



Australian Government

Department of Education, Employment and Workplace Relations

The Future of Disability Employment Services in Australia

DISCUSSION PAPER

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Minister's foreword

The Rudd Government values the contribution of people with disability to Australian society. People with disability who want to work should be supported in their efforts to get a job. We believe the current services available to them can be improved and that's why we've undertaken a review.

I am pleased to release this paper as the next stage in the review of the Australian Government's disability employment services—the Disability Employment Network (DEN) and Vocational Rehabilitation Services (VRS).

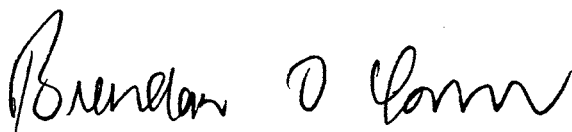
We have received feedback and advice from individuals with disability and their advocates, disability employment service providers, employers and disability peak bodies and that has formed the basis for a proposed new model for services.

Under the new model, it is proposed that:

- **services will be uncapped.** Just like universal employment services, all job seekers with disability, including school leavers, will have access to a place in employment services that will help them get a job.
- **services will be flexible and responsive to the needs of job seekers with disability and employers.** The new model will deliver more tailored assistance for job seekers and provide greater incentives to providers to address skill shortages.
- **administration will be simplified and red tape reduced.** This will allow providers to do what they do best, that is to assist people with disability to get a job.
- **loadings for remote and regional services will be substantially increased.** Current loadings of 20% and 30% for remote services will be boosted to 70%.

The Government will invest more than \$1.2 billion over the next contract period commencing on 1 March 2010.

We welcome your feedback and invite you to continue working with us to improve employment services for people with disability.



The Hon Brendan O'Connor MP
Minister for Employment Participation

December 2008

Glossary

CBF	Case Based Funding
DEEWR	Department of Education, Employment and Workplace Relations
DEN	Disability Employment Network
DMI	Disability Maintenance Instrument
DPI	Disability Pre-Employment Instrument
DSP	Disability Support Pension
EAF	Employment Assistance Fund
EIS	Employer Incentives Scheme
EPP	Employment Pathway Plan
IT	Information Technology
JCA	Job Capacity Assessment
JSCI	Job Seeker Classification Instrument
NDRC	National Disability Recruitment Coordinator
SWS	Supported Wage System
VRS	Vocational Rehabilitation Services
WMS	Workplace Modifications Scheme

Executive Summary

- Following extensive consultations, this Discussion Paper proposes a new model for disability employment services.
- The new model is designed to meet the needs of job seekers with disability in today's labour market, to promote social inclusion and contribute to improving the nation's productivity.
- The proposed model is based on two, clearly distinct programs that will be uncapped.
 - every eligible job seeker will have access to services
 - employers will know help will be available, and
 - employment providers will now be able to commit to early intervention partnerships with schools and health facilities. This will mean:
 - families will know an employment service will be available when their child is ready to move from school to work.
 - families, carers and primary health care providers will know employment services are available when an injured or ill person is ready to go back to work.
- Programs will offer 18 months of individually tailored assistance. Job seekers close to achieving a job placement at 18 months may be able to access a further six months of assistance.
- Simpler eligibility criteria, consistent with the *Disability Services Act 1986*, will mean less complex assessment and referral processes. This will reduce the risk that job seekers miss out on the services they need, because the system is too complex.
- Other improvements include:
 - a 70 per cent loading will be available for job seekers in remote areas, like the new universal employment services
 - a simplified fee structure including quarterly service fees paid in advance will reduce red tape and high administration costs for providers
 - bonus outcome payments will create better incentives for skills development, education and training
 - a strong outcome focus with the greatest rewards available when providers find sustainable jobs for job seekers
 - flexible options for ongoing support in the workplace
 - more flexible assistance for employers, employees and job seekers through the creation of an Employment Assistance Fund, and
 - better assurance of government outlays through the introduction of independent assessments.
- The new model builds on the strengths of the existing programs, including:
 - the legislative framework of the *Disability Services Act 1986*
 - a quality assurance framework based on the Disability Services Standards, and
 - specialist providers with expertise in helping particular client groups.
- Purchasing arrangements for the new Program B, the service for people with permanent disability and assessed need for intensive ongoing support in the workplace, will include an Invitation to Tender. This will mean high performing providers who meet due diligence and financial viability checks, will not need to tender for business.

Chapter 1—Disability employment services

Introduction

Improving employment services for people with disability is a key priority for the Government. Disability employment services make a critical contribution to achieving social inclusion objectives and to improving the nation's productive capacity.

It is vital that all job seekers have access to employment services that respond effectively to individual circumstances, local labour market conditions and to employers. That's why we have undertaken to improve employment services for people with disability. This paper sets out the Government's proposed improvements to disability employment services and seeks your feedback on these proposals.

Disability Employment Services Review

In May 2008, following initial consultations on the future of employment services, the Government announced that disability employment services would remain separate from the universal employment service.

A discussion paper on the future of disability employment services was released on 3 September 2008. Consultations were held across the country and over 100 written submissions were received from a range of individuals, industry, and peak organisations. This review is part of the Government's 2007 election commitment to review and reform employment services.

The following principles have been used to guide the Review and will continue to provide a foundation for the next stage of consultation and implementation. The principles focus attention on improving outcomes for job seekers and creating more streamlined service delivery. They also focus on transparency and

accountability, while minimising unnecessary administrative burden. The principles are:

1. build on the strengths of the existing approaches, including early intervention for job seekers
2. create a less complex system that connects job seekers to the right service and provides flexible assistance
3. match the intensity of service to the individual needs of job seekers
4. tailor services to the circumstances of job seekers with disability, including meeting their education, training and capacity building needs
5. respond effectively to employer requirements, including meeting skills shortages
6. equity for people with disability in access to services
7. minimise the amount of time and money spent on administration, including on contract management
8. provide the greatest rewards when providers find sustainable jobs for job seekers, and
9. ensure that performance management systems and purchasing arrangements properly account for quality performance.

Feedback to date

Strengths

There is a consensus on the key strengths of the current programs and the new model retains these features:

- a legislative framework, which includes the requirement to meet Disability Services Standards
- specialist services for job seekers with a particular type of disability
- recognition that participation in employment should match a job seeker's capacity, and
- ongoing post placement support.

A strength of the DEN program is the independently audited and accredited Quality Assurance system, which assesses service organisations against the Disability Services Standards as required by the Disability Services Act. ¹

The Government is committed to retaining these strengths in the future model of disability employment services.

Areas for Improvement

Capped or fixed place programs

Feedback overwhelmingly criticised the current cap on services for people with disability. Putting a limit on services means that some job seekers are required to wait for up to a year for the services they need. Providers advised that uncertainty about the availability of a place in their services made it difficult for them to commit to early intervention partnerships, for example with schools and health facilities.

(capping services is creating) barriers. ...to develop and maintain pathways and partnerships to employment and potentially comprise relationships, i.e. creating demand that they are not able to meet or not being able to guarantee long-term ongoing support .

There is no logic in maintaining a separation between Capped and Uncapped programs as there is a growing overlap in respective job seekers' level of disability, support needs, work capacity and activity obligations. ³

The Government has responded to these concerns and announced that the new services will, from 1 March 2010, be uncapped.

