How People with a Mental Illness in Disability Employment Services are Predisposed to Failure

Discussion Paper
October 2019

Rebecca Cotton

© Worklink Group Ltd
11A Sheridan Street, Cairns QLD 4870
(07) 4031 0877
www.worklinkgroup.org.au
www.thrive.org.au
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Executive Summary

By failing to recognise support levels required and under resourcing Disability Employment Services (DES) providers, people with a mental illness continue to achieve low economic outcomes and continue to face social isolation, poor economic functionality and reduced quality of life. The one size fits all performance framework and under resourced funding model within DES, hides the program’s failings to adequately provide equal opportunities to some of Australia’s most disadvantaged people. The perpetuating of mental illness and prolonging of unemployment is hidden in the DES program which is ill suited to people with complex support needs. DES fails to provide an environment of success for people with a mental illness as demonstrated by the psychiatric disability cohort representing the lowest performing cohort to maintain 26 weeks of employment.

The one size fits all performance and funding framework applied to DES creates a system where people with a mental illness are predisposed to failure due to the under resourcing and penalising of DES providers. A shift to payment on outcome rather than support given and the restrictive performance framework creates an environment that forces providers to reduce necessary prevocational support to jobseekers and reduces provider’s ability to achieve the objectives of the DES program.

People with a mental illness face immense challenges to commence employment due to non-vocational barriers, social isolation and ill-health determinants. DES providers experience increased challenges due to a lack of continuity between the funding model and performance framework as it limits the provider’s ability to design service delivery models based on the jobseeker’s individual needs. There is limited access to integrated employment and health solutions as the program design places increased pressure on providers to seek placements based on future capacity of the jobseeker while negatively impacting the provider for jobseekers who remain long term unemployed.

Funding model components including zero dollar payments, high unlikelihood of converting pathway outcomes to full outcomes and disparity between Service and Outcome fees all cause cashflow and service continuity difficulties for providers. With over 50% of Outcome funding occurring following 26 weeks of employment, DES providers subsidise Employment Assistance (pre-vocational) supports with future Outcome Fee payments to overcome the disparity. A significant gamble when only 32.4% of jobseekers with a psychiatric disability who commence employment with support of a DES provider reach a 26 Week Outcome.

Furthermore, the current DES model places high reliance on the National Disability Insurance Scheme (NDIS) to provide prevocational and capacity building support and function as a complimentary service to DES. The transition to the NDIS however, has resulted in a notable reduction of community mental health programs including the Personal Helpers and Mentors and Partners in Recovery programs and creates a difficult entry pathway into the scheme. This is contrary to the NDIS being a complimentary program to DES. The NDIS falls short in providing access and support to the number of people who require additional assistance to live an everyday life due to their mental illness. With many job placements generating from personal networks (Wandemo, 2014), neither DES nor NDIS are able to provide adequate support to reduce social isolation for people with a mental illness and jobseekers are again predisposed to failure.

By applying a one size fits all performance framework, Disability Employment Services is creating an environment where people with a mental illness are predisposed to failure as the program does not allow for service delivery based on their individual needs.
Introduction

The recent transformation of the disability policy landscape in Australia through the reforms to Disability Employment Services in 2018 and the ever evolving National Disability Insurance Scheme demonstrates the commitment of the Australian government to people with a disability. Despite these efforts, the two most prominent disability support programs, create significant barriers for people with a mental illness to improve their quality of life through employment.

The reduction of specialist DES providers, in conjunction with the shift of funding within the 2018 DES Reforms, not only reduces the expert knowledge available to support people with a mental illness who require alternative support models but reduces market viability.

Traditional employment services undertake a linear approach, starting with upskilling employment soft skills, flowing onto job search activities and finishing with post placement support. Focusing predominately on job search skills has been shown to achieve lower results for people with complex needs including people with a mental illness (Coppin, Ciarrochi, Sahdra, & Rosete, 2019). There is a necessity to implement pre and non-vocational supports as job placements can increase by 71% when psychosocial interventions are implemented (Coppin, Ciarrochi, Sahdra, & Rosete, 2019).

However, DES applies a one size fits all performance and funding frameworks to all disability cohorts does not allow providers to provide necessary support to implement required interventions. The expectation of differing support models within a singular performance framework is flawed and misguided with the objective of the DES program in direct conflict with the program design and measurement.

This discussion paper demonstrates the failure of the DES program’s performance and funding models to adequately resource providers to provide a successful ongoing employment program to people with a mental illness resulting in the person’s reduced likelihood of success. This is potentially best highlighted by 62% of all ESS Mental Health Specialist contracts only receiving a 1 or 2 Star Rating in June 2019.

This paper demonstrates the employment journey for someone with a mental illness and discusses the failings of the government’s complimentary programs to DES by reducing community mental health programs. It uses publicly released DES performance data from the Department of Social Services and recognised Australian and international research.

Furthermore, this paper highlights what is known internationally but is only nominally recognised within federal employment programs; that providing integrated employment services is conducive to improving employment outcomes for people with a mental illness.

