**Disability Employment Services Reform – Discussion paper – Response from Outlook Employment**

**Outlook Employments response to questions regarding the future shape of a DES service post 2018**

**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?**

Participants should be able to attend any service they can get to realistically on a regular basis.

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

Twice in the first year would allow choice without causing a revolving door affected between providers in the local region.

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

There should be a allocation process for participants who do not choose a provider so that all providers in a region will get equal access to these participants.

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

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

Initial intakes with participants should still be face-to-face but then provider and participant could negotiate the use of FaceTime/Skype and other modes of communication if this adds to effective delivery of outcomes. This flexibility may attract additional participants. It may also result in the service provider freeing up time to do more reverse marketing. This would be a better approach than routine meetings with participants every fortnight taking up time that could be spent more effectively in marketing efforts.

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

I believe that there could be efficiencies created in this area as indicated in the response to the question above. I think there needs to be still six contacts as a minimum over a three month period but these can be delivered in a variety of flexible modes that can be negotiated as part of the job plan process depending on individual participants needs.

**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?**

I believe that being linked to a Des provider and having to fulfil the minimum job search requirements per month (12 or 20) should be the basic requirement for meeting mutual obligations. Outside of this providers & participants could jointly develop more effective job plans that included short medium and long-term goals. The current raft of compliance requirements for those with mutual obligations creates a administrative burden for providers which takes away from job search efforts.

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?**

If there is a core mutual obligation requirement as indicated in the question above, then the ability of participants to change providers should be sufficient to ensure that participants are actively involved in the development of their job plans. Regular reviews of these job plans will still be required to monitor goals and actions as they are achieved.

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?**

The ability for participants to change providers will ensure in most cases that activities contained in job plans are undertaken and supports delivered by the provider. In cases where participants are regularly non-compliant there needs to be sufficient sanctions applied by Centrelink to their payments to ensure compliance. If a non-compliant participant keeps moving providers to avoid engagement there needs to be clear consequences for the individual to avoid rotating through numerous service providers.

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

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

Participants should be able to view performance figures of DES providers particularly those who achieve longer term outcomes past 26 weeks. A publicly stated 52 week outcome level of achievement would enable participants to make informed choice as to providers who focus on sustainable long-term employment rather than short-term churning of participants through 13 and 26 week milestones.

As regards employers there needs to be a better utilisation of testimonials that many providers gather from employers. These could be used on the connections site for Des providers.

Many employers know very little of the Des program. There needs to be an effective advertising program at a government level to show the benefits of employing a person with a disability who is committed to their employment. This would have far-reaching impacts in addition to the current ground up reverse marketing approach used by most providers.

Providers need to have more effective ESaT and job capacity assessment information particularly in regards to barriers to employment and current skills. This would enable providers to make prompt decisions in terms of engaging participants more effectively.

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

Yes there needs to be an effective mechanism to ensure that any provision for comments as an appeals process. If we had the equivalent of trip advisor or any of those type of customer feedback mechanisms the risk is only those wanting to complain would make comments and false or misleading claims. These type of comments made on a public platform could lead to damage to a providers reputation.

If there was a system that the initial complaint or complement went through the current complaints referral centre (CRRS) before being posted onto a public site this might ensure a filtering out of malicious claims.

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)?**

The department should provide a user-friendly platform for information so that we have a level playing field in terms of small providers and large multinational providers getting the same treatment.

**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?**

I do not believe the current body of evidence for participant controlled funding is sufficient to implement such a system in Des. There needs to be more research done into this approach with pilot programmes involving individually funded participants and a control group. This will ensure the development of a body of evidence on which to make decisions. This is of particular importance given the fact that we work with large proportions of participants with mutual obligations. I do not believe for this group that portable participant controlled funding would be an effective use of taxpayers’ dollars.

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 current system where we utilise funds from their employment assistance payments as required developing pre-employment skills or offsetting expenditure that occurs on the commencement of employment, works. I believe this should continue. The job plan process would be a vehicle for negotiating participant control with the provider in terms of what they regard as necessary for their engagement in the employment market.