Complex referral and assessment processes

Uncapping services for some job seekers and not others has meant that eligibility criteria in the current system takes account of work

capacity and income support payment type, rather than the needs of the individual job seeker.

Assessment and referral processes have become so complex that providers report higher numbers of incorrect referrals and job seekers being cycled between programs or missing out on the services that they need.

More people with psychiatric or physical disabilities are accessing DEN services and VRS providers find they are assisting clients with a broader range of disabilities and barriers, including more people presenting with mental health issues. The basic program frameworks, however, originally designed for people with more stable or predictable needs, have remained relatively unchanged.

We believe that a separation based on the number of hours a person with disability can work is too arbitrary a division. ... A person with mental health issues will work, on average 23 hours per week. ... that cohort of job seekers will stream into Uncapped. In doing so, a significant proportion ... will not be able to take advantage of ongoing support. This disability, in this case, is not the driver of support. It is the potential hours they might work. This ... streaming arrangement has caused a lot of red tape, administrative overload, JCA frustrations and job seeker dissatisfaction. ⁴

The new model responds to these concerns and proposes a clear and simple distinction between the new programs based on the job seeker's assessed service needs.

Inflexible ongoing support arrangements

Many respondents expressed concern that the current arrangements do not respond to the less predictable needs of people with mental health or other episodic conditions.

1 National Disability Services submission to the Review of Disability Employment Services (p.12)

2 ACE National submission to the Review of Disability Employment Services (p.12)

3 Edge submission to the Review of Disability Employment Services (p.4)

4 WISE Employment Ltd submission to Review of Disability Employment Services (p.2)

*Improving accessibility for ongoing support would result in improved tailoring of services for people with a disability. It is apparent that the obstacles and lack of reassurance that can be provided to job seekers about the capacity to reengage with providers after exiting from ongoing support deters the job seeker from moves to independence.*⁵

Respondents also told us that inflexible, ongoing support arrangements can encourage risk averse behaviour, such as keeping job seekers connected to intensive, ongoing support services as a safety net. Providers expressed concern that they were often faced with the difficult prospect of exiting job seekers they considered might need assistance in the future. They considered this would put jobs at risk.

*The nature of all disabilities is such that unexpected issues may arise which impact a person's ability to undertake his/her work duties. Interventions provided by DENs at such times can be complex and intensive, and the current intermittent support model does not sufficiently resource these interventions.*⁶

The new model includes a flexible ongoing support option in both programs. This feature will provide a safety net for job seekers whose future support needs are less predictable.

Lack of incentives for skills development and training

Feedback indicated that current contract arrangements and incentives can skew provider behaviour towards obtaining short term jobs, rather than equipping job seekers with the skills they need to obtain sustainable employment and contribute to Australia's skills base and productivity.

*The existing incentives to help jobseekers to develop skills and competencies do not adequately reward the economic and employment outcomes they achieve for the job seeker, particularly those that are undertaking traineeships and apprenticeships.*⁷

New incentives, consistent with those introduced in universal employment services, will ensure that job seekers and providers can take time to consider skills development and for job seekers to complete relevant training ahead of job placement.

Inadequate payment for remote servicing

Stakeholders were critical of the payment model for remote servicing, in particular that the payment does not adequately recognise the true costs of servicing job seekers in remote locations.

The new model increases remote loadings from around 30 per cent in the current programs to 70 per cent.

Inflexible employer incentives

While regarded as worthwhile, elements of the Employer Incentives Scheme (EIS) are seen as complex and inflexible, discouraging take up by individuals, providers and employers.

Complexity will be reduced in the next contract period and a new Employment Assistance Fund (EAF), bringing together resources from some of the existing EIS measures, will be available to employers, employees, job seekers and employment service providers.

5 National Employment Services Association submission to the Review of Disability Employment Services (p.11)

6 SensWide Services (Victorian Deaf Society) submission to the Review of Disability Employment Services (p.8)

7 Edge submission to the Review of Disability Employment Services (p.7)

Complex funding model

The administrative burden and red tape associated with contractual requirements and an over-emphasis on processes rather than outcomes reduces the capacity of providers to service job seekers. The addition of new program elements over time and the corresponding imposition of contractual and other program requirements have created a complex funding model with an increase in associated administration.

Of note is the red tape in the monthly claims system where hundreds of thousands of transactions are processed annually.⁸

The complexity of the program impacts on the complexity of the fee structure. It is recognised that government-funded agencies need to be as transparent as possible in terms of demonstrating that allocated funds are being spent on what they should be. However, the effect of this in practice means that more and more time is spent on admin tasks, with less and less time being spent on the clients. Less time spent helping clients equates to a longer period of time before clients are work ready. The longer a client is out of work, the more negative effect this has on the client in terms of self esteem, motivation and drive to return to the workforce.⁹

While balancing the need for accountability the Government is committed to ensuring that services are able to focus on assisting job seekers and are not distracted by red tape. The new model includes a streamlined fee structure with significantly reduced administration requirements.

The following table provides an overview of the key features of the new model.

8. ACE National submission to the Review of Disability Employment Services (P.10)

9. Sydney Counselling Centre submission to the Review of Disability Employment Services (p.7)

TABLE 1: Summary of proposed changes

Current Programs	New Programs
Limited places in programs for the most disadvantaged	Demand driven services for all job seekers
Poorly targeted assistance, for example, caps on services for the most disadvantaged and limited ongoing support in DEN Uncapped	Assistance to the most disadvantaged and for the services they need
Complex referral and assessment processes	Clearer delineation between the target groups for each program, consistent with the <i>Disability Services Act, 1986</i>
Limited ongoing support arrangements	A new flexible ongoing support option.
Complex funding model	Streamlined programs with simplified funding models
Inflexible employer incentives	More flexible assistance and easier access through the creation of an Employment Assistance Fund
Poor attention to developing skills required by local employers	New incentives to achieve employment, education, training and skills development in areas of skills shortage
Inadequate services for remote job seekers	70 per cent loading for service fees and a wider range of outcomes will be recognised to better reflect the particular circumstances of remote communities

Chapter 2—Flexible, responsive disability employment services—a fresh approach

The proposed model for disability employment services builds on the strengths of the existing programs, while proposing improvements and uncapping access to services. The aim is to offer services that meet the needs of job seekers and employers.

The model extends important features of the new universal employment service to disability employment services, including:

- removing the cap on services for the most disadvantaged
- providing the right assistance as early as possible including for school leavers to assist them with the transition to work
- increased resources for job seekers in remote areas
- more emphasis on education, training and skills development, and
- better responsiveness to employers.

The new model will reduce red tape and complexity, allowing service providers to get on with the important job of assisting people with disability gain the social and economic benefits of employment.

Access to services for all job seekers

All eligible job seekers with disability will have more timely access to services. Currently, only job seekers with partial work capacity and part-time activity test requirements are guaranteed a service. Other job seekers, including people receiving the Disability Support Pension (DSP), can only access services when a place becomes available. The proposed model will mean that all job seekers with disability who need specialist assistance to find work, including DSP recipients, will get the help they need without having long waiting periods.

The current system which uncaps services for some job seekers and not others involves complex assessment and streaming processes. Uncapping disability employment services allows for much simpler eligibility rules. Simpler assessment and the availability of a place will mean that job seekers should get to the right service, the first time.