This paper does not explore the complexities for people in rural and remote locations with a mental illness to gain employment with the support from a DES provider, as DES is not offered remotely.

This paper does not explore the specific complexities of people from Aboriginal and or Torres Strait Islander backgrounds or culturally and linguistically diverse backgrounds with a mental illness to gain employment within the DES program as publicly released data does not provide this level of outcome reporting.

By reducing the functionality of DES providers to deliver whole of person servicing; applying a one size fits all funding and performance model; decreasing community mental health programs and implementing the NDIS which creates significant access barriers, people with a mental illness are predisposed to employment failure.
How People with a Mental Illness in Disability Employment Services are Predisposed to Failure

Definitions

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>EA</td>
<td>Employment Assistance Phase</td>
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<tr>
<td>ESS</td>
<td>Employment Support Service</td>
</tr>
<tr>
<td>DES</td>
<td>Disability Employment Services</td>
</tr>
<tr>
<td>Denominator</td>
<td>The total number of jobseekers that a provider is measured against in the performance framework based on the jobseeker’s period of service</td>
</tr>
<tr>
<td>DHS</td>
<td>Department of Human Services</td>
</tr>
<tr>
<td>DMS</td>
<td>Disability Management Service</td>
</tr>
<tr>
<td>DSS</td>
<td>Department of Social Services</td>
</tr>
<tr>
<td>NDIA</td>
<td>National Disability Support Agency</td>
</tr>
<tr>
<td>NDIS</td>
<td>National Disability Support Scheme</td>
</tr>
<tr>
<td>Numerator</td>
<td>The total number of jobseekers who have successful complete the performance framework performance measure</td>
</tr>
<tr>
<td>OS</td>
<td>Ongoing Support Phase</td>
</tr>
<tr>
<td>Period of Service</td>
<td>The total number of weeks a jobseeker has been active with a provider</td>
</tr>
<tr>
<td>PHaMs</td>
<td>Personal Helpers and Mentors</td>
</tr>
<tr>
<td>PHN</td>
<td>Primary Health Network</td>
</tr>
<tr>
<td>PIR</td>
<td>Partners in Recovery</td>
</tr>
<tr>
<td>PPS</td>
<td>Post Placement Support Phase</td>
</tr>
<tr>
<td>Psychiatric Disability</td>
<td>The term used within DES to define the disability cohort for mental illness</td>
</tr>
<tr>
<td>RAFL</td>
<td>Risk Adjusted Funding Level (DES Funding Level)</td>
</tr>
</tbody>
</table>

Case Studies

All case studies included within this discussion paper are real experiences of Worklink’s DES program. Names included within the case studies have been changed to protect their privacy.

Background

Worklink Group Ltd. (Worklink) has delivered Mental Health specialist programs since 1995 in Far North Queensland. Worklink currently delivers both DES programs being, Employment Support Service and Disability Management Support, the National Disability Insurance Scheme, Continuity of Support and the National Psychosocial Support Scheme. Previously Worklink has delivered Partners in Recovery and the Personal Helpers and Mentors program.

Our extensive history of providing mental health specialised employment services and being a community mental health provider reveals empirical realities for someone with a lived experience of mental illness to navigate the fragmented and one-size-fits-all Disability Employment Services program.

Further information about Worklink can be found at [www.thrive.org.au](http://www.thrive.org.au).
### Mental Illness in Australia

<table>
<thead>
<tr>
<th><strong>1,524,900 – 2,287,350</strong></th>
<th>The approximate number of Australians with a moderate to severe mental illness based on the 2019 population</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mental Health and substance use disorders</strong></td>
<td>account for 12% of the total burden of disease</td>
</tr>
<tr>
<td>(AIHW, 2019)</td>
<td></td>
</tr>
<tr>
<td><strong>Psychiatric disability</strong></td>
<td>is the 2nd largest disability cohort in Disability Employment Services</td>
</tr>
<tr>
<td>(Department Social Services, 2017)</td>
<td></td>
</tr>
<tr>
<td><strong>Only 32.4%</strong></td>
<td>of people with a psychiatric disability in DES who gained employment reached the 26 Week Outcome</td>
</tr>
<tr>
<td>(Department Social Services, 2017)</td>
<td></td>
</tr>
<tr>
<td><strong>2/3</strong></td>
<td>of people with a mental illness will not engage with clinical mental health services within a 12 month period</td>
</tr>
<tr>
<td>(Australian Institute of Health and Welfare, 2018)</td>
<td></td>
</tr>
<tr>
<td><strong>Psychosocial disability</strong></td>
<td>is one of the top two leading causes for homelessness</td>
</tr>
<tr>
<td>(AIHW, 2017)</td>
<td></td>
</tr>
<tr>
<td><strong>33%</strong></td>
<td>of prisoners with a mental illness had been in prison for 5 years or more compared to 26% of prisoners without a mental illness</td>
</tr>
<tr>
<td>(National Mental Health Commission, 2013)</td>
<td></td>
</tr>
<tr>
<td><strong>50% increase</strong></td>
<td>of people with psychosocial disability receiving the Disability Support Pension between 2001 and 2014</td>
</tr>
<tr>
<td>(Harvey, et al., 2017)</td>
<td></td>
</tr>
<tr>
<td><strong>The employment rate</strong></td>
<td>of someone with severe mental illness is 47.1%, versus 84.3% for people without a mental illness</td>
</tr>
<tr>
<td>(OECD, 2015)</td>
<td></td>
</tr>
<tr>
<td><strong>The life expectancy</strong></td>
<td>of people with a severe mental illness is 25 years lower than the general population</td>
</tr>
<tr>
<td>(SANE Australia, 2015)</td>
<td></td>
</tr>
<tr>
<td><strong>Psychosocial disability</strong></td>
<td>is the fastest growing cohort accessing Specialist Homelessness Services with the number doubling in between 2012 to 2017</td>
</tr>
<tr>
<td>(AIHW, 2017)</td>
<td></td>
</tr>
<tr>
<td><strong>38%</strong></td>
<td>of people entering prison have a mental illness</td>
</tr>
<tr>
<td>(National Mental Health Commission, 2013)</td>
<td></td>
</tr>
<tr>
<td><strong>5.5% increase</strong></td>
<td>of the annual average of overnight hospital mental health admissions compared to an annual average of 2.5% for non-mental health</td>
</tr>
<tr>
<td>(AIHW, 2018)</td>
<td></td>
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</tbody>
</table>
Mental Illness in Disability Employment Services

