

**ABF response to**

**Disability Employment Services Reform – Discussion paper**

**16 December 2016**

**About the Australian Blindness Forum**

The Australian Blindness Forum is the peak body representing blindness, low vision and rehabilitation in the blindness sector. ABF was formed in 1992 and is funded only by its members. ABF is an Australian public company limited by guarantee and governed by a Board of Directors.

Membership of ABF is open to any organisation that has as its primary objects the provision of services to people who are blind or vision impaired, or whose activities are substantially connected with the welfare of people who are blind or vision impaired. ABF is represented in every state and territory of Australia. All major organisations providing services to Australians who are blind or vision impaired are members of ABF.

As Australia’s representative to the World Blind Union, the ABF has strong connections with the international blind and vision impaired community. ABF comprises 16 blindness sector organisations whose expertise and knowledge are reflected in the following comments.

**Background**

ABF appreciates the opportunity to provide a response to the Disability Employment Services Reform – Discussion paper.

ABF and its member organisations support every person’s right to participate in and contribute to the community. This includes all people who are blind or vision impaired having the right to obtain and retain meaningful employment and live as independently as possible.

This is consistent with:

* the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD)
* the *Disability Discrimination Act 1992*
* National Disability Strategy 2010-2020.

**ABF Response**

**Discussion Point 1: More Choice for Participants**

1. *What, if any, restrictions should there be (for example, region or distance) on participants choosing to attend a provider?*

ABF would support there being no restrictions on participants when choosing to attend a provider. ABF would recommend as much choice as possible for the participants and flexibility of methods of service delivery by providers. For example, in regional areas or where distance is a barrier, ABF would support the use of technology such as Skype for participants to connect with providers.

1. *How often should participants be allowed to voluntarily transfer or switch providers?*

ABF supports a balance between empowering consumers to switch providers when necessary and ensuring service providers are not disrupted too often. Therefore, ABF would support the proposal to allow participants to voluntarily transfer to a new provider up to three times a year. ABF also suggests that further education needs to be provided to participants in relation to complaints processes in order to have any reasons for participants moving addressed by the service providers if necessary.

1. *What should be the basis of referral by Centrelink for participants who do not choose a provider?*

ABF is of the view that Centrelink should be referring participants to the relevant specialist service provider depending on the participant’s disability. There needs to be a focus on the participant’s diagnostic need in the first instance.

**Discussion Point 2: Provider/Participant Contacts**

1. *Should face-to-face requirements remain as part of the DES service delivery?*

ABF supports face-to-face contact as part of the DES service delivery wherever it is possible and convenient. However, ABF also encourages flexibility and innovation in the DES service delivery, in particular, taking advantage of technology, and assessing the needs of a participant on a case-by-case basis.

1. *How often should participants and providers be required to meet, either face-to-face or by other means?*

ABF believes that face-to-face contacts between providers and participants should be based on the individual needs of the participants. ABF would support an initial face-to-face meeting to establish a Job Plan for the participant and to establish a strong relationship between participant and provider. After that, and based on the Job Plan, ABF supports flexibility in subsequent contacts including accessing technology such as online video conferencing.

**Discussion Point 3: Job Plans**

1. *Should Job Plans have minimum requirements beyond what is necessary for mutual obligation requirements? Or should this be determined between each participant and their provider?*

ABF cannot comment specifically on mutual obligation requirements as these requirements do not apply to the blindness sector in most cases. However, as a general comment, ABF would support mutual obligation requirements being determined between each participant and their provider on a case-by-case basis.

1. *How can we ensure that participants are actively involved in the development of their Job Plans, or will the ability of participants to change providers if unsatisfied be sufficient?*

ABF fully supports participants, particularly those who are blind or vision impaired, being actively involved in the development of their Job Plans. This is particularly effective when the participant is using a specialist DES provider such as those in the blindness sector. It would be better if the participant is actively involved and satisfied from the start rather than having to change providers if unsatisfied in the future.

1. *How should providers be held accountable to ensure activities in the Job Plan are undertaken and supports are delivered? Will the ability of participants to change providers if unsatisfied be sufficient?*

Overall, the ability of participants to change providers if unsatisfied should be sufficient accountability as providers will lose funding with the reforms that enable funding to follow the participants. An effective Quality Assurance system with a well-developed complaints system would also provide additional accountability measures for providers.

