

Disability Employment Services - Invitation to Treat

Questions and Answers – Stage 1

20/10/09

42

Q. At what point must I claim a job placement fee?

A. Providers will need to decide when they should claim a job placement fee. A job placement fee can be claimed once a job seeker who has been placed in eligible work reaches the required number of hours, based on their assessed work capacity, over no more than 10 consecutive working days from the job placement start date. Providers however are not obliged to claim a job placement fee whenever or as soon as these requirements are met. Providers should only claim a job placement fee where they have a reasonable expectation that the job will last for at least 13 consecutive weeks and the claim is otherwise in accordance with the deed. The job placement start date - related to the date of the job placement fee - will, in most circumstances, be the anchor date for the 13 and 26 week outcome payments.

19/10/09

41

Q. Can you clarify Paragraph 19 in the Invitation to Treat Information Paper which states: *“A provider’s number of existing participants will have no impact on that provider’s future business share or referrals. Exceptions to this may be where current DEN participants select an alternative provider on transition, where their current DEN provider chooses to exit the market or where the provider is located at an unreasonable distance from the participant.”*

A. The ITT process converts current DEN business into an initial business share of the new Program B. This means that most DEN providers will be at their contracted business share when they start receiving new referrals from 1 March 2010 and the number of existing participants will therefore have no impact on their share of new referrals. However there may be exceptions, for example where participants select an alternative provider on transition or where a current DEN provider chooses to leave the market, which may result in a provider exceeding their maximum business share tolerance of 130% on 1 March 2010. In these exceptions their share of new referrals may be affected.

13/10/2009

40

Q: When considering the business share offer numbers, are Direct Registrations counted as part of the business share case load.

A: Direct registrations have been included in the point in time caseload (30 June 2009 data extract).

39

Q: Could you clarify how the Disability Employment Services Deed 2010-2012 treats Direct Registrations?

A: Once providers have a contracted business share in an ESA, participants who directly register are not counted against that business share. Chapter 5 Section 5D Clause 83.7 of the Disability Employment Services Deed 2010-2012 provides more detail.

38

Q: When justifying my business case on table 4 of Attachment 1, is there a limit to the number of words the field will accept, or is there a way to get more information into the field?

A: You are required to be succinct in your response when completing Table 4 of Attachment 1 of the ITT Stage 1 letter. However, the letter also specifies that a separate attachment needs to be created for each change/request.

08/10/09

37

Q: In the ITT documents, how do we split a business share into a generalist/ specialist breakdown?

A: Business shares allocated to all providers will be determined through this ITT process. Stage 1 will settle the ESAs to be included in each provider's Stage 2 ITT letter. Providers will have an opportunity to identify as specialists and nominate a business share figure in their formal offer back to the Department in Stage 2 of the ITT. Paragraph 63 to 65 of the ITT Information Paper refers.

36

Q: Will total client numbers by ESA be made public?

A: There is information about DEN and VRS Client numbers on the LIMP at the [Labour Market Information Portal webpage](#).

35

Q: How will JCAs manage initial and repeat assessments?

A: JCAs will have a simplified process that will mean more time is available for the actual assessment. The types of questions the JCA asks the job seeker will be similar to those currently asked.

34

Q: There is no information in the Request for Tender on how job seekers in Program A or B can access NEIS.

A: DEEWR are working with the Government on this and expect to have some news in the near future.

33

Q: Job seekers with a capacity of 0-7 hours are not eligible in the new DES. Is there still an opportunity for this decision to be reviewed? If not, why?

A. The Government's decision is no for this contract period. This decision is based on a job seekers capacity to gain a benefit from this expensive, specialised DES program. Job seekers assessed with a capacity of 0-7 hours can volunteer for Job Services Australia.

32

Q. At the end of Program B, can the job seeker start again if they do not have an outcome?

A. There is an option for repeating the program if the JCA finds it is still the best program to service the job seekers needs.

31

Q. Will current job seekers be starting in the new program on 1 March 2010?

A. Job seekers being serviced by DEN providers on 1 March 2010 will transition to Program B at the same point in time of the program, they are not required to restart.

30

Q. What is the timeframe for JCAs to be trained to operate the funding level tool?

A. JCAs will not be operating the funding level tool. JCAs will still be required to answer the same or similar questions as now to assess the appropriate program for the job seeker. The information collected by the JCA, Centrelink and the JSCI is added to the system and an IT tool decides the level of funding required.

