills areas where you are experiencing **substantially** reduced functional capacity.

### **Comparing functional capacity**

Reduced functional capacity is measured by comparing it with someone who does not have a similar impairment.

It is not decided by comparing a person's past level of functional capacity with when they were feeling particularly well or unwell.

## Case study example of substantially reduced functional capacity

This is a case study example about Ming. Her story will show what we mean when we talk about **substantially reduced capacity**.

Ming is thinking about applying to the NDIS. Ming experiences substantially reduced capacity in the area of **self-management**.

Ming has a mental health condition that has resulted in a psychosocial impairment that will likely remain across her lifetime. Ming also struggles with housing issues. This means there have been times where she has been homeless.

Ming has a loving and supportive family and a small circle of friends. She has difficulties interacting with strangers because of paranoia related to her mental health condition.

Ming struggles with money management and decision making. She has formal guardianship and administration orders in place to help with this. Her bills are paid by her public trustee, and she is given an allowance each week to buy small items.

Ming is able to manage her own small budget for minor expenses but needs another person's help to make big life and financial decisions and to keep a budget.

Because of her guardianship, administration orders and limited control over her own financial affairs, Ming has substantially reduced capacity for self-management.

## Meeting NDIS disability requirements when you are well supported but at risk of losing your current supports

You may still be able to access the NDIS if you have current supports helping your functional capacity. Your evidence must show what your functioning would be without the support in place.

We always consider how someone functions without support. This helps to determine whether functional capacity is **substantially** reduced.

You need to give information to the NDIA about how the impairment from your mental health condition impacts your daily life. This will include how you function without support and talk about the supports that are working for you.

We are committed to supports and funding as required to help you on your individual recovery journey. We will also consider whether your supports are best provided by the NDIS or another service system.

# National Disability Insurance Agency

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