“How People with a Mental Illness in Disability Employment Services are Predisposed to Failure

“The objective of the Program Services is to help individuals with disability, injury or health condition to secure and maintain sustainable employment in the open labour market. The Program Services will increase the focus on the needs of the most disadvantaged job seekers and will achieve greater social inclusion. The Program Services will boost employment participation and the productive capacity of the workforce, address Skills Shortage areas and better meet the needs of employers.”

– Disability Employment Services Grant Agreement, Effective July 1st, 2018

Mental Illness is the leading cause of illness and disability in Australia (Australian Health Policy Collaboration, 2018). Despite the objective of DES, people with a mental illness fail to achieve the same employment success as people with other disabilities.

**DES Outcome Rates By Disability, December 2017**

<table>
<thead>
<tr>
<th>National Average</th>
<th>26 Week Outcome Rate Rank</th>
<th>Disability Cohort</th>
<th>Job Placement Rate (%)</th>
<th>26 Week Outcome Rate (%)</th>
<th>52 Week Indicator Rate (%)</th>
<th>% of National Caseload</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Speech</td>
<td>44.5</td>
<td>51.8</td>
<td>54.5</td>
<td>0.3</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Intellectual</td>
<td>44.3</td>
<td>47.5</td>
<td>48.5</td>
<td>7.1</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Specific Learning</td>
<td>49.3</td>
<td>46.9</td>
<td>44.2</td>
<td>4.9</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Autism</td>
<td>42</td>
<td>44</td>
<td>49.4</td>
<td>6.4</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Hearing</td>
<td>40</td>
<td>42.3</td>
<td>50.1</td>
<td>1.9</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Deafblind</td>
<td>40.7</td>
<td>39.8</td>
<td>49.7</td>
<td>0.1</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Acquired brain injury</td>
<td>35</td>
<td>37.4</td>
<td>44.6</td>
<td>1.6</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Vision</td>
<td>32.2</td>
<td>35.4</td>
<td>48.8</td>
<td>1.4</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Neurological</td>
<td>32.9</td>
<td>35.4</td>
<td>47.8</td>
<td>4.4</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Physical</td>
<td>28</td>
<td>32.7</td>
<td>49.6</td>
<td>56.7</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td><strong>Psychiatric</strong></td>
<td><strong>30.8</strong></td>
<td><strong>32.4</strong></td>
<td><strong>45.2</strong></td>
<td><strong>38.8</strong></td>
<td></td>
</tr>
</tbody>
</table>

Department of Social Services, 2017

If DES was 100 people

38 have a Psychiatric Disability

of which

12 start work

4 achieve a 26 Week Outcome

**Figure 1 If DES was 100 people**

How People with a Mental Illness in Disability Employment Services are Predisposed to Failure
Episodic nature of mental illness

People with a mental illness are some of the most socially isolated and disadvantaged within Australia (Waghorn & Lloyd, 2005). The episodic nature of mental illness is the differentiator that isolates people with a mental illness and limits their success within disability support programs. An episode can be a traumatic event and can reduce a person’s motivation to pursue employment (Waghorn & Lloyd, 2005). The loss of employment will also increase a person’s risk of ill mental and physical health (Price, Choi, & Vinokur, 2002). It has an immense potential to cause disruption to service delivery by requiring swift action often without warning and needing an increase of resources and shift of future service delivery. Instances of unwellness may be regular or sporadic and as a result may not be planned for.

The causes of an instance of unwellness are various and personal to the individual. When an instance of illness does occur however there needs to be a whole of person response that supports the person’s various circumstances including health, employment, social and relationship needs.