29

Q. The new program design will mean job seekers will be exited at a greater rate than in the current DEN. Will there be sufficient flow to counter balance these exits?

A. The unmet demand in the current program (DEN) is unknown, therefore the flow is unknown.

28

Q. What was the estimate of job seeker numbers used to gain Treasury's agreement to the \$1.2B for the new services, and what reduction or increase is expected?

A. The \$1.2B is committed to by Government; however the uncapping means this figure is not defined and is necessary more will be spent.

27

Q. The local economy appears to determine the current star ratings when the weightings are supposed to adjust this factor. How will weightings be managed in the future?

A. DEEWR does not see this correlation in the current data. A statistics expert will be a member of the Performance Technical Reference Group to ensure the maths and stats are right. If there is insufficient data available for an ESA, then star ratings are not used.

26

Q. At the end of 2012, will there be a rollover of business? What are we to expect?

A. This decision will be made by Government. However, there is flexibility in the Deed for a rollover or extension.

25

Q. Will Program A and B be named?

A. The Minister is yet to decide on this.

24

Q. Will the development of program guidelines involve providers?

A. The Transition Working Group membership will include the peak organisations and their nominated providers. This Group will look at the program guidelines in detail.

23

Q. Where can Program B providers find information on the future flow of job seekers to the program?

A. There is no predictive data made available, however historical DEN data is available on the Labour Market Information Portal. The future flow of job seekers will depend on income support arrangements, referrals by JCAs and a provider's relationships with the community in their contracted ESAs.

22

Q. Are specialist Program B providers required to have a contract in an ESA before they can draw job seekers requiring that speciality service?

A. With DEEWR's agreement, job seekers are able to choose a specialist provider outside their ESA.

21

Q. The announcement of the outcome of the tender for Program A is expected at the same time as the Program B allocation. This does not allow Program B providers time to assess their ITT offer on the basis of any business awarded through the tender process.

A. Announcements are required early December to allow sufficient time for providers and job seekers to transition to the new programs. Feedback from the sector during the consultation process, asked that outcomes be known as soon as possible before 1 March 2010.

20

Q. Why are providers prohibited from direct registering job seekers outside the contracted ESA?

A. There are exceptions to this rule, for example, where a job seeker specifically chooses a provider in another ESA. However, this rule is required to protect the integrity of the contracts of providers in an ESA.

08/10/09

19

Q. Our 2009 audited accounts will be finalized after the due date of 15.10.09 for

responding to DEEWR.

Therefore, can you please advise if 2008 and prior two years audited accounts will be acceptable in response to the Invitation to Treat - Stage 1 for Disability Employment Services Program B without the inclusion of 2009 accounts. Refer item 16.1 of the financials and credentials form.

A. The most recent Accountant prepared financial statements should be provided. However, you may provide a copy of the draft unaudited financial statements for DEEWR's consideration. The onus of proof is on the tenderer to satisfy DEEWR of the financial viability of the organisation.

18

Q. We recently tendered for Program A, do we need to send our Financials and Credentials when accepting the ITT.

A. ITT respondents who have provided Financial and Credentials Information with the RFT will not be required to re-submit the same information with the ITT response unless there have been changes.

17

Q. What should I do to indicate on the Subcontractor Credentials Information Form that there is no proposed sub-contracting arrangements?

A. If a tenderer wishes to engage a Subcontractor to perform part of its obligations under the Deed(s), details of the proposed subcontracting arrangements must be provided. The Sub contractor Credentials Information Form is to be used for this purpose. If you do not intend to use subcontractors, then the Subcontractor Credentials Information Form does not need to be completed or returned.

16

Q. We are a generalist provider and we will include specialist services in our offer to the department. Is there any documentation we should include to support our offer/rational to provide specialist services?

A. The formal identification of specialist business shares will take place during Stage 2 of the ITT. More detailed information about the Invitation To Treat and specialists is included in the Invitation To Treat Information Paper at paragraphs numbered 63 to 65 inclusive.

15

Q. On what basis are the business share ranges arrived at, as in Example 1 on Page 5 of the ITT paper (e.g. why is the range 10% to 25%)?

A. The business share ranges provide information on the results of business share calculation for each ESA. In stage 1 the business share is expressed as a range as Stage 1 responses may result in the business shares moving up or down. The ranges were chosen to give providers an indication of the initial business share calculation.

