

# The financial viability of IPS within DES

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Version 1.1



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**ORS GROUP**

# What is IPS?

- Evidence based model for assisting clients with SPMI to obtain and sustain competitive employment
- Based on a set of principles outlining the delivery of the service
- Consistency of the IPS model is assessed via a fidelity scale
- Originally designed for adult clients of public funded mental health services in the USA

# IPS Principles

- Competitive employment is the goal
- IPS supported employment is integrated with treatment
- Zero Exclusion: Eligibility is based on client choice
- Attention to client preferences

# IPS Principles

- Benefits counselling is important
- Rapid job search
- Systematic job development
- Time-unlimited support

# How is IPS measured – IPS Fidelity Review

- Assesses how well the IPS model has been implemented and identifies areas for quality improvement
- Fidelity scale assess 25 items on a 5 point Likert scale
- Assessment conducted via interviews, observations, meetings and reviewing files
- Fidelity report outlines if the services is congruent with the IPS model and lists recommendations required to improve future fidelity

# IPS Fidelity Review

Three key areas that are assessed under fidelity (operational principles)

## Staffing

- Employment specialists manage caseloads of up to 20 active participants
- Employment specialists perform only employment-related services
- Employment specialists perform ALL employment-related services including engagement, vocational planning, placement, and post-placement/ongoing support.

# Fidelity Review

## Organisational

1. Mental health and employment specialists are integrated into one team
2. Mental health and employment specialists are integrated through regular formal and informal contacts
3. Mental health and employment specialists collaborate and assist one another with the common goal of employment for shared clients
4. Employment specialists form a vocational unit where at least two employment specialists and an employment supervisor meet weekly for case conferencing and supervision.

# Fidelity Review

## Organisational-continued

5. An employment supervisor provides supervision/mentoring that is outcome focused and ongoing, and preferably in the field
6. A zero-exclusion policy applies, so all interested clients can participate
7. The organisation focuses on competitive employment only
8. Executive staff strongly support the IPS model



# Fidelity Review

## Services

1. Work incentives planning and benefits counselling is provided
2. Disclosure training is provided so that clients can make an informed decision about what to disclose and the benefits and disadvantages of disclosing
3. Vocational assessments are ongoing and work based. If a job ends, the employment specialists help clients to find other employment without value judgements
4. Rapid job search commences within one month of participation

# Fidelity Review

5. The job search is individualised and based on client preferences, not job market demands
6. Employment specialists have frequent face-to-face meetings with employers to generate appropriate job opportunities for clients
7. The quality of the job contacts made by employment specialists is assessed by the employment supervisor weekly and mentoring/training is provided
8. Employment placements involve diverse roles based on client preferences
9. Employment placements involve different employers
10. Competitive employment is the goal, preferably in full-time or part-time positions (where required) rather than casual

# Fidelity Review

11. Once a client is placed, individualised support services are provided as needed
12. Once a client is placed, individualised support services continue without a time limit
13. Employment services such as engagement, job search and post-placement support are provided in the community/workplace. Employment specialists are to spend 70% of their time in the community assisting clients
14. Assertive engagement and outreach services are provided to encourage continued participation.

# IPS Research

- Research has been conducted in a variety of countries including the United Kingdom, United States, Switzerland, Australia, Canada, Europe, Netherlands and Hong Kong
- RCTs, 17 systematic reviews and several meta analyses
- In 16 RCTs from a variety of countries IPS interventions achieved significantly higher results compared to controls:
  - Job commencements (58.9% vs. 23.2%).
  - Days to obtain employment (134 days vs 205 days)
  - Annualised weeks worked (12.8 weeks vs 4.9 weeks)
- In Australia results vary from 57%-42.5% job commencement/placement rate

# ORS and IPS

- ORS have partnered with several community mental health organisations to deliver IPS in NSW, Vic, QLD and WA.
- IPS partnerships were all established through a tendering process
- IPS models with external mental health providers have varied from colocation onsite at a mental health service (1 or 4 days) to frequent “drop in” and set attendance dates at team meetings/case reviews.
- ORS have also partnered with several NSW community mental health providers to deliver IPS principles under an enhanced intersectoral links model (EIL)

# The ORS IPS Financial Viability Study

Study consisted of a 3 cohort observational conversion design using participants at 3 ORS DES Central Coast NSW sites

Cohort 1- **Pre-IPS** – 107 participants

Cohort 2 – **IPS Enhanced Services** – 68 participants

Cohort 3 – **National DES Results** – 21, 640 participants

## Eligibility Criteria

1. They had to be diagnosed with a mental illness as their primary disability
2. Not employed or close to being employed or in education

# IPS Study Fidelity

## **IPS Principles implemented**

- Competitive employment is the goal
- Attention to client preferences
- Benefits counselling is important
- Rapid job search
- Systematic job development
- Time-unlimited support

## **IPS Principles not implemented**

- Participation based on consumer choice
- Vocational services being integrated with mental health services

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# How was financial viability measured?

**Financial viability was calculated using actual direct revenue less actual direct expenditure per participant.**

**Direct revenue** included all service fees and outcomes.

**Direct expenditure** included all costs associated with overcoming client barriers including use of internal allied health services and RTO training courses and other external costs such as wage subsidies, licence/travel costs, medical expenses, training courses, criminal history checks, work clothes etc.