*In our experience, delivering both streams of DEN services across 3 sites has been time and labour intensive for all tiers of staff; management, administration and consultants. The differences of the Capped and Uncapped streams are varied enough to pose significant and often unwieldy behind the scenes administrative burdens on staff (e.g. guidelines, data tracking, claiming), when all of the clients receive a similar job seeking service with a work placement our primary focus.*¹⁰

The current cap on services acts as a barrier to service providers offering early intervention, including building partnerships with schools and mental health services, as a place may not be available when needed. Providers will be able to provide employment assistance when job seekers are ready to participate.

How the new disability employment services will operate

The new disability employment services will be based on two programs, but with simpler and more clearly defined eligibility for each distinct program, consistent with the *Disability Services Act 1986*:

10 SensWide Services (Victorian Deaf Society) submission to the Review of Disability Employment Services (p.2)

Program A will provide services to job seekers with disability, injury or ill health who require the assistance of a specialist disability employment service but are not expected to need long term support in the workplace.

Program B will be available to those job seekers with a permanent disability and an assessed need for more intensive ongoing support in the workplace.

Centrelink Registration			
JSCI/JCA			
PROGRAM A		PROGRAM B	
Employment Pathway Plan			
For job seekers with disability, injury or ill health		For job seekers with permanent disability plus long term ongoing support	
Single funding level		Funding level 1	Funding level 2 For people requiring more intensive support
Flexible ongoing support or exit independent worker	Flexible ongoing support or exit independent worker	Moderate Ongoing Support	High Ongoing Support
Employer Incentives Scheme			

Assessment and referral

The clearer distinction between programs will eliminate the overlap that currently exists between VRS and DEN. This, together with the removal of the capped streams, will mean that assessment and referral will be simpler and more accurate.

Job Capacity Assessments (JCA) will continue to be the gateway into disability employment services, with JCA providers determining eligibility for Program A or B. Simplification will reduce the number of assessments that job seekers are required to undertake, and minimise the risk of job seekers cycling around the system and not getting the services they need. It will reduce the time that providers currently spend assisting job seekers to navigate the system, instead of helping job seekers to find a job.

Job seekers may be reassessed at any time if their circumstances change. To move between Programs A and B, a new JCA will be required.

A new, independent assessment of job seeker funding levels

Feedback from consultations indicated that the Disability Pre-employment Instrument (DPI) assessment has created a significant administrative burden on providers. Based largely on provider observation, this assessment sets the funding level for each job seeker. As a result, DEN providers are expected to develop and maintain a substantial evidence base to back their claims.

The current DEN program has four funding levels in each stream. The DPI process endeavours to identify subtle differences in support requirements. Despite this, around 50 per cent of DEN job seekers are assessed at DPI Level 2, and combined DPI Levels 3 and 4 account for a further 40 per cent.

Table 2–DEN 2007–08 caseload by DPI category

	Capped (%)	Uncapped (%)	Total (%)
DPI 1	9	10	9
DPI 2	49	51	49
DPI 3	26	26	26
DPI 4	16	12	15

Program A will have a single fee level, the experience of VRS has demonstrated that while there is some diversity amongst the job seeker group, this can be accommodated within a simpler fee structure.

The new model proposes two funding levels in Program B. Funding Level 1 has been set at the DPI Level 2. Funding Level 2 has been set at DPI Level 4. This streamlining will make the task of setting fees much simpler.

Early work shows that there is a correlation between job seeker characteristics (such as disability type, age, gender, location and number of years out of the workforce) and the level of support currently recorded by DEN providers. For Program B, a new assessment tool, similar to the Job Seeker Classification Instrument (JSCI), will run during the initial JCA to determine which of the two funding levels will apply. This tool will be underpinned by appropriate IT support.

The new assessment tool will use information currently collected by both Centrelink and the JCA.

The Government is committed to working with stakeholders on the development of the new disability employment services model, including the new assessment tool. A reference group, drawing on the experience of VRS and DEN providers, will be established to provide advice on the development of the new assessment tool.

Discussion point 1:

IT based funding level assessment tool

The new model uses a relative fee model with most resources going to the most disadvantaged.

What characteristics most influence a job seeker's DPI and DMI funding levels?

What additional issues or characteristics should the reference group consider when developing advice on the new IT based funding assessment tool?

There will be instances when a change of circumstances could result in moving to a higher funding level in Program B. How should this be managed?

Employment services to be provided

Both programs offer 18 months of employment assistance with a possible extension of six months for job seekers with capacity to benefit. Service providers will assess the impact that a job seeker's injury, disability or health condition is having on their ability to gain sustainable employment. Providers will develop flexible servicing options that best suit the needs of the individual job seeker.

The provider will develop an individually tailored Employment Pathway Plan (EPP) with each job seeker. Through this plan, they will agree the best combination of rehabilitation services, skills development, work experience or other assistance to help the job seeker overcome or manage barriers to employment. Services will also include work trials, job search skills and assistance.

If, after 18 months, the job seeker has not found employment, it is proposed that a new JCA will determine the next appropriate steps for the job seeker. One option would be to extend the program for an additional six months.

Discussion point 2:

Program support

Disability employment service providers will be given flexibility to determine the frequency of their contacts and other activities in accordance with the needs of the job seeker. However, to ensure a reasonable level of service, providers will be expected to meet regularly with job seekers and this will be reflected in the job seeker's EPP. What minimum contact requirements should be set?

The new model includes the option of extending the 18 month program for an additional six months for job seekers who are close to achieving an employment outcome.

Should an independent assessment be made for access to the additional six months?

If not, independently assessed, what evidence should be required to support the decision to extend a program for the additional six months?

Ongoing support

Ongoing support in the workplace will be available to job seekers in both programs.

Both programs provide assistance at job placement with services including, but not limited to, job redesign, workplace adjustments, and assistance with training co-workers and supervisors. Both programs require providers to continue to provide services as required up until the 26 week employment outcome. Most job seekers in Program A and some in Program B will be able to exit as independent workers once a 26 week outcome has been achieved.

After the first 26 weeks, however, three support options will be available:

- flexible ongoing support—available in both Programs A and B
- moderate ongoing support—available in Program B only, and
- high ongoing support—available in Program B only.

Flexible Ongoing Support

A new, flexible ongoing support option will be available in both Programs A and B. This service option becomes available once a 26 week outcome has been reached.

*The rules surrounding intermittent support are too inflexible, and the fees themselves are inadequate.*¹¹

Flexible ongoing support will provide a safety net for job seekers who have been placed into work, but whose support needs are likely to be irregular or less predictable. This support option enables providers to offer assistance as it is needed by the job seeker, including short bursts of intensive support in the workplace.

This option will be particularly helpful for job seekers with mental health and other episodic conditions and will provide reassurance to employers that support, if needed in the future, will be available. This can make the difference to an employer’s decision to take on job seekers with disability and responds to a key concern raised by employer groups.

A maximum dollar cost will be placed on this support option. Where a job seeker reaches the upper limit, providers will have the choice of having the job seeker’s support requirements independently assessed. If the job seeker is assessed as having moderate or high ongoing support needs, the job seeker may then transfer to one of the two longer term, ongoing support options in Program B.