14

Q. We are a provider of both generalist and specialist services. Will we receive one ITT or for all our caseload or will we receive two invitations, one for generalist and one for specialist?

A. Stage 1 letters cover all clients and does not attribute a providers caseload as specialist or generalist. Providers will have the opportunity at the second stage of the ITT to indicate whether they are a specialist as well as the business share they wish to attribute to that specialty. More information will be provided about how to do this during the second stage of the ITT.

13

Q. Are we able to offer specialist Services that cover more than one category – i.e. mental health and intellectual disability?

A. Yes, you would need to identify those specialisations back to DEEWR. In these instances you would be proposing two specialist services rather than one with two categories. You will need to propose a business share for each speciality and this should be commensurate with the proportion of participants matching that specialty in your 30 June 2009 caseload. More detailed information about the Invitation To Treat and specialists is included in the Invitation To Treat Information Paper at paragraphs numbered 63 to 65 inclusive

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Q. We currently have 2 sites in 1 ESA. This ESA will be split in two and we will now have one site in each of the two new ESAs. Will we receive an offer for both ESA.

A. Yes, your Stage 1 letter should include a business share for each of the two ESAs.

11

Q. Will Gap filling be a discretionary or mechanical process?

A. Gap filling will not be a mechanical process and will only be undertaken where the Invitation To Treat process does not allocate all the business in an Employment Service Area. Value for money principles set out in paragraph 9 of the ITT Information Paper will guide all gap filling decisions. The method used will depend on the unique circumstances of each ESA affected.

10

Q. Is DEEWR looking to have specialist services delivered in all ESAs?

A. DEEWR has no predetermined view about where specialist services will or should be located - and there is no predisposition to having a Specialist Service in each ESA.

9

Q. DEN uncapped participants were previously factored in at 40% for the ITTs and this has now increased to 100%, so that full caseloads are included - When was this decision made.

A. The change in the formula was made to accommodate the decision to extend the ITT to all DEN providers and is linked to the objective of minimising disruption to participants and employers currently accessing services through DEN.

8

Q. If a provider chooses not to take up business Share in the preparatory stage of the ITT how will this Business Share be reallocated?

A. In this situation, business shares will be allocated during the gap filling.

7

Q. Will uncapped clients be referred to Program A?

A. All current Capped and Uncapped clients will be included in caseload calculations in the Invitation To Treat.

6

Q. In calculating the Business Share for the purposes of the ITT will direct registrations be included?

A. Direct registrations will be included in the caseload calculations for the ITT.

5

Q. Does the point in time caseload include referred and not commenced clients?

A. The Point in time Caseload (at 30 June 2009) includes only registered and active clients.

4

Q. On the ITT you have sent to me, there is no drop down list or menu of any description.

A. There are three tabs of worksheets at the bottom of the window in Attachment 1:

- Cover
- Indicative Business Allocations
- Potential Further Allocations

By clicking the tabs of worksheets, you can select a different sheet.

Please note- there are many protected cells in the tabs/Worksheets and you are unable to change the information in these cells. The cells you can edit are highlighted in blue on Tab 1 and 2. Tab 3 also indicates the cells you are able to enter information into as described in the accompanying text. Once you have clicked into the cell where you are able to enter information, a drop down arrow will appear at the right hand side of the cell, which you may then click on to see the options available. Where an arrow does not appear, this is a free text field.

07/10/09

3

Q. Does the definition of "current" participants in the ITT Information Paper include suspended, pending and other categories?

A. The definition of "current" participants is consistent with all DEN-related reports that DEEWR produces and includes only currently registered and active participants. As such, it does not include suspended participants or those pending commencement.

2

Q. The Invitation To Treat Information Paper states that 'initial business share is calculated based on DEN Caseloads as at 30 June 2009'. Is the calculation based on actual caseload numbers as at 30/6/09 or, allocated capped places?

A. Participant numbers, not contracted or allocated placed, have been used to calculate the total volume of DEN business.

1

Q. The Invitation To Treat Information Paper indicates that the caseload data has been extracted as at 30 June 2009. On this date we had a further number of clients "referred waiting". We were servicing these clients in a program while they were waiting for a place to become available in the DEN Capped program. Will these extra clients be included in the formula to determine our business share?

A. No, only current registered participants in DEN Capped and DEN Uncapped at 30 June 2009 have been included in the business share calculations.