**Discussion Point 4: Better Information for Participants**

1. *What information should be available to participants, providers and employers?*

In order for participants to exercise the choice and control that is intended by the DES reforms, it is vital that participants are provided with comprehensive information relating to DES providers and the relevant services that are available. ABF would support participants being provided with a document similar to a standard Product Disclosure Statement by providers that provides transparent information about the provider and their services, including any commissions that providers receive.

ABF strongly recommends that all information is provided to participants in accessible formats of the participant’s choice. This is particularly important for participants who are blind or vision impaired.

1. *Should there be mechanisms to ensure no false or misleading claims are made against DES providers?*

ABF recommends a strong complaints handling mechanism is put in place to manage and investigate complaints to the satisfaction of both participants and providers. This would assist in ensuring that no false or misleading claims are made against DES providers.

This mechanism needs to ensure that any incorrect or inflammatory references to a DES provider is removed and/or provides the DES provider with a right of reply. Any claims made about a DES provider (particularly if posted online) need to be moderated in some way and subject to guidelines and a disclaimer to ensure the participant has proceeded through the complaints process and attempted to resolve the complaint in the first instance.

1. *Should the Department facilitate access to information on accessible and user friendly platforms, or should this be purely market led (with providers offering such information on platforms of their own choosing)?*

ABF strongly recommends that the Department ensures that all contracts with providers for DES services include a clause that all information is on accessible and user friendly platforms. ABF supports the Department facilitating access as well as providers offering information on platforms of their own choosing, as long as they are accessible, particularly to people who are blind or vision impaired.

**Discussion Point 5: Participant Controlled Funding**

1. *There is considerable literature and experience in participant controlled funding in personal care. Is there any evidence of the effectiveness of participant control of third party funding in employment services?*

The recent disability and aged care reforms by the Australian Government have focused on participant choice and control. ABF supports these reforms and supports including these principles within the DES framework. However, ABF is also mindful that participants also need to balance choice and control with receiving and understanding all the relevant information in order to make considered and informed choices. Therefore, ABF would support participant control of third party funding in employment services as long as the participant has all the information provided to them in accessible formats. This may also require some minimum restrictions on how that funding can be spent as long as there is sufficient flexibility overall.

1. *In such a model, how much funding, if any, should be quarantined for job seekers to use through an account, how should this funding be made available to participants, and how could there be simple clarity as to what costs are to be met from participant controlled funds versus provider controlled funds?*

The funding expenditure by participants needs to be aligned with the objectives of their Job Plan – it would not be the same for each participant. ABF would support a participant being able to quarantine funding to use through an account within some parameters, in particular, as long as the participant can demonstrate the funding will help them achieve their employment goals.

1. *What principles should guide the appropriate expenditure of any individualised funding?*

Any principles that guide the appropriate expenditure of any individualised funding need to recognise that the funding must align with the objectives of the participant’s Job Plan. It is imperative that the guiding principles also recognise the importance of participants being able to engage with specialist DES providers. This is because a specialist DES providers, such as those in the blindness sector, are able to provide specialised employment services based on the specific needs of that disability and will achieve better outcomes.

1. *What restrictions should apply to the use of the funds by participants?*

It is appropriate for the funding for use by participants is based on a specialist assessment by a specialist DES provider that outlines the needs of the individual and the goals outlined in their Job Plan. ABF is concerned to ensure that both specialist DES providers and consumers are not worse-off in any way.

1. *How can participants who are unwilling or unable to use individualised funding be supported during the decision making process?*

If a participant is unwilling or unable to use individualised funding, they need to be supported by the specialist knowledge of a specialist DES provider who can provide expert knowledge and assistance in the decision-making process.

1. *What restrictions should apply to the expenditure of the funds on services from a participant’s provider or an associated organisation?*

Any restrictions need to take into account what is agreed in the individual’s Job Plan and that expenditure is based on training or job skills development.

**Discussion Point 6: Entering the DES Market**

1. *How often should the Panel be open to entry by new providers?*

ABF supports the Panel being open to entry by new providers every 12 months, provided they can demonstrate they meet the minimum criteria as set out in the Discussion Paper. This process needs to be responsive to the market and any new entrant should have to demonstrate they can fill a need in the market.