**Discussion point 3:
Flexible ongoing support**

The proposed ‘fee for service’ Flexible Ongoing Support element will enable providers of disability employment services to offer more flexible support in the workplace, particularly for those likely to need occasional support.

What level of support should trigger an assessment for more regular longer term ongoing support?

More intensive ongoing support

Currently, DEN operates with four levels of ongoing support in each stream. In DEN Capped, the funding level is set using the Disability Maintenance Instrument (DMI). In DEN Uncapped, post-placement support fees are set as a proportion of employment assistance fees (which are set using the DPI) and ongoing support is only guaranteed for six months. Combined, there are eight different fee levels.

Program data shows that in DEN Capped, nearly 60 per cent of supported workers are assessed at DMI Level 1 funding. In DEN Uncapped, as post-placement fees are based on employment assistance fees, most job seekers are assessed at funding level 2.

Table 3—DEN maintenance phase/post-placement support caseload as proportion of DMI

	Capped (%)	Uncapped (%) *
DMI 1	57	10
DMI 2	17	51
DMI 3	13	26
DMI 4	14	12

*Based on DPI proportions

11 Options Victoria Inc, submission to the Review of Disability Employment Services (p.7)

In the new model Program B includes two additional choices for ongoing support—moderate or high level are available.

Moderate ongoing support fees have been set at DMI Level 2 and high ongoing support fees at DMI Level 4.

While the circumstances of each individual job seeker and employee will be different, Table 4 presents an example of how the new ongoing support options might compare with the existing DEN program maintenance phase.

Table 4—Example of comparison between existing and new arrangements

Existing DEN Programs	New Program B Options
DMI 1	Flexible or Moderate
DMI 2	Moderate
DMI 3	Moderate or High
DMI 4	High

Job seekers receiving high level ongoing support are those that require significant on the job assistance. On average, current DMI 4 supported employees receive around 10 hours of assistance each month. In the new model, the level of support is expected to be similar to this and include weekly on-the-job or face to face contact.

Moderate ongoing support will normally include at least weekly contact until the job seeker is settled in their job, followed by fortnightly face to face contact.

In the first instance, providers will be able to decide which level of ongoing support is appropriate for the job seeker.

Independent assessment

While ongoing services are a valued element of disability employment services, they create a long-term financial commitment. It is proposed that, while service providers will choose which level of ongoing support suits individual job seekers, an independent assessment of

continuing need for services will be introduced at 52 weeks from job placement.

It is anticipated that the assessment will include discussion with the service provider, consideration of evidence available and a workplace assessment.

It is proposed that a panel of independent assessors will be established as part of the Disability Employment Services 2010–2012 purchasing process.

Discussion point 4: Assessments

One weakness of any assessment is the propensity of people to demonstrate their strengths rather than their support needs. How could this new independent assessment prevent individuals losing access to the support they need because they were assessed 'on a good day'?

What weightings should apply to the discussion with providers and evidence of support provided?

What skills, experience and qualifications should be required of the new workplace assessors?

Employer incentives

Assistance for employers, individuals and employment service providers under the Employer Incentives Scheme will be made considerably more flexible and easier to access.

Employment Assistance Fund

The proposed creation of an Employment Assistance Fund (EAF) addresses feedback from employers, people with disability and their advocates during consultations on both the Review and the National Mental Health and Disability Employment Strategy. Many stakeholders raised concerns that the rules for using Workplace Modifications Scheme funds

were too restrictive. For example, it was implied that only physical modifications to the workplace or assistive technology could be funded. For many job seekers this appears to disregard the needs of people with mental health conditions. A number of advocates advised that perceived restrictions that apply to individuals (for example, accessing Auslan for Employment resources for job interviews) often made independent job search seem impossible.

Feedback from employers indicated that there was low recognition of the services and support available through the existing measures.

The Employment Assistance Fund will bring together resources from the Workplace Modifications Scheme and Auslan for Employment. Less restrictive rules will be applied to this fund, for example, the individual \$5000 cap on Auslan services will be lifted. Individuals, including those already in work or looking for work, will be able to access assistance along with employers and employment service providers. New promotional material will provide comprehensive information on the scope of assistance for which this fund can be used.

Example

Jayne has just graduated from university. Jayne has a vision impairment and is concerned that the extra costs of adjusting the workplace may put her at a disadvantage when she applies for graduate positions.

Jayne reads about the JobAccess Advisory Service and contacts them. Using the new Employment Assistance Fund JobAccess helps Jayne purchase specialist computer screen and keyboard. Jayne uses the equipment to apply for jobs online and is able to reassure potential employers that assistance will be available to help her and the employer with any necessary additional workplace adjustments.

Discussion point 5: Employer incentives

What rules should apply to individual job seekers claiming funds for workplace modifications or assistive technology?

Job in Jeopardy

Job in Jeopardy assistance will continue to be available for employers and employees who may be experiencing serious difficulty retaining employment due to the impact of disability, injury or health condition.

In the new model, disability employment service providers will be able to directly register 'at risk' workers and provide six months of assistance. Fees available will include quarterly service fees and an outcome fee once a client has maintained employment for a 26 week period.

Fee structure and payment system

The indicative fee structure is provided at Appendix 3. The fee structure is based on a relative model to ensure that resources are targeted to the most disadvantaged. Higher fees are available to those job seekers who will require a higher level of service.

There are three core elements of the payment arrangements:

- service fees
- outcome fees, and
- ongoing support fees.

The proposed fee structure includes a stronger focus on achieving outcomes, including skills development in areas of local skills shortages.

A simpler fee model for each program will significantly reduce red tape, particularly for providers currently working with the existing, complex DEN funding model. Program A will operate with a single fee level and there will be two fee levels in Program B.

Service fees

Service fees increase with the level of assessed job seeker disadvantage and will be paid quarterly in advance. The first two quarterly service fees in Program A are higher than the subsequent quarterly fees, as it is expected that this job seeker group will normally require more costly services in the initial stages of their programs.

Providers will no longer have to acquit each service fee. This will result in a considerable saving in red tape.

*Our organisation is relatively small with only 160 active clients. Even in this case we are making up to 200 manual claims every month. This is extremely time consuming and of no real benefit.*¹²

Discussion point 6:

Service fees

The proposed fee model streamlines service fees and will reduce administration for providers by replacing monthly service fees and the requirement to claim and acquit payments for each job seeker, with quarterly service fees paid in advance.

Are there any further improvements that can be suggested to derive and pay service fees?

How should we balance the need to ensure a job seeker receives assistance appropriate to their needs with the provider's responsibility to manage costs across their case load?

How should fees be shaped to discourage parking or under servicing harder to help job seekers?

Outcome fees

Outcome fees are paid at 13 and 26 weeks and are also paid at a higher rate for the most disadvantaged job seekers. In the new model, it is proposed that outcomes be set against assessed work capacity, regardless of income support payment. For example, a job seeker with an assessed work capacity of between 15 and 29 hours will have a minimum employment benchmark of 15 hours.

A full outcome fee will be paid for job seekers who achieve sustainable employment. The new model is based on periods of continuous employment. It is proposed that to count towards an outcome, periods of employment must be with the same employer or, in the case of more than one part-time job, the same employers. Job seekers may need to take breaks from work, for example, due to ill health or industry shut downs. The new model will take account of allowable breaks.

