

Response to the National Disability Employment Framework

Issues Paper

Our experience as a provider of disability services

Campbell Page currently operates the Disability Management Services program across 25 sites and 8 ESA's throughout Australia and is rated as a high performer with an average 4 Star rating across all ESA's. We have experience operating a range of employment programs for people with disabilities and high levels of socio-economic disadvantage, as well as employment focused youth and Indigenous programs nationally.

Our response to the Issues Paper has been developed based on feedback from staff at all levels, working directly and indirectly with participants in our DES program.

Strengths of the current system

The current Disability Employment system has a number of strengths which contribute to effective services for people with a disability. These elements should be considered in the design of a new system:

- **Service fees:** many participants present with physical and mental health issues that require intensive work over a period of time in order to stabilise the person for employment. Service fees enable providers to offer the range of supports, education and skill development opportunities required to achieve this.
- **Focus on social outcomes as a pathway:** social outcomes and training are a legitimate and necessary pathway to employment and long term sustainability for many people with disabilities. The current system enables organisations to focus on employment as a longer term outcome which follows other social outcomes for many participants.
- **Placement stability:** currently, organisations are able to anchor placements once the participant is stable in the placement, rather than when the placement commences. This enables participants to build up to their required hours in work and ensures that a placement is sustainable before beginning tracking to an outcome.
- **Accreditation:** providers of disability services must be accredited, ensuring that only high quality providers are able to deliver the contract.
- **Access to funding for employer support:** providers are able to offer employers support for workplace modifications and wage subsidies. This is often crucial in enabling employers to take on an employee with a disability and increases the likelihood of employment being sustainable.

Limitations of the current system

The limitations of the current system have been recognised in a variety of reports, including the Disability Employment Issues Paper. Based on our experience delivering Disability Employment

services, Campbell Page believes that the following features of the current system should be reviewed:

- **Outcome structure:** the current system allows for only one outcome at 13 and 26 weeks. This can discourage providers from seeking education and other legitimate opportunities for participants, which may be a pathway to full employment in the future. The current outcome structure does not recognise the value of these outcomes in assisting participants on the path to sustainable employment.
- **Mismatch in participation requirements:** there is currently a mismatch between Centrelink requirements for participation and provider requirements for an outcome. This causes confusion for participants who are often told by Centrelink that they are meeting participation requirements, whilst the provider indicates that they need to do more. For example, the over 50s cohort have a 15 hour participation requirement for Centrelink, but must work 30 hours to satisfy provider requirements. This not only confuses participants but makes it difficult to encourage participants to agree to hours of work which meet the provider benchmark.
- **Limited funding for supports:** there is limited funding to purchase education, training or other supports for participants. This includes funding for the interventions required to support participants and enable them to be job ready and once they start work.
- **Insufficient focus on intervention:** effective intervention to address issues at the start of participant engagement is critical to ensuring long term, sustainable employment outcomes. The current system has a strong focus on 'immediate employment', which is not always desirable and can set participants up for failure.
- **Inadequate assessment process:** the current assessment process used by Centrelink is inadequate. Assessments are often conducted by phone or by people who are not fully qualified, leading to incorrect assessments and participants ending up with the wrong service. The process does not take into account that participants may not disclose health related issues until significant work is done by the provider to gain trust. As a result, participants will often spend extended periods waiting for reassessment, wasting time and resources for all involved.
- **Evidentiary requirements:** providers devote significant resources to gathering evidence for outcomes and providing proof of the service that has been delivered. In many cases, outcomes are not claimed as both employers and participants find it difficult to meet the onerous evidentiary requirements set by the Department.
- **Limited awareness of services:** There is lack of awareness through the industry of how to make the best use of Job Access and other government supports. There is little visibility and promotion of this service, however providers and the wider community are expected to know what they are and how to access them.
- **Lack of positive news stories:** there is not enough public promotion by government to educate employers and the wider community on the benefits of employment services. The public hear many bad news stories which skew employer and public perception of the program.
- **Misperceptions about client group:** there is often misperception about what constitutes "disability" and therefore the types of participants that are within the DES system. This can create barriers when dealing with employers as well as difficulties with participants who do not

want to be associated with a “disability” service for fear that potential employers won’t hire them.

Proposed changes for 2018 – Questions and Concerns

Individualised Funding

The proposal regarding individualised funding raises many questions. According to the NESA report *Starting the Conversation*, only 20% of the participants currently in the DES system would receive individualised funding through the NDIS; the remaining 80% would not. There would appear to be two distinct groups of participants who will require service under the new model.

One group are currently volunteers who do not have to participate in DES, but do so because they want to be gainfully employed with all the benefits that provides. New compliance and participation requirements mean that a portion of this cohort are now required to participate.

How will the voluntary cohort be managed under a new model? Is there likely to be an increase in the number of people who will be required to look for work?

The second group are currently required to participate in DES in order to meet their mutual obligation requirements under social security law.

How would a new system provide individual funding for participants who are required to participate in DES? How would the compliance rules and requirements for this cohort be managed?