Impact of Mental Illness on Employment

A psychosocial disability is potentially the only disability that is exacerbated the longer someone is unemployed, resulting in increased barriers to employment and a jobseeker who is exposed to social and economic hardship experience higher instances of mental illness (Narasimhan, Gopikumar, Jayakumar, Bunders, & Regeer, 2019, p. 2).

There are various barriers to employment that can be present due to a person having a mental illness including:

- Social isolation from mainstream society, family and friends
- Co-morbidity and ill physical determinants
- Side effects of medication reduce social functionality
- High likelihood of long term unemployment
- Extended breaks in employment and education reducing employability
- Low vocational expectations from health professionals and society
- Reduced sense of self-worth or confidence
- Disengagement with clinical support due to stigma from traditional health services
- Lack of understanding of impact of mental illness within the community
- Reduced jobseeker disclosure rates due to a lack of understanding by employers of support workplace modifications or flexible working arrangements to support wellness
- Ongoing referrals requirements to non-vocational services to maintain wellness or support jobseeker during crisis

The longer people with a mental illness remains unemployed the greater the impact on their mental illness will be. Employment provides an opportunity to improve social isolation and provide a sense of purpose and belonging in their community (Waghorn & Lloyd, 2005). Sadly, DES only achieves low employment rates for people with a mental illness as demonstrated within Table 1 DES Outcome Rates by Disability, December 2017.

DES providers are in a constant balancing act of supporting jobseekers to find employment while also providing support to reduce the impact of illness from being long term unemployed, resolving non-vocational barriers and meeting time precious DES performance indicators.
The Potential of DES

The employment of people with a disability and mental illness is vital. Employment improves wellbeing and strengthens societies. The rationale for employment for all people is echoed in the statements of Australian Prime Minister Scott Morrison who expresses the need for job creation and the benefits of employment for those who rely on income support.

Recent figures from the Department of Social Services indicate that the number of people receiving a welfare income has decreased despite the Australian population increasing. Between 2014 and 2019 people receiving Newstart Allowance decreased 1.37% and Disability Support Pension decreased 10.2% (Chambers, 2019). While this is timed with the introduction of stricter access requirements for Disability Support Pension, it collates with the coalition’s commitment to jobs growth, a strong economy and improving return to work pathways.

The potential of DES is demonstrated by the specialist support that can be provided to people with a disability to gain employment. 39% of combined Specialist ESS Contracts gained a 4 or 5 Star Rating in June 2019 compared to only 27% of generalist contracts (All Client Types).

There is a requirement however to extend the commitment of improving employment outcomes and redesign the DES program to better support people with a mental illness return to the workforce.

While the number of people receiving Disability Support Pension nationally has decreased, the number of people who receive a Disability Support Pension due to a psychosocial disability has increased by 50% (Harvey, et al., 2017). Anecdotally Worklink regularly witnesses the journey for people with a mental illness from Newstart Allowance to Disability Support Pension as they struggle to maintain ongoing employment and the impact of long term unemployment increases their symptoms of mental illness.

DES has the potential to improve the lives of people with a mental illness however currently fails to do so due to the one-size-fits-all performance and funding models that determines restrictive service delivery models. By adapting the learnings of successful disability employment programs, such as collaborative service delivery with complimentary services and whole of person integrated support models, the DES program will create improved employment outcomes for people with a mental illness.

The success of integrated supports for people with a mental illness that focus on joint solutions across the complexities of their circumstances including health, employment, social connection and family is well recognised within Australia and internationally (Waghorn & Lloyd, 2005). Integrated models increase job placements by 71% when psychosocial interventions are implemented (Coppin, Ciarrochi, Sahdra, & Rosete, 2019).

The current DES program has the basic components of a successful program in place with smaller caseloads, long term relationships, ongoing post placement support and, to an extent, flexible service delivery being central components of the program. Worklink believes that with expansion of these components and the inclusion of mental illness specific integration principles within a performance and funding model that supports people with a mental illness, DES can exceed the objectives of the Australian Government.
DES providers regularly collaborate with complimentary services to facilitate links to health and community services to overcome social isolation and ill health determinants due to the episodic nature of the jobseeker’s mental illness. By working holistically with complimentary services, DES providers support the health sector to maintain wellness and reconnect people in need.

Complimentary services provide necessary interventions outlined within the jobseeker’s Employment Services Assessment and within a mental illness setting pay a vital part in the success of the jobseeker’s employment journey. **Job placements can increase by 71% when psychosocial interventions are implemented** (Coppin, Ciarrochi, Sahdra, & Rosete, 2019).

In times of crisis, complimentary services collaborate with DES providers to establish strategies to regain wellness and maintain employment. Where successful employment and health interventions can be implemented at the time of crisis the likelihood of the jobseeker returning to work increases (Waghorn & Lloyd, 2005). DES providers are unable to implement these interventions in isolation as there is a need for whole of person consideration. Where the complimentary service does not exist, DES providers will however fill the service gap.

