



Additional Frequently Asked Questions for the New Disability Employment Service

Specialist Providers:

Q: Will a specialist provider that has a hub and spoke model across specified Employment Service Areas (ESAs) also be able to accept participants in nearby ESAs that are not in their hub and spoke model?

A: Yes

The new program includes a hub and spoke model that will be available to providers of specialist services to operate across multiple ESAs.

Participants in the new program will be able to choose their provider, either in the ESA where they reside or another ESA. Specialist providers can only accept referrals of participants, from outside the hub and spoke Sites where they operate, who are in the specific cohort that they service.

Providers will still be limited to operating Sites, including hubs and spokes, only in the ESAs where they have been awarded market share through the new specialist disability employment program tender process.

Payments:

Q: Participants that have a Moderate Intellectual Disability (MID) tend to have 8-hour benchmarks and 15 hours is considered above their capacity. Why are MID payments attached to this instead of their capacity to work?

A: An additional flat payment is provided to support participants with a MID (IQ < 60) into jobs of 15 hours or more acknowledging the additional support requirements.

The additional MID payment (in addition to outcome fees) supports this cohort to achieve employment at higher hours and will be paid at 12, 26 and 52 weeks sustained employment.

Q: Are outcome fees payable where the position is within the providers own organisation?

A: Yes, outcome fees will be payable for a participant employed in a position within a provider's own organisation/related entity.

The employment outcomes will still need to meet eligibility and guideline requirements. Some arrangements may not meet these requirements. For example, where an outcome is achieved through employment in a provider's own organisation, or related entity, following employment that had ceased with a non-related employer.

Under the new program, progress fees will be available for employment and approved vocational activities and will replace the existing education outcome fee, and 4-week employment outcome fee, in the Disability Employment Service program.

The arrangements regarding progress fees and 4 weeks of employment are consistent with the current program settings where a 4-week employment outcome is not payable for own organisation/related entity placements.

Employment of a participant in a providers own organisation or related entity is not eligible for a wage subsidy.

Funding Levels:

Q: How will current funding levels under the Risk-Adjusted Funding Model (RAFM) be converted to the new Participant Investment Funding Model (PIFM)?

A: The new PIFM has been reviewed and further information will be provided in due course, including any arrangements for transition. This means some participants may be assigned a different funding level under the PIFM than they currently have under the RAFM. It is advised to consider the distribution of participants across funding levels as a general rule for any modelling.

As outlined in the Payment Information paper available on [DSS Engage](#), at the national level, the distribution of participants at each band in the model is expected to be approximately:

- 5 per cent: Funding Level 1
- 20 per cent: Funding Level 2
- 25 per cent: Funding Level 3
- 25 per cent: Funding Level 4, and
- 25 per cent: Funding Level 5.

This distribution is consistent with previous funding level distributions.

Participants:

Q: For participants with a Work Capacity of less than 8 hours per week (the minimum employment benchmark), if they are employed for only 4 hours per week and unable to increase their hours, is it expected that the DES provider will continue to support them through work preparation and job readiness phases, funded solely through service fees and progress fees? Can a progress fee for training and/or education be claimed every 12 months in such cases?

A: Each Participant will have an Employment Benchmark identified which gives the number of hours that a Participant must work each week, on average, to achieve a Full Outcome payment or a Partial Outcome payment.



Participants who are not working at benchmark hours may continue to be supported in the work preparation or job search phase of the program and providers can continue to claim service fees and outcome fees if applicable.

A new progress fee will be introduced to recognise a range of different steps an individual may take towards employment, including gaining qualifications and shorter jobs that may not be ongoing and/or fewer hours but provide valuable experience. The progress fee will be limited to 2 payments in a 12-month period, and only one of the 2 payments can be claimed for education and training. Progress fees for a full or partial outcome could be claimed down the track if an individual increases their hours to meet the benchmark for a partial or full outcome.