1. *How often should panellists be reviewed and what criteria should they be reviewed against?*

ABF supports panellists being reviewed every 2 years. This time frame would provide a panellist with a reasonable amount of time to demonstrate they are performing well. ABF supports the Star Ratings system where any providers that are considered poor performers who do not meet the minimum performance standard are removed. High-performing providers should be rewarded by not only being able to expand, but also by being able to take referrals outside of their original contract.

1. *What should the basic criteria be for joining the Panel?*

In addition to the set of minimum criteria outlined in the Discussion Paper that are based on capability, capacity and risk, ABF would also like to see a specific criteria that relate to specialist DES providers demonstrating a specialist capacity to provide services to people with specific needs, such as people who are blind or vision impaired.

1. *How much time do providers need before entering into a market to set up their operations?*

ABF is of the view that providers entering the market should have the standard government procurement timeframes of being operational within 3 months of being approved.

1. *In order to supply DES in a specific ESA what should the requirements be for:*
   1. a minimum caseload?

ABF recommends that the requirements should not be based on caseload rather they should be based on the provider’s ability and resources to deliver the services in that area.

* 1. ESA coverage?

ABF supports ESA coverage restrictions being relaxed to ensure participants are able to access the specialist supports and services they need from specialist DES providers that are not available through generalist DES providers in their area.

**Discussion Point 7: A Single DES Contract**

1. *Would all providers have the capacity to deliver DES-DMS, DES-ESS and Ongoing Support under the proposed simplified contract arrangements?*

If a provider can demonstrate the appropriate skill, knowledge and capacity to deliver both DES-DMS, DES-ESS and Ongoing Support, then that provider should be able to provide all these services under one simplified contract.

**Discussion Point 8: Removing Market Share Restrictions**

1. *What mechanisms should be adopted to ensure universal coverage in an ESA while maintaining a competitive marketplace?*

In order to ensure universal coverage in an ESA, ABF supports the following mechanisms:

* DES panellists should be allowed to form partnerships, particularly between generalists and specialists
* DES panellists should receive a rural and regional subsidy to assist with the extra costs associated with operating in these areas
* DES panellists who have a large contract, must be required to respond to a DES participant in a timely manner
* If a DES panellist is a specialist provider, they should be allowed to cover the whole state
* Safeguards need to be put in place to ensure overall monitoring of coverage.

1. *How should provider diversity be maintained to ensure participants have adequate choice of provider?*

Specialist DES providers should be encouraged to provide specialist services across the whole state. The more specialist providers there are operating in conjunction with generalist providers, the more diversity there will be to ensure participants have a broad choice of providers.

**Discussion Point 9: ESAs**

1. *Should there be ESAs, if so, how many ESAs should there be?*

ABF is of the view that ESAs may not be necessary, however, ABF believes that this question could be informed by whether the jobactive program has been successful or not. In general, ABF believes that participants should be able to self-refer to anywhere in Australia to ensure they can access the best DES panellist, regardless of location (and as long as technology allows this to happen).

1. *Should the number of ESAs be reduced if market share is removed?*

Again, if the jobactive program reforms have proven to be successful, ABF would support reducing the number of ESAs. ABF would also support participants being allowed to attend providers outside their ESAs.

**Discussion Point 10: Preventing Market Failure**

1. *What specific circumstances should be recognised as market failure warranting intervention?*

If a participant has no access to an appropriate provider, this would constitute market failure. In particular, rural and regional areas need specialist DES providers. Intervention could include subsidies and incentives for these areas.

1. *If market share is continued in some areas, how should the level of market share be determined?*

Market share should be determined by the level of unmet need in that area, the ability of a DES panellist to provide services and the level of consumer satisfaction.

1. *What interventions should be used to address market failure and ensure service availability?*

As stated above, interventions could include wage subsidies and incentives, particularly in rural and regional areas. This would result in an improved ability for participants to access services and ultimately improved independence of participants.

**Discussion Point 11: Ratio between service fees and outcome fees**

1. *What should the ratio between service fees and outcome fees be and why?*

The ratio between service fees and outcome fees must reflect the requirements needed to place a person who is blind or vision impaired in long-term employment. Effective employment outcomes depend on pre-employment upskilling and ABF would not want DES providers to be incentivised to push participants into unsustainable or inappropriate outcomes simply because of an imbalance in the ratio between service fees and outcome fees. Therefore, ABF would consider, for example, a 50/50 ratio between service fees and outcome fees to ensure the right incentives are in place.