Pathway outcome fees will recognise progress towards achieving sustainable employment or education, such as substantial part-time work relative to a job seeker's assessed work capacity. The requirements for achieving a pathway outcome are less than those for a full outcome and the fees paid are less than those paid for a full outcome.

Skills, Education and Training

Feedback indicates that the pressure to place job seekers in any job has resulted in job seekers with disability being placed in entry level jobs, where they remain. These jobs are often low paid, precarious and unlikely to lead to career progression. The Government is committed to ensuring that employment services do more than this.

12 Jobmatch Association Inc submission to Review of Disability Employment Services (p.12)

13 Northcott Disability Services submission to the Review of Disability Employment Services (p.3)

*The program needs to have an increased focus on gaining qualifications and the development of long term and sustainable skills, which will in turn reduce the need for clients to re-enter the system. Financial incentives for this support should also be incorporated into the system.*¹³

Meeting employer skills needs

To ensure sufficient attention and resources are applied to skills development, bonus payments will be made for services that result in job seekers meeting local skills shortages. Consistent with universal employment services, bonus payments will be available when providers place a job seeker in an apprenticeship in areas of skills shortage or, for an employment outcome, where the job seeker has completed a qualifying training course relevant to the needs of the local labour market and goes on to obtain employment directly related to that course.

Example

Rodney left school three years ago. With support from his provider, Rodney completed a Certificate II in Security Operations and obtained a first aid certificate. His provider arranged for a work experience placement in the security industry.

After 10 months in the program, Rodney was successfully placed in a part-time security position and subsequently achieved a full employment outcome.

Because Rodney trained for a qualification in an area of local labour market need, and entered employment within 12 months in a job directly related to his training, his provider was eligible for a bonus outcome payment of 20 per cent, in addition to the full outcome fee.

Discussion point 7:

Outcome fees

What limits, if any, should be placed on allowable breaks when calculating an employment outcome?

Currently in DEN, the equivalent of a job placement fee is paid once a job seeker has been in employment for four weeks. In VRS, a job placement fee is paid as soon as a job seeker has been placed in employment. At what point should a job placement fee be payable?

As many job seekers try more than one job before settling into employment, how many job placement fees should an individual job seeker attract?

Ongoing support fees

Ongoing support is a valued element of the existing DEN and VRS programs, however, feedback from the consultations raised concerns that the rigid and limited options available made it difficult for providers to tailor ongoing support services to meet the needs of job seekers and employers.

In the new model there are three options for ongoing support:

- flexible ongoing support—available in both Programs A and B
- moderate ongoing support—available in Program B only, and
- high ongoing support—available in Program B only.

Flexible ongoing support fees will be paid on a fee-for-service basis for each instance of support. While providers may stay in touch with employees periodically, fees are only payable when assistance is provided, for example, the job seeker may require support settling into a new routine or additional support following a change in their health condition.

A maximum dollar cost will be placed on the flexible ongoing support option and, where a job seeker reaches the upper limit, providers will have the choice of having the job seeker's support requirements independently assessed. If the job seeker is assessed as having moderate or high ongoing support needs, the job seeker may then transfer to one of the two more intensive levels of ongoing support streams in Program B.

High and moderate ongoing support fees will be paid quarterly in arrears. The first fee will be payable 13 weeks after a 26 week outcome fee has been paid, at week 39.

Example

Peta has an episodic condition. With the help of her disability employment services provider, she has secured a job in a local library. Peta doesn't need intensive workplace support, but does occasionally need help when she has a relapse and her symptoms worsen. Peta's provider stays in touch periodically over the phone. Over the next 12 months, Peta's condition worsens and her provider helps her obtain and adjust to some new assistive technology. This is counted as one period of flexible ongoing support.

Additional fees

The number of additional fees will be streamlined under the new fee model to simplify the fee structure and reduce red tape for providers. Most of the current additional fees will be combined into the new service and outcome fees.

Work Based Personal Assistance

The Work Based Personal Assistance fee will continue to be available. These funds are provided to assist with the costs of any work based personal assistance a placed job seeker might require. Typically this includes assistance with administering medication or personal care.

Existing High Cost Worker Fee

A small number of Existing High Cost Workers grandfathered at the introduction of Case Based Funding to DEN, continue to access services. The Existing High Cost Worker Fee will continue to be available for this group.

Transition fees

The Government is committed to minimising any disruption to job seekers and employers during the move from the current to the new model. Two transition fees will be available.

A transition fee will be payable for DEN Capped DMI 4 supported workers, who, as a result of the implementation of the new programs, have to change providers.

A second transition fee will be payable for existing DEN Uncapped job seekers receiving DPI Level 4 funding who transfer to the new Program B with their current provider.

Indigenous Australians and remote servicing

Consistent with the arrangements for universal employment services, there will be more funding for services to job seekers in remote areas. Loadings will increase from roughly 30 per cent to 70 per cent in recognition of the high level of disadvantage and increased costs.

Also consistent with universal employment services, a wider range of outcomes will be recognised to reflect the particular circumstances of remote communities. This broader range of outcomes will help job seekers to develop literacy, numeracy and foundation skills.

Other new features, consistent with universal employment services

Contract management and performance management

The Government is committed to ensuring that performance management properly accounts for quality performance. Significant improvements to contract management and performance management have been made as part of universal employment services, including a Charter of Contract Management. The charter will strike a balance between the need to ensure value for money, and the need to ensure that providers are not unnecessarily burdened by contract compliance monitoring processes.

It is proposed that a similar Charter be developed for the new disability employment services. This will take account of the requirements that disability employment services providers must be certified against the Disability Services Standards.

*The current administrative tasks are onerous, and therefore the time spent with clients is reduced as staff are required to comply with administrative requirements.*¹⁴

Chapter 3—The procurement process

The new disability employment services contracts will run from 1 March 2010 to 30 June 2012.

The purchasing process will be conducted in accordance with the Commonwealth Procurement Guidelines, which aim to ensure value for money by:

- encouraging diversity and competition
- efficient, effective and ethical use of resources, and
- accountability and transparency.

The procurement process will strike a balance between the need to ensure taxpayers' funds are spent efficiently, effectively and ethically, the need to ensure that disruption for job seekers and supported workers is minimised and that quality performance is properly accounted for.

Tenderers will be able to tender for Program A, Program B or both.

Procurement for Program A

The proposed model includes a quarantined business share for CRS Australia in Program A, calculated on the value of VRS business quarantined for CRS Australia in 2008-09 and converted into a business share in the new Program A. All other business in Program A—expected to be between 40 and 50 per cent—will be subject to an open and competitive tender.

More detailed information on market share will be available in the tender documentation.

Procurement for Program B

Program B will include an Invitation to Treat (ITT) for existing, high performing DEN providers—three stars and above. Invitations to Treat will be limited to the current business share performing at three stars or above.

An Invitation to Treat creates an opportunity for these providers to register interest in providing services in the new contract period. Eligible organisations will also need to meet due diligence and financial viability checks.

An open competitive tender process will be conducted for the remaining business. This is intended to provide stability for job seekers and supported workers while ensuring that the best possible services are available to job seekers and employers.

Exclusive specialists

Both DEN and VRS currently accommodate exclusive specialists, that is, services that limit access to particular disability types. The new disability employment services model will continue to support a combination of providers, including such specialists who wish to work with particular client groups.