Australia’s disability employment system when applied within a mental illness setting operates as a pseudo health system to keep people well. The reverse is the desired reality where an integrated wellness system aims to keep people employed and contributing to their society.
How People with a Mental Illness in Disability Employment Services are Predisposed to Failure

**Case Study 1**

- Zach has experienced a long journey with mental illness and as a result had intermittent employment history.
- Following a period of significant unwellness Zach had ceased employment and Worklink linked Zach with QLD Health - Community Mental Health. Zach exited DES.
- Following successful interventions, Zach expressed ability to gain new employment and Worklink collaborated with Zach and QLD Health - Community Mental Health to identify employment goals and supports required to maintain wellness and employment.
- Zach’s new employment goals included finding employment where he worked alone and part time hours so he could continue to participate in activities that would support his wellness.
- 4 week after recommencing with Worklink Zach started work as a cleaner where he worked alone and outside of normal business hours.
- Worklink and QLD Health - Community Mental Health maintained close contact and provided early support when Zach presented with decreased wellbeing.
- Zach has maintained employment for 9 months and is still employed.

Despite this need, there is a defined lack of national strategy to integrate employment services with non-vocational services such as housing and health and mental services (Waghorn & Lloyd, 2005). Furthermore, there has been a notable reduction of complimentary services for people with a mental illness due to the ceasing of the Personal Helpers and Mentors program (PHaMs) and Partners in Recovery (PIR).

The Department of Social Services identified PHaMs as a complimentary program to DES within the Continuum of Current Employment Services and Support (National Disability Employment Framework - Issues Paper, 2015, p. 7). PHaMs ceased however with the introduction of the NDIS in June 2019.

The removal of PHaMs as a complimentary service has created a substantial service gap and reduces the functionality of DES providers as there has been a lower than anticipated number of people successfully transition from PHaMs to the NDIS.

Data relating to co-referrals between DES and NDIS is hard to readily find publicly and the achievement of employment goals within the NDIS has been highlighted as an issue within the scheme. The creation of the NDIS Participant Employment Taskforce aims to improve employment outcomes for NDIS participants and maximise DES services. The integration between NDIS and DES will continue to be flawed however where poor access to the NDIS is experienced by people with a mental illness.

Another key deliverable of the Taskforce is to improve access to DES with automatically eligibility for NDIS Participants. The reverse is also required with DES jobseeker’s gaining automatic access to NDIS where they are unable to gain employment following the completion of 18 months in Employment Assistance.

Further information on the impact on DES due to the transition to the NDIS can be found in Appendix 1 – The Conflict Between DES & NDIS.

**Relevant Recommendations**

- Individual Placement Support Program Expansion
- Integrated Employment Services
- Referral to National Disability Insurance Scheme
- Continuation of Specialist Disability Employment Services
How People with a Mental Illness in Disability Employment Services are Predisposed to Failure

DES Performance Framework

75% of performance measures in DMS and 80% in ESS require at least 26 weeks of employment

Psychiatric Disability is the lowest performing cohort in DES to gain a 26 Week Outcome

The DES Performance Framework disadvantages people with an episodic disability and/or mental illness, their employers and the providers who support them by penalising unwellness and creating unrealistic expectations for providers. Continuity of employment is the dominant performance measure and fails to recognise the humanistic necessities of providing support to people with complex needs. The DES Performance Framework takes a one-size-fits-all approach despite the need for various service delivery models.

**DES 2018 Performance Measures and Weightings**

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>DMS Weighting</th>
<th>ESS Weighting</th>
</tr>
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<tbody>
<tr>
<td>2.1 13 Week Full Outcomes</td>
<td>25%</td>
<td>20%</td>
</tr>
<tr>
<td>2.2 26 Week Outcomes</td>
<td>45%</td>
<td>40%</td>
</tr>
<tr>
<td>2.2.1 26 Week Full Outcomes</td>
<td>(35%)</td>
<td>(30%)</td>
</tr>
<tr>
<td>2.2.2 26 Week Pathway Outcomes</td>
<td>(5%)</td>
<td>(5%)</td>
</tr>
<tr>
<td>2.2.3 26 Week Bonus Outcomes (Work Assist)</td>
<td>(5%)</td>
<td>(5%)</td>
</tr>
<tr>
<td>2.3 52 Week Outcomes</td>
<td>30%</td>
<td>25%</td>
</tr>
<tr>
<td>2.3.1 52 Week Full Outcomes</td>
<td>(25%)</td>
<td>(20%)</td>
</tr>
<tr>
<td>2.3.2 52 Week Pathway Outcomes</td>
<td>(5%)</td>
<td>(5%)</td>
</tr>
<tr>
<td>2.4 Ongoing Support</td>
<td>-</td>
<td>15%</td>
</tr>
</tbody>
</table>

**Outcome Over Impact**

To achieve a DES outcome, jobseekers must reach employment hours based on their future capacity to work, known as a benchmark. Benchmarks are often unrealistic and counterproductive as they require the implementation of recommended interventions outlined within the Employment Services Assessment or Job Capacity Assessment. The DES Performance Framework fails however to support providers to assist jobseekers to implement these interventions due to:

