



Australian Government
Department of Social Services



Disability Employment Services Program 2018

DSS acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, sea and community.

We pay our respects to them and their cultures, and to elders both past and present.

Aspects of DES reform that I will discuss today

- Transition
- Participant Choice
- Competition
- Service Fees

Improving program performance

- The DES caseload was steadily increasing, but the percentage of employment outcomes was declining.
- When the Disability Employment Taskforce was established in 2015, the number of DES participants in employment three months after a period in DES had fallen from around 38 per cent to **less than 31 per cent**.
- To some degree this reflected changes in the broader labour market, but generally data was indicating that the program's performance was stagnating.

The DES Market

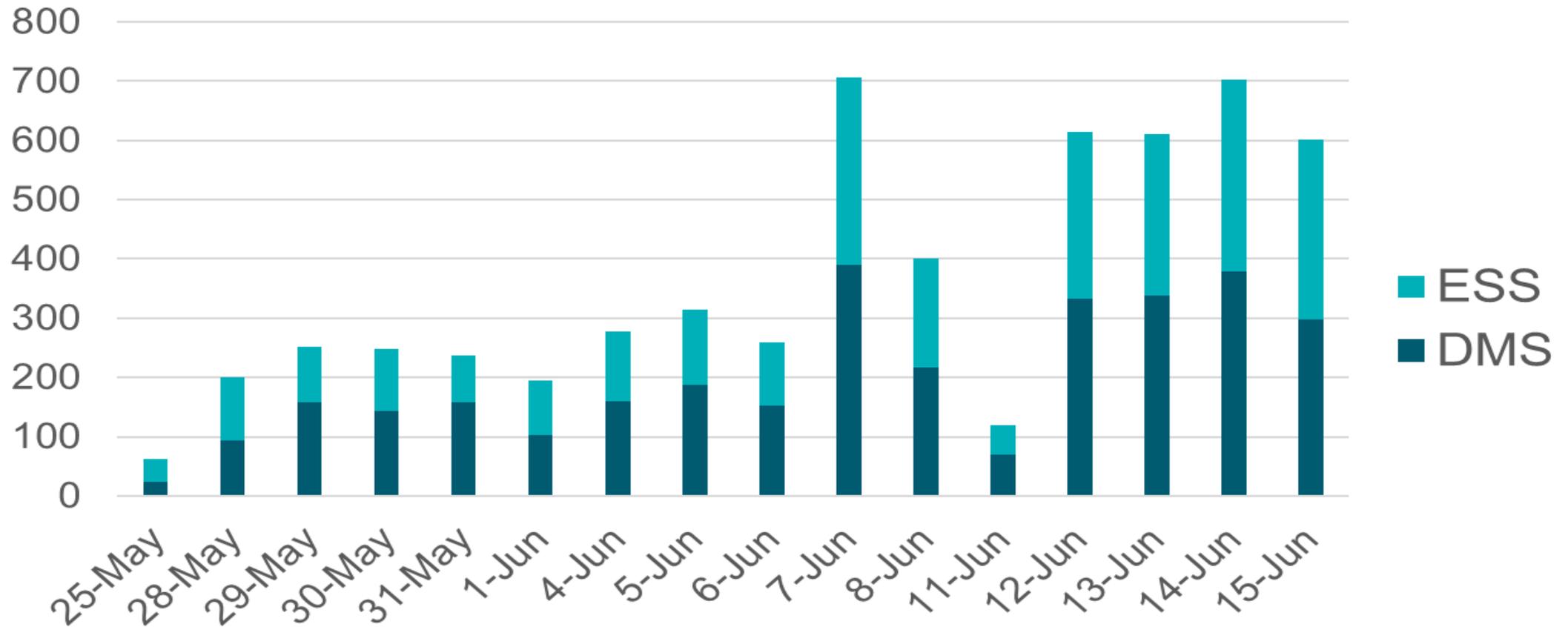
- More than **200,000** people with a disability participating in DES.
 - **32 per cent** are suspended or pending;
 - **45 per cent** are in the Employment Assistance phase;
 - **15 per cent** are in Post Placement Support, and
 - **8 per cent** are in Ongoing Support
- There are jobseekers that are eligible for, but not participating in, DES.
- Increase in competition
 - In June 2018 there were 117 providers; 797 contracts; and 2090 sites.
 - Now there are 134 providers with around 2000 contracts, located across 4000 sites.

Transition: Participants' choice

A '**transition participant**' is an ongoing DES participant whose provider is not delivering employment services in the new DES program.

- Approximately 24,000 transition participants were identified as needing a new DES provider after 1 July 2018.
- The department sent all transition participants a letter that included a list of ten provider sites closest to their residential address
 - One of these was then selected as their default option in the instance that the same participant chose not to exercise their choice of provider
- Approximately 6,500 (27 per cent) of all transition participants elected to choose their new provider
- More than 1,100 of these same participants made their choice more than once

Transition: Participant choice by day



Transition: National participant distribution

ALL transition participants (approximately 24,000)

- 117 providers received one or more transition participants
- 43 organisations received more than 100 transition participants

Transition participants who exercised their choice (approximately 6,500)

- 105 different organisations chosen
- 12 organisations chosen more than 100 times

DES Competitive Market

The Government's intention in removing market share arrangements is to:

- Strengthen the link between provider payments *and* performance
- Facilitate participant choice and control of their support arrangements by removing geographic restrictions on participants
- Providers who deliver quality services and achieve employment outcomes will succeed *if* they are assisting DES participants into long-term employment

Competition: expectations of the market

The department's expectations of DES providers is that providers will continue to:

- Act in good faith toward job seekers, participants and employers; and
- Deliver individualised employment services:
 - in consultation with their clients,
 - that supports their client's employment environmental needs, and
 - takes into consideration their client's personal circumstances.

Participant Choice

- Participants can choose their preferred provider.
- Participants may have preference for closest provider or a specialist provider.
- Centrelink staff do not recommend providers.
- If a participant wants to see options, a list is generated based on participant's address.

Participant Choice

- If needed, Centrelink staff will display a list of 30 providers in the participant's area.
- The list can be based on another location if that is the participant's preference.
- List grouped into bands: 5km, 10km, 25km, 50km.
- Within each band, sorted by star rating (when available).
- Until release of star ratings, sorted by exact distance.
- Sites at their Maximum Caseload will appear as 'Full' at the bottom of each band.

Pro-rating of service fees

- Service fees have been subject to pro-rata arrangements since the new program commenced on 1 July 2018.
- Service fees paid **before 1 July 2018** are currently subject to pro-rata arrangements if the quarterly service fee period continues under the new program.
- The Department will recover or offset a pro-rated amount of the service fee a provider receives where the participant transfers to another DES provider, or exits the Program
- The recovered amount is calculated on the number of days that remain for the quarterly period

Partial recovery of service fees

- Service Fees (partial amount) will be recovered if the participant exits or transfers during Employment Assistance.
- If the participant transfers or exits following suspension, recovery will be made for the days not serviced in the quarterly period. A suspension period pauses the number of days of Employment Assistance.
- We will not recover service fees if the participant enters into Post Placement Support.

Next steps

- Monitoring program performance
 - participant choice
 - new outcomes
 - service coverage
- ‘Quality of life’ improvements
- Incorporating further feedback

Questions?

This talk covered:

- *Outcomes of the Transition*
- *The choice process for Participants*
- *How to navigate a more competitive DES market*
- *When we would recover service fees*