Other services to be contracted

In addition to the disability employment services, a number of other services will also be contracted. The contract periods for these services are also 1 March 2010 to 30 June 2012.

These services include:

- the Supported Wage System
- Workplace Assessments under the new Employment Assistance Fund
- Ongoing Support Assessments
- the National Disability Recruitment Coordinator, and
- JobAccess services.

Supported Wage System

If a person with disability is not able to work at the same productivity levels as their co-workers due to the effects of their disability, the person may be eligible for assistance under the Supported Wage System.

A Supported Wage System assessor conducts an initial productivity assessment (after a trial period has been completed), facilitates completion of the Supported Wage System agreement with the employer and employee and submits the Supported Wage System agreement and assessment to the relevant Industrial Relations authority if required.

Workplace Assessments under the Employment Assistance Fund

Funding for the existing Workplace Modifications Scheme will be incorporated into the new Employment Assistance Fund. A new panel of workplace assessors will need to be established.

All applications for workplace modifications in excess of \$10 000 will require a workplace assessment by a qualified assessor to determine the right workplace modifications or adjustments for the employee. The workplace assessor can also identify and provide advice about the removal of barriers to occupational health and safety in the workplace.

Ongoing Support Assessments

For the first 12 months following job placement, providers will determine the appropriate level of support for employees identified as requiring ongoing support. In cases where a provider considers that ongoing support should continue beyond 52 weeks from job placement, an independent assessment will be required. The independent assessor will, in consultation with the employee, employer and disability employment services provider, assess ongoing support requirements and recommend an appropriate level.

National Disability Recruitment Coordinator

The National Disability Recruitment Coordinator (NDRC) service, operates as a single, national contract. The contracted provider works with large employers who employ more than 100 employees to develop Memorandum of

Understanding (MOU), which commits the employer and the NDRC service to increase the employment of people with disability within the organisation.

The NDRC service aims to create job opportunities for people with disability and provide assistance to large employers to develop disability recruitment and employment policies.

JobAccess

The JobAccess service operates under a single, national contract and provides an information and advice service on disability employment matters. It offers help and workplace solutions for people with disability and their employers to contribute to increasing the employment and retention of people with disability. The JobAccess service also manages the Workplace Modifications Scheme and the Auslan for Employment program, which will be combined to form the new Employment Assistance Fund.

JobAccess provides a telephone advisory service and a website of comprehensive and accessible information developed specifically for employers, job seekers and employees with disability, co-workers of people with disability and employment service providers. JobAccess advisers comprise a team of professional staff qualified to provide individualised and confidential advice on a broad range of disability employment matters, including workplace solutions and modifications, adaptive equipment, rights and responsibilities at work and other programs and services.

Chapter 4—Transition to the new model

While the new disability employment services model offers significant improvements in services, the Government is mindful that moving to the new model will require careful attention to ensure a smooth transition for job seekers, employers and providers.

The following principles will be considered for the new disability employment services:

- transition activities must support the commencement of the new model on time on 1 March 2010
- transition activities must be consistent with the design of the new model, while existing contractual obligations must be honoured, and
- all eligible job seekers must be referred to new providers contracted under the new model as efficiently and sensitively as possible.

These principles will assist in minimising the risk of disruption while ensuring that providers are not faced with excessive red tape and complexity in order to complete the transition process.

For some providers this will be their first experience with a formal transition process, while others may be familiar with the process from previous contracts. The Government is keen to hear from providers in both circumstances to address the full range of concerns from within the industry.

Discussion point 8:

Transition issues

Based on your experience of providing assistance to people with disability, what are the key issues that you believe will need to be addressed during the transition process?

How do you believe those issues could be best addressed?

Existing providers

It is important that providers continue to deliver a high level of service to existing job seekers, including:

- working with job seekers in removing barriers to employment
- assisting job seekers to find and retain sustainable employment
- managing relationships with employers and local industry
- providing necessary guidance to staff to manage the transition process, and
- communicating with DEEWR to provide feedback and for issue resolution.

In the period leading up to 1 March 2010, it is expected that providers who do not tender, or win a new contract, will continue to deliver services irrespective of whether they are continuing to do so in the new model. However, DEEWR will consider, on a case-by-case basis, requests from providers to exit their contract early. The Government has made no financial provision for providing exit packages.

Discussion point 9: Communication

How do you believe the transition arrangements should best be communicated to providers, job seekers and employers?

Is there anything DEEWR should do to assist providers in delivering a quality service for the remainder of this contract period?

Indicative transition of existing job seekers and supported employees to the new model

As part of the transition process, job seekers and supported employees will be transferred from their existing program to the new disability employment services. Clients will be referred to the appropriate program based on their support needs.

In general, job seekers who have been assessed as not requiring intensive, ongoing support in the workplace will move into Program A. Supported employees and job seekers assessed as requiring intensive ongoing support will move into Program B at a funding level commensurate with their ongoing support needs.

Appendix 4 provides details of the proposed approach moving existing job seekers and supported employees to the new programs and funding levels.

Discussion point 10: Transition to the new model

Are there any specific indicators that you believe should be considered when determining an existing job seeker's program and funding level? Can these indicators be identified in the system?

Given the complexity of the current system, some job seekers may not be in the right program and will need to be reassessed for the new programs. What indicators should trigger a reassessment?

Transition support

The Government has identified a number of strategies for helping providers and job seekers move to the new arrangements, as set out below.

It is proposed that additional transition fees will be available to assist the most vulnerable clients to move to the new arrangements.

Transition fee for DEN Capped DMI 4 workers changing providers

A transition fee will be available to providers who, as part of the new arrangements, take on existing DEN Capped DMI level 4 clients receiving ongoing support in the workplace.

The transition fee will enable the new provider to work intensively with the supported employee and employer over the first few months of the new contract. This will allow the provider to develop a clear understanding of the client's environment and support needs, and enable the provider, employee and employer to quickly establish rapport.

The Government is interested in hearing how providers believe any risks can be minimised.

Transition fee for DEN Uncapped DPI level 4 job seekers

Additional assistance will be available where DEN Uncapped Disability Pre-Employment Instrument (DPI) level 4 clients move to one of the new programs with their current provider. This additional assistance is paid to recognise the very high level of service fees paid in relation to current DEN Uncapped DPI 4 job seekers. In the new programs, resources are available for the services needed, in particular, ongoing support.

This transition fee will cover the difference in service fees for eligible DEN Uncapped DPI 4 clients and service fees payable in the new Program B.

Discussion point 11:

Transition supported employees

What do you think is the best way to help supported employees who need to move from their existing provider to a new provider?

Apart from the requirements set out in the current contract or funding deed, are there any steps that you recommend providers should take?

Chapter 5—Next steps

Consultation sessions

National consultations on the new model for disability employment services will be held between **Monday 8 December** and **Friday 12 December 2008**. Sessions will be conducted in the following locations—Sydney, Melbourne, Brisbane, Adelaide, Perth, Hobart, Darwin, Canberra, Bendigo, Dubbo, Coffs Harbour and Townsville.

More information on the consultations can be found at

workplace.gov.au/workplace/publications/policyreviews

or by phoning the Disability Employment Services Review hotline on **1800 064 516**.