**Discussion Point 12: 4-week and 52-week Outcome Payments**

1. *What should constitute an employment outcome under DES in a modern Australian economy?*

An employment outcome depends on an individual participant’s goals and whether they have been achieved. Ultimately an employment outcome would be long-term employment and economic certainty for an individual.

ABF supports the proposal that some of the funding currently paid for a 26-week outcome be redirected to fund a new 52-week outcome payment. This would provide an increased incentive to providers to find better initial job matches and ultimately would provide participants with longer term outcomes.

1. *How should the DES funding model incorporate the growing number of short term jobs available in the economy?*

While it is acknowledged that there are a growing number of short term jobs available in the economy, placing DES participants in these jobs should be resisted. Given the necessary level of support required to place a participant in a job in the first place, the focus for DES providers must be on the longer term. If a participant is able to secure even a 26 week placement, they will become more employable because of the skills and experience they would gain in this placement. This is less likely to occur in a short term placement. However, if a short term job is the only option, this placement must ensure skill development and a pathway to longer term employment.

1. *Should the new model replace the job placement fee with a 4-week outcome payment, and how many 4-week outcome payments should be available for each job seeker?*

ABF would need further information about the 4-week outcome payment such as information on what the ramifications are if the 4-week outcome is an unsuccessful match. ABF would prefer it if the new model incorporated incentives rather than fees.

Overall if a bonus or incentive payment is paid to a provider on a successful placement (that results in longer term employment) this will reduce the total cost to the Government in the longer term.

1. *How should job seekers be supported in the period between the 26-week outcome and the 52-week outcome?*

Any support would depend on the needs and Job Plan of the individual. In the period between the 26-week outcome and the 52-week outcome, a job seeker may require employment support and/or physical workplace support such as meeting once a month. Ideally, the participant and the provider would have an agreed support plan for the period between the 26-week outcome and the 52-week outcome, particularly to establish the participant’s confidence.

1. *What level of payment should be attached to the 52-week outcome while keeping total DES expenditure within the current funding envelope?*

A DES provider should be given a bonus or incentive for a 52-week outcome that is based on the savings that will be made by the person not re-entering the system in the future. Outcome payments for shorter outcomes could be redirected to the 52-week outcome in order to keep total DES expenditure within the current funding envelope.

**Discussion Point 13: Service Fees**

1. *How should service fees work in the context of a funding model with risk-adjusted outcome fees?*

Further information would be required about the interaction of risk-adjusted service fees and outcome fees before ABF could make any specific comments on this question. However, in general, ABF is of the view that the DES program needs to invest further in skills training and support for participants to reduce the number of times an individual needs to enter the system and therefore reduce the need for high service fees.

**Discussion Point 14: Pro-rata service and outcome fees**

1. *How should pro-rata service and outcome fees be calculated?*

ABF supports the proposal that service fees should follow the participant and be paid pro-rata based on the number of days the participant spends at each provider. ABF would also support an exit fee being applied in this situation.

In relation to outcome fees, ABF would also support a pro-rata payment so that the initial provider who prepared the participant and possibly placed them in employment is paid along with the provider that was delivering DES to the participant at the time the outcome fee falls due. For example, ABF would support a “40/60” structure where the first provider receives 40% of the outcome fee and the second provider receives 60% of the outcome fee.

1. *How should pro-rata fees apply in the event that a provider ceases to be a member of the Panel?*

Whether pro-rata fees should apply to a provider who ceases to be a member of the Panel would depend on the reason why that provider left the Panel. Perhaps it would be appropriate for the provider to receive the service fee but not necessarily the outcome fee.

**Discussion Point 15: Determining Eligibility and Employment Outcomes for ESLs**

1. *Who should be able to qualify under revised assessment criteria for ESL?*

ABF would support the DES program providing transitional assistance to students who are about to leave school and enter the workforce. This would be an early intervention measure that would ensure school leavers are job ready when they leave school.

Any school leavers aged 14 years, 9 months and above and who have a disability should be able to qualify for ESL status.

1. *How could the level of disadvantage and work capacity be assessed for secondary school students?*

A specific job capacity assessment must be used to determine the level of disadvantage and work capacity of school leavers with disability to ensure the assessment process is tailored to the specific needs of this group.

ABF would support a specialist DES provider conducting the assessment for secondary school students, rather than Centrelink. A specialist DES provider such as those in the blindness sector, would have a greater understanding and expertise in relation to participants who are blind or vision impaired, and which specialised supports and services are required.