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

Value for money is the key principle that is required for any individualised funding. The funding needs to be clearly linked to gaining skills that will increase employment opportunities or in offsetting expenditure that participant incurs when they start employment. All negotiations around such funding need to occur between the participant and the provider as part of the choice and control process. These principles need to be written into any procedure for individualised funding.

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

As above. All funds need to be utilised to the betterment of employment outcomes for the participant

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

Providers along with other stakeholders such as mental health services would be able to assist participants and give them a range of options in any 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?**

Expenditure on items that were provided by the participants Des provider need to be of a limited nature as this opens the program up to unscrupulous activity. There needs to be a clear indicator of the costs and benefits of a particular program and then measurement of the outcomes following the funded intervention by the Des participant’s organisation. There also needs to be affective guidelines around such activities. I see the preference being for independent organisations providing this type of support for participants.

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

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

The panel should be open for new providers every two years to fall in line with a revised revolving dataset of two years. Two years would be a more effective timeframe to assess providers performance while still allowing sufficient time for them to achieve strong 52 week outcomes. This process would form an effective basis for panel membership. A single year of data would not achieve this.

In addition to this the panel process needs to demonstrate a stability of provider presence. If this changes every year there could be unintended consequences of multiple providers commencing and leaving the panel over short time frames. This would not be beneficial for strong participant engagement and also for the building of effective employer relationships.

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

The panellists should be reviewed annually as to their progress in achieving outcomes with participants. This would ensure that panellists have opportunity to implement effective strategies to increase outcomes within a two-year window.

The criteria that panellists should be assessed against should relate to sustainable employment outcomes. The 52 week outcome should be a strong indicator in this process along with ongoing support levels that ensure participants stay in employment.

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

Providers that are at a three star level as of the end of 2017 should be able to participate in the panel for the initial period until the end of 2019. The criteria for staying on the panel should be as a minimum the maintenance of an average or above average level of performance. This would mean that panel members would have to be between three and five star to stay on the panel.

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

There needs to be a minimum set up time of at least three months from notice of entering the panel to commencement of service. This would be especially important for new providers to set up office space and to gain the required staff resources that ensure they are effective from day one of their membership on the panel.

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

ESA coverage is of prime importance to ensure that participants within the nominated region have access to services that are close at hand or on public transport routes.

**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?**

I think it is quite feasible for all Des provider is to deliver both Des DMS and Des ESS. There is a crossover in activities with many providers currently running both programs. This would deliver efficiencies in terms of a one-stop shop for all people with a disability who are assessed as having a capacity to work the minimum benchmark or above.

**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?**

The removal of market share allocations will result in providers having to deliver effective service and in the process a strong reputation in a region. In urban areas there will not be a problem with maintaining a competitive marketplace. There could be another problem with an oversupply of Des providers in urban areas leading to non-viable markets. Large providers with sufficient capital behind them would be able to exist in this market long enough to see small providers cease providing Des due to lack of viable market. This is a concern. I believe there should be a ceiling on the number of providers in urban regions to alleviate this problem.

As regards regional and remote ESA’s - there needs to be a guaranteed minimum of providers to ensure maximum participant choice. This may necessitate some use of market share allocation.

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

There needs to be a range of providers in all areas. This could be more of a problem in regional and remote ESA’s. The answer may be to engage providers that provide a wide range of Des supports including mental health and intellectual disability expertise in remote ESA’s.

In terms of urban ESA’s there needs to be a range of providers on the panel - small medium, large, & specialist DES providers

**Discussion Point 9: ESAs**

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

There should be the same number of ESA’s as current. This will ensure that small quality providers are able to continue providing service within their current footprint. At the same time there needs to be flexibility of operation to ensure that all providers within a given region are able to expand into adjacent ESA’s if they have the resources to do so.

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

See point one above

**Discussion Point 10: Preventing Market Failure**

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

Market failure would occur when providers in an ESA dropped in performance levels below three stars.