- **Jobseekers within Employment Assistance phase become a denominator in Outcome Performance Measures prior to being anchored in employment**
- **Negative performance impact if jobseekers build capacity during employment**
  - No performance measure for 13 Week Pathway Outcome
  - Nominal performance measure for 26 Week Pathway Outcome
  - High unlikelihood of converting a 13 Week Pathway Outcome to 26 Week Full Outcome
  - No performance measure for unpaid work including volunteer work
- **Inconsistent benchmarks**
- **Outcome Fees are higher than Service Fees**
How People with a Mental Illness in Disability Employment Services are Predisposed to Failure

**Jobseekers denominate for employment outcomes prior to being employed**

The longer a jobseeker remains in the Employment Assistance phase the more the provider is penalised as the Performance Framework performance measures are judged against a jobseeker’s entire period of services. For example, where a jobseeker has been in Employment Assistance for 52 weeks, the provider receives a negative impact on their employment based outcome performance measures despite the jobseeker not commencing employment.

**Negative performance impact if jobseekers build capacity during employment**

The Performance Framework makes it difficult for providers to claim full outcomes where a jobseeker looks to achieve short term goals of improving personal capacity by increasing the number of hours they work over a period. The likelihood of gaining a full 26 Week Outcome is low where a 13 Week Pathway has been claimed due to the jobseeker being required to work their benchmark hours across the entire 26 week period, not the 13 weeks since the 13 week Outcome.

For example where a jobseeker has a benchmark of 15 hours per week to gain a Full 13 Week Outcome the jobseeker must work 195 hours. If that jobseeker works 11 hours per week they will have completed 143 hours and will qualify for a Pathway 13 Week Outcome. To gain a Full 26 Week Outcome the seeker will now need to work 19 hours per week to make up the 52 hour shortfall in the 13 Week period.

The DES guidelines allow the Provider to choose when they anchor the jobseeker to achieve the required benchmark however this penalises providers by reducing their cash flow due to lower Service Fees and the inability to claim a 4 Week Outcome payment once the jobseeker has been employed with that employer for more than 4 weeks.

**Inconsistent Benchmarks**

Benchmarks are often unrealistic and inconsistent at determining future capacity to work due to:

- low understanding of the episodic nature of mental illness by the assessors
- lack of relationship between assessor and jobseeker
  - unwillingness of jobseekers to discuss invasive details of ‘Worst Day’ circumstances
- assessments conducted over the phone or high stress environments such as Centrelink offices

Benchmarks add undue pressure onto jobseekers to achieve a set number of hours based on someone else’s interpretation of their capacity and supports rhetoric that paid, preferably full time, employment holds the highest societal value and dismisses the impact that unpaid work holds. Volunteer work is measured within Australia’s Gross Domestic Product but is absent from the DES Performance Framework.

This is counterproductive for jobseekers with a mental illness who wish to slowly increase the number of hours they work as the monitor their wellness and introduce strategies to adjust to a change of life from commencing employment. It disadvantages the performance of providers who create employment opportunities reflective of the jobseeker’s current needs.

**Outcome Fees are higher than Service Fees**

To maintain financial viability and receive a positive impact within the DES Performance Framework, providers are challenged to create placements that meet outcome requirements rather than create positive impact for the jobseeker. This issue is further explained in [DES Funding Model](#).
Penalising Unwellness

Further to not providing an environment that supports the implementation of interventions for the impact of long term unemployment on mental illness, the current DES Performance Model predisposes jobseekers to failure by penalising unwellness. The Employment Journey highlights where support is removed when a jobseeker ends their employment due to their mental illness. During an episodic instance of mental illness or crisis, people require quick and effective support including referral to complimentary and crisis support services. This is demonstrated in Case Study.

Current DES Guidelines states that if employment ceases jobseeker has up to 7 or 28 days to return to work or find new employment or will be returned to Employment Assistance phase if they are yet to reach a 26 Week Outcome or be exited if they are between a 26 and 52 Week Outcome.

Jobseekers are penalised:
- Providers will seek new employment for jobseekers rather than continuation of employment to gain another 4 Week Outcome Fee to subside potential lack of payment for up to 26 weeks if 13 Week Outcome Fee is already claimed
- Jobseekers who find new employment are put in the situation of having to retell their story, build new workplace relationships and potentially face discrimination in a new workplace
- Exited from support during time of need and requirement for collaboration employment and health services if they have been employed for longer than 26 weeks

Providers are disadvantaged:
- Providers not supported to assist jobseekers to return to their original place of employment as providers cannot claim a second 4 Week Outcome Fee for the same place of employment
- Providers who can place the jobseeker into new employment are not eligible for a second 13 Week Outcome fee resulting in a 26 week period of no income
- Income received from the 26 Week Outcome Fee is used to subsidise Employment Assistance
- Jobseekers will re-denominate within the Performance Framework if they return to the same provider after they exit

Employers are disadvantaged:
- Employers are not encouraged to support jobseekers to return to their original place of employment due to limitations of the wage subsidies
- Increased casualisation of their workforce as jobseekers are not encouraged or supported to return to work

The return to work timeframes outlined within DES are unrealistic when considered against:
- Nationally, the average length of a mental illness related hospitalisation is 17 days (AIHW, 2018, p. 11).
- Typical time off work for a Workcover claims involving a mental health condition is 15.3 weeks compared to 5.5 weeks for other claims (Safe Work Australia, n.d.)
- Psychological support provided alongside vocational support during a period of unwellness as the ability to improve return to work timeframes and wellness (Waghorn & Lloyd, 2005)

Relevant Recommendations
- Review of DES Performance Framework
DES Funding Model

The shift of DES funding from Service Fees to Outcome Fees has a significant impact on the cash flow for mental health specific providers. For people with a mental illness, the journey to find meaningful employment can be long. The journey requires DES providers to commit considerable resources to achieve employment outcomes. The current DES Funding Model however is not financially sustainable for providers who demonstrate a long term commitment.