Please contact the Employment Services Purchasing hotline on **1300 733 514** or via email at **espurchasing@deewr.gov.au** to register for a consultation session.

The Government will consider the views and feedback you provide in the consultations and determine how best to incorporate this in the new approach to disability employment services and determine any necessary revisions.

Procurement process

It is anticipated that procurement will begin with the release of an exposure draft of the Request for Tender in April 2009.

A Request for Tender is expected to be issued in August 2009, with a view to the new contracts and funding agreements commencing on **1 March 2010**.

Chapter 6—How to make a submission

You may make a written submission on the proposed model for disability employment services before **30 January 2009**. You can also provide feedback at one of the public consultation sessions which will be held between **Monday 8 December 2008** and **Friday 12 December 2008**.

You may send us a new submission, or you may request that a submission you have previously provided, be considered as part of this phase of the review. Detailed comments can be submitted by mail, email or facsimile.

A list of all the discussion points in this discussion paper are contained in Appendix 5.

Submissions can be made until close of business 30 January 2009

Submissions may be lodged by mail to:

Project Manager
Disability Employment Services Review
Department of Education, Employment and
Workplace Relations
12M12
GPO Box 9880
CANBERRA CITY ACT 2601

Please note that the Australian Government may publish submissions received, in full or in part, at **workplace.gov.au** or in other places, including print publications. However, you may choose not to have your submission published. You need to indicate if you do not wish your submission to be published by stating so clearly in any covering letter or email.

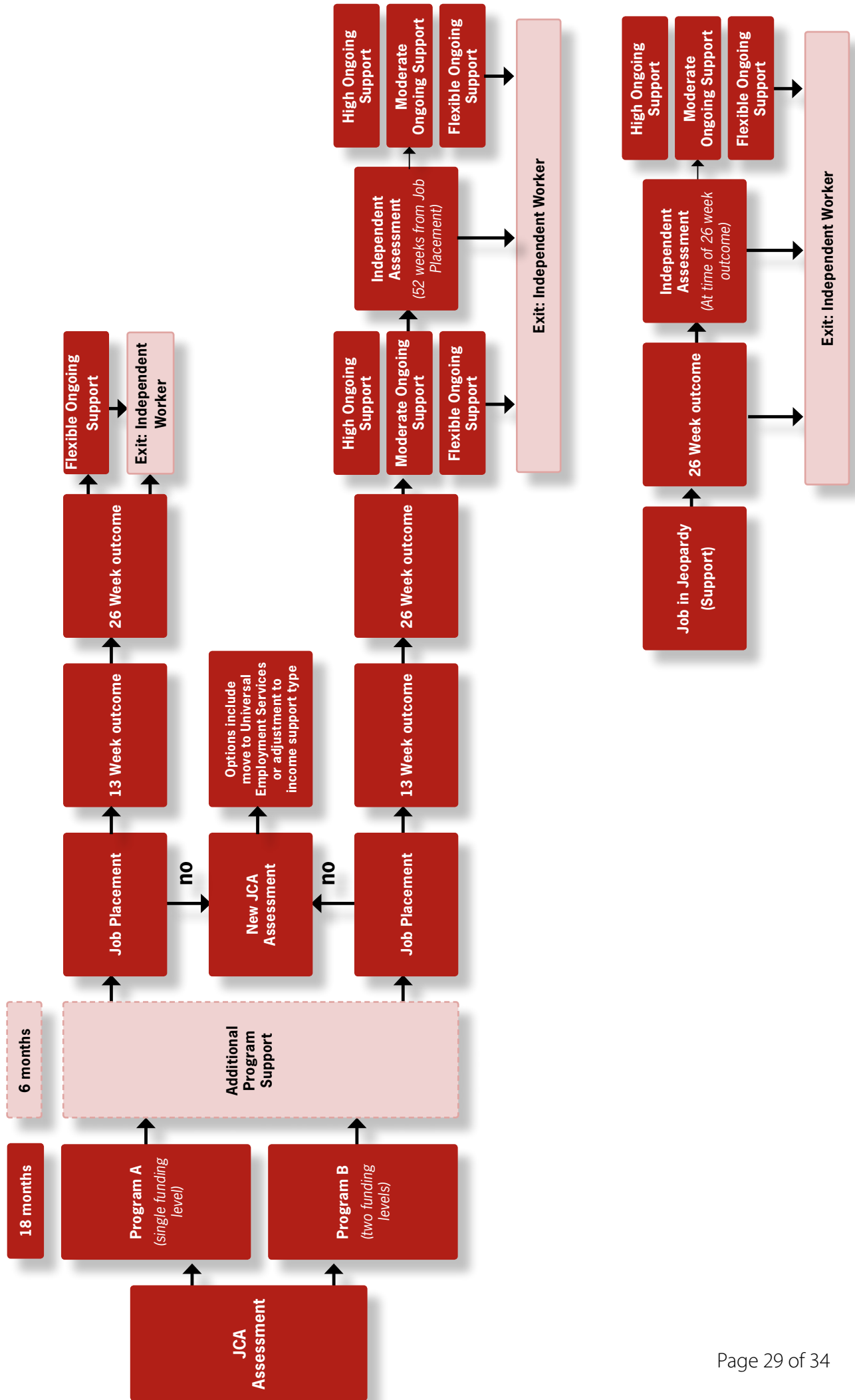
Submissions may be lodged by email to:

desreview@deewr.gov.au

Alternatively you may provide feedback by facsimile on the following number:

Fax: 02 6121 8061

APPENDIX 1—The new model for disability employment services



APPENDIX 2—Program overview

PROGRAM A		PROGRAM B	
Employment Pathway Plan			
		LEVEL 1	LEVEL 2
	<ul style="list-style-type: none"> Disability, injury, ill health 	<ul style="list-style-type: none"> Permanent disability plus long term ongoing support 	<ul style="list-style-type: none"> Permanent disability plus long term ongoing support
SERVICE FEES	<ul style="list-style-type: none"> Up to \$6 050 for 18 months Up to \$1 430 for an optional 6 month extension 	<ul style="list-style-type: none"> Up to \$5 340 for 18 months Up to \$1 780 for an optional 6 month extension 	<ul style="list-style-type: none"> Up to \$11 400 for 18 months Up to \$3 800 for an optional 6 month extension
OUTCOME FEES	<ul style="list-style-type: none"> \$770 for a Job Placement \$945 to \$7 260 for an outcome 	<ul style="list-style-type: none"> \$770 for a Job Placement \$945 to \$7 260 for an outcome 	<ul style="list-style-type: none"> \$1 540 for a Job Placement \$1 815 to \$13 200 for an outcome
ONGOING SUPPORT FEES	<ul style="list-style-type: none"> FLEXIBLE ONGOING SUPPORT \$440 PER INSTANCE 	<ul style="list-style-type: none"> MODERATE ONGOING SUPPORT \$1 320 QTLY 	<ul style="list-style-type: none"> HIGH ONGOING SUPPORT \$3 300 QTLY
	<ul style="list-style-type: none"> Employment Assistance Fund / Employer Incentives 		

Note: 70 per cent loading applies to service and support fees for designated remote areas

APPENDIX 3—Indicative Fee Structure

Notes: Fees are GST inclusive
 B-1 = Program B, funding level 1
 B-2 = Program B, funding level 2