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

In areas that are regional or remote where there are insufficient providers willing to invest in service delivery there needs to be clear levels of provider market share so that any provider willing to operate in that ESA receives sufficient referrals to constitute a viable business. As a minimum there should be two providers in any ESA.

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

There would need to be a process in place to allow a reasonable time for the provider to pick up performance before they were removed from the panel. A year would allow enough time to see a turnaround in trends back towards a three star level as a minimum.

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

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

Service fee to outcome fee ratios should be around the 50-50 Mark. This level would maximise outcomes and ensure that services were motivated to achieve outcomes to remain viable.

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

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

Outcomes in the modern Australian economy need to reflect the changing nature of employment in recent years. Part-time, casual and contract work all need to be reflected in any employment outcome definition as these are the dominant areas of growth in the current labour market.

There also needs to be some allowance for disruptive technologies that are entering the employment market space. We currently have an Uber driver who is building up his business but with fluctuating hours that mean some weeks he has high levels of hours and other weeks no hours. This is a reality that will occur in other areas of the economy. There needs to be some allowable methodology around measuring this in terms of outcomes in these type of situations as for many people this is their only entry point into the labour market.

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

Short term jobs are a reality in the current labour market with increasing trends towards part-time work in addition to this. The Des funding model should be adjusted to allow for multiple short term jobs working towards a long-term outcome. This is especially so for young people (eligible school leavers) who have no employment history and are reliant on building skills through a number of short term positions. There needs to be a particular allowance made for this group of participants if we are to encourage engagement in the labour market for those with no prerequisite skills.

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?**

It is feasible to replace the current job placement fee with a four week outcome payment as this will encourage more sustainable employment. I believe that there should still be four of these allowed in an 18 month period of service. Achieving a four week placement should attract a higher star rating loading than the current 10 day placement.

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

The current model of post placement support if delivered on-site or outside of the workplace when necessary is an effective one for ensuring long-term sustainability of placements. It builds on the relationship with the employer and ensures that issues are dealt with before a job loss occurs. It is essential that any future Des model includes post placement support if we are to achieve higher levels of sustainable employment across the sector.

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

The 52 week outcome is currently worth 10% in star rating terms. I would suggest that an outcome fee that amounts to 10% of the available outcome funding would be fair. In addition to this star rating allowance for 52 week outcomes should be 15% so that services will focus on this from a performance level and outcome fee level.

**Discussion Point 13: Service Fees**

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

Given the change in profile of Des participants over the last six years there needs to be an allowance made for addressing the barriers of particular groups. The group that is most in need of additional recognition in terms of placements is the over 50-year-old cohort who often have multiple health problems & have been disengaged from the work place for many years. A range of barriers need to be addressed to make placements happen for this group and any funding structure needs to recognise this. The proposal for three funding levels may go some way to addressing this problem but there will need to be consultation as to how the model will be implemented and the assessment methodology that ensures participant’s barriers to employment are more accurately measured than is currently the case during the ESaT/JCA process.

In addition to a tailored level of funding in the employment assistance phase there should be consideration given to risk adjusted outcome payments that reflect the level of difficulty in achieving employment outcomes for this cohort.

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

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

Service fees in the employment assistance phase could be calculated on a pro rata basis depending on the length of time a participant stays with a particular provider. There is an area of concern with this pro rata process in that he could result in high levels of repayment of service fees as participants move from service to service. This could be an administrative and financial issue. There needs to be work done around how this could occur in a non-disruptive manner that does not add further compliance in a programme that already has high levels of compliance. One possibility would be a minimum retention of six weeks of employment assistance when a person comes to your service. This would assist in viability in situations where participants are choosing to move from service to service rapidly before a provider has rolled out an effective program for the participant.