The 2018 DES Reforms introduced a new funding model that created a disparity of fees with Outcomes Fees receiving a higher financial weighting than Employment Assistance Fees. The DES Funding Model now places immense pressure on providers to maintain adequate cashflow when supporting jobseekers who require long term pre-vocational support or who struggle to maintain employment due to the episodic nature of their mental illness.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>52 Weeks of Service Fees</td>
<td>$2,912</td>
<td>$56</td>
<td>$3,768</td>
<td>$72</td>
</tr>
<tr>
<td>52 Weeks of Outcome Fees</td>
<td>$12,653</td>
<td>$243</td>
<td>$9,627</td>
<td>$185</td>
</tr>
</tbody>
</table>

Table 3 DES Service Fees Vs Outcome Fees – Annualised

People like Lisa, in Case Study 2, require long-term collaborative health and employment support to find work that is suitable for their individual circumstances. However, the current DES funding model’s bias of outcome payments requires providers to subsidise employment assistance with potential outcome fees. This creates pressure for providers to seek placements which may not be conducive to the jobseeker’s personal circumstances to gain higher Outcome Fees.

In the case study Lisa is in the Employment Support Service and a RAFL 3. Her employment journey demonstrates a typical journey for people with a mental illness who require increased non-vocational support and have their journey interrupted by periods of unwellness. Worklink received no positive impact on performance for support given within this case study. Worklink provided 73 weeks of Employment Assistance and unpaid Post Placement Support. Worklink received five Quarterly Service Fees totalling $4288.20, equalling $58.74 per week. If this case study took place fully within the new 2018 DES Funding Model, the equivalent fees would equate to $49.88 per week.

Further funding challenges include:

- The switch from future quarterly payments to arrears outcome payments where jobseekers are commenced in PPS and do not reach an outcome
  - The unpaid time in Post Placement Support is not counted towards service delivery when the jobseeker is returned to Employment Assistance. This can create the situation where a provider may not receive payment for up to 5 months.
- High unlikelihood of converting a pathway outcome to a full outcome
  - By not treating outcome periods independently and requiring the completion of future capacity to work hours across the entire 52 week period, providers do not have the resources to continue to support jobseekers to improve their capacity to work increased hours once the first Pathway Outcome has been claimed.
### Case Study 2

<table>
<thead>
<tr>
<th>Wk</th>
<th>Date</th>
<th>Case Study</th>
<th>Phase</th>
<th>Performance #</th>
<th>Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>15/02/2017</td>
<td>Lisa commences with Worklink</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>01/03/2017</td>
<td>1st 13 Week Service Fee</td>
<td>EA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>07/06/2017</td>
<td>2nd 13 Week Service Fee</td>
<td>EA</td>
<td>Denominates 13 Week Outcome</td>
<td>$890.00*</td>
</tr>
<tr>
<td>28</td>
<td>30/08/2017</td>
<td>3rd 13 Week Service Fee</td>
<td>EA</td>
<td>Denominates 26 Week Outcome</td>
<td>$890.00*</td>
</tr>
<tr>
<td>34</td>
<td>11/10/2017 – 10/01/2018</td>
<td>Lisa on medial exemption</td>
<td>SUS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>34</td>
<td>10/01/2018</td>
<td>Returns to service, job search begins again</td>
<td>EA</td>
<td></td>
<td></td>
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<tr>
<td>38</td>
<td>13/02/2018</td>
<td>4th 13 Week Service Fee</td>
<td>EA</td>
<td></td>
<td>$890.00*</td>
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<tr>
<td>39</td>
<td>19/02/2018</td>
<td>Lisa starts work as cleaner</td>
<td>PPS</td>
<td></td>
<td></td>
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<tr>
<td>42</td>
<td>14/03/2018</td>
<td>Lisa ends employment with a medical exemption until 13/06/2018</td>
<td>SUS</td>
<td></td>
<td></td>
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<tr>
<td>42</td>
<td>22/03/2018</td>
<td>Lisa will return to EA as 7 days pass without new employment – Lisa is unwell and unable to commence new employment</td>
<td>EA</td>
<td></td>
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<tr>
<td>42</td>
<td>14/06/2018 – 30/10/2018</td>
<td>Lisa attends appointments, on two occasions Lisa brought in medical certificates from her GP that had been lodged with DHS but not coded for exemption</td>
<td>EA</td>
<td></td>
<td></td>
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<tr>
<td>52</td>
<td>29/08/2018</td>
<td>Lisa engages with Community Navigator for non-vocational support</td>
<td>EA</td>
<td>Denominates 52 Week Outcome</td>
<td></td>
</tr>
<tr>
<td>54</td>
<td>11/09/2019</td>
<td>5th 13 Week Service Fee</td>
<td>EA</td>
<td></td>
<td>$728.20</td>
</tr>
<tr>
<td>54</td>
<td>14/09/2018</td>
<td>Lisa engages with Community Navigator for non-vocational support</td>
<td>EA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>58</td>
<td>15/10/2018</td>
<td>Lisa engages with Community Navigator for non-vocational support</td>
<td>EA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>60</td>
<td>31/10/2018 – 30/01/2019</td>
<td>Lisa gains a medical exemption</td>
<td>SUS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>60</td>
<td>01/02/2019</td>
<td>Lisa returns to EA and recommences job search</td>
<td>EA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>68</td>
<td>01/04/2019</td>
<td>Lisa engages with Community Navigator for non-vocational support</td>
<td>EA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>73</td>
<td>12/05/2019 – 13/08/2019</td>
<td>Lisa gains a medical exemption</td>
<td>SUS</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total Fees $4288.20