Individual funding for each participant will be positive if it can be used by each person to buy the training, education, interventions and support required to gain employment and remain employed over the long term. Consideration also needs to be given to payment for services provided by DES providers to coordinate interventions, training and education for each individual and to assist the participant to choose services which will give them the most benefit and support employment.

A recent paper regarding employment services advocated for the abolition of service fees altogether and payment to be made only on outcomes. This report advises that removing service fees will help increase outcomes and suggests that providers currently “park” participants in order to collect fees. The current performance framework encourages working with the most disadvantaged and hardest to place through the workings of the regression model to calculate performance.

Removing service fees altogether, or significantly reducing them to the point where it makes it unsustainable to assist participants who require more intensive or longer term support, would likely have unintended consequences. Under the proposed new framework of individual funding and an open market, many providers would simply choose not to work with those participants who are unwilling to work or have the most significant disadvantage. These participants are far less likely to achieve an outcome and the costs involved in servicing these participants over a long period of time until the placement and outcome is achieved would be prohibitive.

The principles for changes as set out in the issues paper indicate that there is actually a need for greater emphasis on training, individualised approaches and a more holistic service provision. Campbell Page would agree with this. Individualised funding could help to achieve this if it is

recognised that there is no “one size fits all” approach and that many DES clients require intensive support over long periods of time. Focusing solely on quick outcomes will not achieve long term, sustainable employment and the long term career planning and capacity building that forms part of the proposed new principles. Campbell Page feels that it is also important that the new principles and DES framework are aligned with the National Disability Standards.

Market based service provision

The premise of market based service provision seems positive however there are questions regarding how this will work for those people who have mutual obligation requirements.

Will clients make a genuine choice about their provider, or will there continue to be a referral system? How would a referral system work and how will it be fair and equitable for providers working in an open market?

If a new system moves toward a licensing arrangement within a completely open market, participants will need to make a choice about which provider they go to. To ensure a fair and equitable process for all providers in the market, participants will need to choose from a list, rather than being directed to a particular provider by Centrelink.

How will genuine provider choice be managed for clients who are required to participate in DES?

If a licensing arrangement is being considered, will a license be open with the provider choosing who to target, or will there be different types of licences available to service different cohorts of clients?

In an open market there may be the risk of some providers offering incentives to participants to get them to use their service, ie. come to us and we will pay for x, or provide you with laptop / phone etc. Similarly, providers may “cherry pick” and only take on those participants who they feel will easily find work rather than take everyone who wants to use their service. This is especially likely if the system focuses exclusively on immediate outcomes, rather than servicing with a view to long term sustainable employment.

How would pricing be set in the new model for service provision? Will prices be regulated according to each part of the service provided or will it be left up to the provider to set their own prices?

It should be expected that there will be standard prices for certain services, much the same as there is now for psychologists and other health professionals who provide services under a mental health care plan.

An open market and ongoing licensing type arrangement could be positive if it allows providers to have the ability to think long term and build sustainability into their business. The current system of tendering provides a lot of uncertainty and major costs to organisations when there are dramatic changes due to tender outcomes and business reallocations. There is also a considerable impact on staff within the industry when this happens, resulting in experienced and high performing staff leaving the industry altogether. This has a negative impact on the quality of service which is provided to people with disabilities.

Recommendations

The proposed changes represent a radical shift from the current framework for DES. Based on Campbell Page experience as a high performing (4 star rating average nationally) DES provider we

recommend the following items are considered when implementing the proposed changes to Disability or “Specialist” Employment Services post 2018:

- **Staged implementation:** many DES participants suffer from stress and anxiety with little tolerance for change. We recommend that any changes are introduced gradually to allow time to adjust. Staged implementation will help to alleviate anxiety for participants and ensure providers have time to make the required changes to implement the new system effectively.
- **DES should remain separate to NDIS:** as the majority of people using the DES system will not be eligible for NDIS support, participants will still need an alternative way of accessing employment services support. Therefore the new DES should sit outside of the NDIS and not as a part of it. We strongly believe that the disability service standards should form part of the principles behind the new system to support individual needs for each participant.
- **Focus on marketing to raise awareness:** Campbell Page strongly believes that additional marketing programs and national funding is required to increase employer knowledge of the DES candidate base. Additional promotion of the services available through Job Access as well as other government supports for employers to increase employer knowledge nationally should also be considered.
- **Flexible licensing:** Campbell Page supports moving to a licensing system and open market for providers. However we believe that the license should be general and allow providers to specialise as they wish. This will enable providers them to be flexible in the way their services are delivered and make adjustments as local and national markets and workforce requirements change.
- **Alignment with National Disability Service Standards:** the new framework should be based on quality servicing which aligns with the National Disability Service Standards and promotes an integrated and collaborative approach for the benefit of the participant over the long term.
- **Robust performance metrics:** ensuring that there is a robust system of measurement against both performance metrics and quality servicing against the Disability Standards should ensure that future specialist employment services are efficient, relevant and provide value for money. Campbell Page recommends that a performance score card system be retained, similar to the current star rating model which measures the denominator versus numerator. The performance measure should also include a regression analysis which allows for different levels of disadvantage within each providers caseload to be measured ensuring a fair and equitable approach to ratings.