As regards outcome fees I do not believe that these should be approached with a pro rata methodology. If a participant has secured employment with one service provider then that service provider should be entitled to track and support the participant towards an outcome with provision to transfer from service only been available during the employment assistance phase. An additional concern at this point is the relationship with the employer. Des provider’s put a lot of work into building effective relationships and support models with employers. Allowing change at this point could jeopardise employer relationships that would affect future job placements. This is also the case during ongoing support (if applicable) where a strong relationship with an employer is what ensures sustainable employment long past 52 weeks.

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

If a provider is ceasing to be a member of the panel then all future employment assistance payments should be cancelled from that point onwards and any existing jobs that are tracking to outcomes transferred to a provider who can provide the appropriate post placement support.

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

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

Students with a defined disability who have been in receipt of additional support during their school tenure and are in their last year at school should qualify for ESL funding. In addition to this, students who have already left school within the last year should also qualify for ESL funding as long as they have proof of additional support provided during their school tenure.

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

The level of disadvantage for secondary school students who meet ESL requirements could be measured by the JSCI tool. As regards the work capacity of secondary school students unless there is detailed information from work experiences the Des provider will have two establish this during the first months of program in DES

**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?**

There needs to be a total overhaul of the ESaT and JCA process to ensure it more effectively streams people into the most appropriate service for their needs. Currently the assessments only provide minimal information on participant’s barriers and current skill levels. An effective work capacity assessment done at this stage with input from other stakeholders in the medical and allied health professions could provide a more effective gateway to effective services that meet participant needs.

**Discussion Point 17: Assessments Review**

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

The section of the ESaT/JCA that deals with current and future benchmarks should be more appropriate to the barriers participant presents with. It will be more appropriate to deal with their current ability and have benchmarks that reflect this rather than an aspirational future benchmark that is often based on little or no evidence.

1. **Should there be: a. 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 b. 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?**

Given the experience that we have had over many years with unrealistic suggested interventions from ESat’s I believe the provider should develop interventions that address the barriers that a participant presents with and any skills that they have. If the information from the Esat was more comprehensive it could form the basis for the Des provider to develop an effective program of intervention and support.

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

A more comprehensive assessment process could form the basis for assessing the three proposed funding levels and also risk assessed outcome levels. This will need a lot of work and input from the sector if it is to be part of an effective gateway to the most appropriate service.

**Discussion Point 18: Ongoing Support**

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

The current ongoing support model in the phase’s moderate ongoing support and high ongoing support ensures flexibility of delivery for participants. “A swings and roundabouts approach” whereby participants who suddenly need higher levels of support can be provided with the support within your ongoing support cohort. In another period it may be someone else who needs additional resources. The current ongoing support model was set up with this in mind and it needs to continue if we are to increase levels of sustainable ongoing employment.

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

The current arrangements for FOS, MOS and HOS contacts should be maintained with the flexibility that now occurs in terms of the mode of service delivery.

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

Payments of support should continue at current levels if we are to seriously target long-term outcomes. Ongoing support is a core requirement for disability employment services in the provision of effective supports past 26 weeks in employment. While not used for the majority of participants it is very necessary as we move towards an environment including the NDIS where people with more significant disabilities will be pursuing their employment goals. If effective support is delivered in this phase then jobs can be retained for many years.

**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?**

There needs to be an independent assessment process that measures the level of risk of a person losing their job. This could be done by existing supported wage assessors.

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

A targeted advertising campaign showing testimonials of JIJ successes

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

The current funding arrangement in most cases is appropriate for the support being provided

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

Employment at Risk

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

As is the case with many participants who have mental health conditions, a provider needs to provide the assistance outside of the work place. We have done this successfully with a JIJ participant who needed someone to share their concerns with and implement strategies that have been taken back to the workplace to cope with their employment issues.

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

JIJ service should be considered as a separate item to ongoing support as it is often a short-term intervention.

**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?**

There needs to be a crossover period at the end of this current contract. If continuing providers who are going to be on the panel are available from the beginning of March then exiting providers should have three months in which to transition participants across t good morning Sam good morning o new providers. This could occur earlier if gaining providers were notified around November 2017.

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