*Indirect expenditure was not included in the calculation of financial viability*



# Performance

## Placements

Pre-IPS	IPS Enhanced Services	National DES Results
56.1%	67.7%	39.9%

## 26 Week Outcomes

Pre-IPS	IPS Enhanced Services	National DES Results
18.7%	25%	20.9%

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# Impact on financial viability

## Gross Revenue

Pre-IPS	IPS Enhanced Services
\$804,023	\$616,220

## Gross Revenue Per Participant

Pre-IPS	IPS Enhanced Service
\$7514	\$9062

# Financial Viability Continued

## Gross Revenue Per Participant Per Contract Type

Pre-IPS ESSL1	IPS Enhanced ESS L1	Pre-IPS ESS L2	IPS Enhanced ESS L2	Pre-IPS DMS	IPS Enhanced DMS
\$7308	\$5934	\$9243	\$12,622	\$6246	\$7943

## Direct Expenditure Per Participant

Pre-IPS	IPS Enhanced Services
\$1353	\$2132

# Financial Viability Continued

## Net Revenue Per Participant (Gross Revenue – Direct Costs)

Pre-IPS	IPS Enhanced
\$6161	\$6929

## Net Revenue Per Participant Per Contract Type

Pre-IPS ESS L1	IPS Enhanced ESS L1	Pre-IPS ESS L2	IPS Enhanced ESS L2	Pre-IPS DMS	IPS Enhanced DMS
\$5786	\$3815	\$8080	\$10,579	\$4853	\$5284

# Financial Viability Continued

## Split Between Revenue from Service Fees and Outcome Fees

Service Fee Revenue % Pre-IPS	Outcome Revenue % Pre-IPS	Service Fee Revenue % IPS Enhanced Services	Outcome Revenue % IPS Enhanced Services
62%	38%	51.3%	48.7%

# Financial Viability – Government Perspective

## Definitions

The **mean expenditure on DES per participant and per employment outcome** was calculated using the same estimation method as the official evaluation. This involved dividing total direct expenditure per contract (service fees, outcome fees and government paid wage subsidies) by the number of participants who commenced receiving assistance in each contract to obtain mean cost per participant.

**Costs per placement and per 26 week outcome** were calculated by dividing the total expenditure per contract by the number of participants in each contract who had achieved each particular type of employment outcome at least once during the 18 month period.

# Financial Viability – Government Perspective

## Mean Government Cost per Participant

Pre-IPS	IPS Enhanced Services	All Provider Result
\$8366	\$9170	\$7140

## Mean Cost Per Placement

Pre-IPS	IPS Enhanced Services	All Provider Result
\$16,225	\$13,867	\$17,784

## Mean Cost Per 26 Week Outcome

Pre-IPS	IPS Enhanced Services	All Provider Result
\$42,813	\$38,958	\$32,284

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# Financial Viability – Government Perspective

## Mean Cost Per Participant Per Contract Type

Pre-IPS ESS L1	IPS ESS L1	All Provider Result ESS L1	Pre-IPS ESS L2	IPS ESS L2	All Provider Result ESS L2	Pre-IPS DMS	IPS DMS	All Provider Result DMS
\$20,198	\$27,362	\$25,314	\$167,199	\$48,693	\$53,032	\$38,370	\$25,481	\$27,424





# Challenges Implementing IPS

## Challenges for an Employment Consultant

- Being solely responsible for all employment related services compared to utilising specialist teams
- Being productive while out of the office-70% of time spent in the community
- Not being a part of the DES “team”- 4 days co-located at mental health
- Different organisational expectations/ reporting structures

# Challenges Implementing IPS

## Challenges for a DES Provider

- Different organisational cultures/beliefs in the benefit of employment
- Staff turnover resulting in further IPS training
- Obtaining a high fidelity score- factors are outside of DES providers control
- Technical support/issues/inefficiency of work practices

# Challenges Implementing IPS

- Impact on Star Ratings – ESS vs DMS, tolerance levels, difficulty of clients on caseload
- Financial impacts including staff training/set up costs

# What is needed for a successful IPS model

- Joint commitment from DES provider and mental health provider
- Establishment of a IPS steering committee
- Commitment to the fidelity scale
- Experienced IPS trainer/supervisor and a vocational champion in mental health

# What is needed for a successful IPS model

- Mental health provider that is recovery focused and that provides regular training in this for all staff
- Joint face to face discussion with mental health teams on client's progress including access to the treating Drs

# What is needed for a successful IPS model

## Employment Specialist Competencies:

- ✓ Recovery oriented
- ✓ Creative problem-solver
- ✓ Good at job development
- ✓ Can work independently in the community but also collaboratively with mental health
- ✓ Takes a strength based approach

# Benefits of IPS

- Integration with mental health for employment support, input and strategies
- Supports a philosophy of recovery, client preferences and ongoing support
- Job development enhances marketing skills/job knowledge
- Establishment of relationships with mental health providers leading to better support for all clients not only clients serviced under IPS
- Ensures that onsite support is provided
- Encourages rapid job search ensuring clients don't get "parked"

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# Related Publications

Parletta, V., & Waghorn, G. (2016). The financial viability of evidence-based supported employment for people with mental illness in a blended funding system. *Journal of Vocational Rehabilitation, 44*, 227-241.

Parletta, V., Waghorn, G., & Dias, S. (2017). The applicability of supported employment to adults with participation obligations as a condition for receiving welfare benefits. *American Journal of Psychiatric Rehabilitation, 20*(2), 106-125.

Chang, L., Douglas, N., Scanlan, J., Still, M. (2016). Implementation of the enhanced intersectoral links approach to support increased employment outcomes for consumers of a large metropolitan mental health service. *British Journal of Occupational Therapy, 79*(11), 643-650.