**Discussion Point 16: Improving the Gateway**

1. *How can gateway arrangements be improved to enable a better connection to employment services for people with disability?*

ABF would support a review of the current assessment process in order to improve the DES Gateway as outlined in the Discussion Paper. ABF would like to see a review of the current arrangements where most job seekers with disability access DES through the Department of Human Services where they undertake an initial general assessment.

ABF would strongly encourage this process to change for participants who require early intervention and a specialist assessment rather than a general assessment. ABF would support an initial assessment of someone who is blind or vision impaired to be referred and conducted by a specialist DES provider such as Royal Society for the Blind or Vision Australia.

**Discussion Point 17: Assessments Review**

1. *What other aspects of ESAts/JCAs should be examined in the review?*

ABF supports the proposed review of the assessment process. In particular, ABF has concerns about the reliability of assessments by generalist assessors of participants with particular disabilities such as blindness or vision impairment. Therefore, it is essential that the review examines the importance of specialist assessments for people who are blind or vision impaired so that the functional impact of a participant’s vision loss can be assessed by a specialist DES provider.

1. *Should there be:* 
   1. *greater separation of ESAts and provider’s own assessments, with ESAts focused on eligibility, work capacity and appropriate referral within DES and not extending to suggested interventions?*

*OR*

* 1. *should ESAts be developed and extended to provide more and better information on which providers could base their assistance, with less need to perform their own assessments?*

See answer above at point 1.

1. *How should the revised assessment process fit with other options for DES reforms outlined in this Discussion Paper?*

ABF supports any reforms of the assessment process aligning with the general principles of the overall reform of DES including increasing participant choice and control, driving greater competition and contestability of DES and aligning incentives to support better outcomes. This would ensure both participants and providers are working within a more efficient and effective system for job placement.

**Discussion Point 18: Ongoing Support**

1. *Should the fee-for-service funding model specify minimum contacts and hours of support?*

Generally, ABF would support minimum working hours while in Ongoing Support. However, ABF expects DES participants who are blind or vision impaired to be working more than eight hours per week.

1. *What minimum servicing requirements should there be for each level of support?*

There are three levels of support that should be negotiated on a case-by-case basis with the client and the employer and then monitored by the Department.

1. *How should payments be determined for each level of support?*

Payments for each level of support should be determined on a case-by-case basis

**Discussion Point 19: Job-in-Jeopardy**

1. *How can we better define when someone’s employment is considered to be at risk due to their disability?*

ABF would support a mechanism where an individual can self-report if they feel their job is in jeopardy, particularly if they are feeling marginalised in their workplace and/or their hours or duties are reducing.

1. *How can we increase employer awareness of JiJ?*

ABF recommends disability awareness training for employers and other employees which needs to become mandatory and could be included in legislation such as the Fair Work Act. This could become part of an organisation’s Employees Wellbeing Program.

1. *Does the current fee structure reflect the services being provided and outcomes being achieved?*

Currently a DES provider does not receive an incentive to review a person in the workplace. ABF would recommend an incentive for employers to enact a support plan at particular times, including after 52 weeks.

ABF would also support incentives for an early intervention program that can be accessed through the DES program for jobs in jeopardy clients.

1. *What is a more appropriate name for Job-in-Jeopardy?*

ABF would suggest an alternate name such as “Employment Retention”.

1. *If a JiJ participant chooses not to disclose their disability to an employer, how should providers assist them in the workforce?*

ABF would recommend providers offer off-site and confidential counselling to assist the individual in disclosing their disability so that they can receive the full support from their employers that they will require in the future.

1. *Should the JiJ service be integrated with Ongoing Support?*

ABF would support the integration of the two programs to become a broader program as long as it includes early intervention for people who require jobs-in-jeopardy support. If someone is receiving Ongoing Support effectively, they would not need the JiJ service.

**Discussion Point 20: Transition Issues**

1. *How can we ensure that DES providers continue to provide quality services to participants towards the end of the current contracts?*

The Department of Social Services needs to ensure there are incentives for DES providers to continue to provide quality services in the transition to the new system. This could include a system where if a provider has a 3-star rating, they will automatically be given a contract in the new system. If they are below a 3-star rating, they will have the opportunity to demonstrate why they should stay and be part of the new DES Panel.