	Quarterly Fee	Quarterly Fee	Quarterly Fee	Quarterly Fee	Quarterly Fee	Quarterly Fee
PROGRAM A						
1st Service Fee \$1,595	Subsequent 13Week Service Fee \$715	\$715	\$715	\$715	\$715	\$715
PROGRAM B						
1st Service Fee B-1 = \$890 B-2 = \$1,900	Subsequent 13Week Service Fee \$890 \$1,900	\$890 \$1,900	\$890 \$1,900	\$890 \$1,900	\$890 \$1,900	\$890 \$1,900

	Quarterly Fee	Quarterly Fee	Quarterly Fee	Quarterly Fee	Quarterly Fee	Quarterly Fee
PROGRAM A						
Job Placement \$770	13Week Outcome \$2,860	26Week Outcome \$4,400	Pathway 13Week Outcome \$945	Pathway 13Week Outcome \$945	Pathway 26Week Outcome \$1,450	Pathway 26Week Outcome \$1,450
PROGRAM B						
Job Placement B-1 = \$770 B-2 = \$1,540	13Week Outcome B-1 = \$2,860 B-2 = \$5,500	26Week Outcome B-1 = \$4,400 B-2 = \$7,700	Pathway 13Week Outcome B-1 = \$945 B-2 = \$1,815	Pathway 13Week Outcome B-1 = \$945 B-2 = \$1,815	Pathway 26Week Outcome B-1 = \$1,450 B-2 = \$2,540	Pathway 26Week Outcome B-1 = \$1,450 B-2 = \$2,540

ONGOING SUPPORT

Paid following the 26 week outcome

Flexible = \$440 per Instance Program A & Program B	Moderate = \$1,320 Program B (Paid Quarterly)	High = \$3,300 Program B (Paid Quarterly)
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- Remote fees**
- A 70 per cent loading will apply to all Service and Ongoing Support fees for job seekers in Designated Remote Areas Outcome payments in Remote Areas will be paid for a broader range of reasons to support job seekers to further develop their literacy numeracy and foundation skills.
 - Remote Education Commencement fee (\$500)
 - Remote Education Achievement Outcome fee (\$1,500)

Bonus Outcome Fees	Job in Jeopardy fees
13Week Outcome Program A = \$570 Program B1 = \$570 Program B2 = \$1,100	1 st Service Fee = \$1,320 2 nd Service Fee = \$1,320 26Week Outcome Fee = \$2,860

- Other Fees**
- A Transition fee for DEN capped DMI4 supported workers moving to a new provider - \$1,100.
 - A Transition fee for DEN uncapped DPI4 clients moving into the new programs with their current provider \$1,115 additional per service fee.
 - Work Based Personal Assistance and High Cost Worker fee will continue.

APPENDIX 4—Indicative transition of job seekers from DEN and VRS to Programs A and B

Current program and stream	Current status	Current funding level	New program	New funding level
DEN Capped stream	Employment Assistance Phase	DPI Level 1	Program B	Funding Level 1
		DPI Level 2	Program B	Funding Level 1
		DPI Level 3	Program B	Funding Level 2
		DPI Level 4	Program B	Funding Level 2
	Employment Maintenance Phase	DMI level 1	Program B	Moderate
		DMI level 2	Program B	Moderate
		DMI level 3	Program B	High
		DMI level 4	Program B	High
DEN Uncapped stream	Employment Assistance Phase	DPI Level 1	Program B	Funding Level 1
		DPI Level 2	Program B	Funding Level 1
		DPI Level 3	Program B	Funding Level 2
		DPI Level 4	Program B	Funding Level 2
	Employment Maintenance Phase	DPI level 1	Program B	Moderate
		DPI level 2	Program B	Moderate
		DPI level 3	Program B	High
		DPI level 4	Program B	High
VRS fixed place stream	Single funding level	Single funding level	Program A	Single funding level
VRS demand driven stream	Single funding level	Single funding level	Program A	Single funding level

APPENDIX 5—Discussion Points

Discussion point 1: IT based funding level assessment tool

The new model uses a relative fee model with most resources going to the most disadvantaged.

What characteristics most influence a job seeker's DPI and DMI funding levels?

What additional issues or characteristics should the reference group consider when developing advice on the new IT based funding assessment tool?

There will be instances when a change of circumstances could result in moving to a higher funding level in Program B. How should this be managed?

Discussion point 2: Program support

The disability employment service providers will be given flexibility to determine the frequency of their contacts and other activities in accordance with the needs of the job seeker. However, to ensure a reasonable level of service, providers will be expected to meet regularly with job seekers and this will be reflected in the job seeker's EPP. What contact minimum requirements should be set?

The new model includes the options of extending the 18 month program for an additional six months for job seekers who are close to achieving an employment outcome.

Should an independent assessment be made for access to the additional six months?

If not independently assessed, what evidence should be required to support the decision to extend a program for the additional six months?

Discussion point 3: Flexible Ongoing support

The proposed 'fee for service' flexible ongoing support will enable providers of disability employment services to offer more flexible support in the workplace, particular for those likely to need occasional support.

What level of support should trigger an assessment for more regular intensive ongoing support?

Discussion point 4: Assessments

One weakness of any assessment is the propensity of people to demonstrate their strengths rather than their support needs. How could this new independent assessment prevent individuals losing access to the support they need because they were assessed 'on a good day'?

What weightings should apply to the discussion with providers and evidence of support provided?

What skills, experience and qualifications should be required of the new workplace assessors?

Discussion point 5: Employer Incentives

What rules should apply to individual job seekers claiming funds for workplace modifications or assistive technology?

Discussion point 6: Service fees

The proposed fee model streamlines service fees and will reduce administration for providers by replacing monthly service fees and the requirement to claim and acquit payments for each job seeker with quarterly service fees paid in advance.

Are there any further improvements that can be suggested to derive and pay service fees?

How should we balance the need to ensure a job seeker receives assistance appropriate to their needs with the provider's responsibility to manage costs across their case load?

How should fees be shaped to discourage parking or under-servicing harder to help job seekers?

Discussion point 7: Outcome fees

What limits, if any, should be placed on allowable breaks when calculating an employment outcome?

Currently in DEN, the equivalent of a job placement fee is paid once a job seeker has been in employment for four weeks. In VRS, a job placement fee is paid as soon as a job seeker has been placed in employment. At what point should a job placement fee be payable?

As many job seekers try more than one job before settling into employment, how many job placement fees should an individual job seeker attract?

Discussion point 8: Transition issues

Based on your experience of providing assistance to people with disability, what are the key issues that you believe will need to be addressed during the transition process?

How do you believe those issues could be best addressed?

Discussion point 9: Communication

How do you believe the transition arrangement should best be communicated to providers, job seekers and employers?

Is there anything DEEWR should do to assist providers in delivering a quality service for the remainder of this contract period?

Discussion point 10: Transition to the new model

Are there any specific indicators that you believe should be considered when determining an existing job seeker's program and funding level? Can these indicators be identified in the system?

Given the complexity of the current system, some job seekers may not be in the right program and will need to be reassessed for the new programs? What indicators should trigger a reassessment?

Discussion point 11: Transition supported employees

What do you think is the best way to help supported employees who need to move from their existing provider to a new provider?

Apart from the requirements set out in the current contract or funding deed, are there any steps that you recommend providers should take?