* Previous Funding Model

# Worklink acknowledges that all performance measures were reset at the 1st of July 2018 with the commencement of the 2018 DES Grant Agreement. This column demonstrates in theory the impact on DES 2018 Performance Measures prior to a jobseeker gaining employment.

**Relevant Recommendations**

- Review of DES Funding Model
How People with a Mental Illness in Disability Employment Services are Predisposed to Failure

DES Impact on Employers

Worklink has received the following feedback from employers regarding the impact that they have experienced:

- **Casualisation of workforce to support people when they become unwell**
  - Employers have commented that they are required to employ casual staff to support their business during periods of illness

- **Lack of indexation of Wage Subsidies**
  - DES Wage Subsidy Scheme has not been increased to match inflation in recent years and does not offer employers an incentive to employ DES jobseekers when compared to Job Active wage subsidy options
  - The notable benefits of DES being on the job support, workplace modifications and long term support are lost for people with a mental illness and their employers

- **Lack of Employment Assistance Fund**
  - People with a mental illness will often commence work within high capacity employment that requires Personal Protection Equipment. An expectation has been set with employers that employment providers will assist the initial expense due to Job Active providers using the Employment Assistance Fund. This places employers who wish to employ a person with a disability or mental illness at a disadvantage
  - The Employment Assistance Fund is also used to provide interventions to overcome non-vocational barriers which are not funded through such counselling
  - DES providers are required to self-fund through Outcome payments these types of expenditure in hope of the jobseeker gaining suitable employment
  - Where the jobseeker is unable to achieve benchmark or reach Outcome timeframes, the DES provider is out of pocket

**Case Study 3**

Jessica has achieved a 26 Week Outcome working approximately 25 hours per week and is currently in Flexible Ongoing Support tracking towards a 52 Week Outcome.

- Worklink provides regular Post Placement Support.
- Jessica’s employer contacted Worklink advising that they want to offer Jessica permanent employment however requested Worklink to financially assist Jessica to upgrade her driver’s license to a manual license.
- Worklink pre-paid for 5 driving lessons however Jessica experienced a panic attack during her third lesson and was unable to complete the remaining lessons.
- Worklink referred Jessica to her GP to gain a Mental Health Care Plan so Jessica could receive counselling.
- Jessica’s psychologist contacted Worklink to request financial support for Jessica to continue attending counselling as she had used all free sessions available under her Mental Health Care Plan.
- Jessica’s psychologist advised that Jessica would be unable to continue employment without continued access to counselling.
- Counselling sessions cost $170 each with Worklink gaining $440 for each 4 hour instance of Flexible Ongoing Support creating a deficit in funding to provide required support for Jessica to remain employed.
DES Impact on Case Managers

As a specialist mental health provider, Worklink’s employment case managers are required to demonstrate an advanced level of interpersonal skills to build successful relationships with the jobseekers.

Due to the long term unemployment realities of jobseekers with a mental illness, Worklink’s employment case managers become a part of the jobseeker’s life as they navigate the system back into employment. Case managers often experience a personal impact when attempting to find the balance of meeting performance requirements of DES and meeting the individual needs of the jobseeker. The priorities of the two are often disjointed and operate in conflict to each other.

To support the impact on case manager’s wellness that this conflict creates Worklink introduced an additional 3 mental health days per annum as part of our fundamental employment conditions.

**Case Study 4**

- Alex has a benchmark of 30 hours a week and has been supported by Worklink for 18 months over two periods of service.
- Alex engaged with support services to improve social connections that assisted Alex to maintain his wellness.
- Alex commenced work as a car detailer working 5 days a week, 7 hours a day.
- Alex was unable to continue to access formal supports due to work hours. He stopped engaging with his psychologist and was unable to attend social groups.
- After 16 weeks of employment Alex’s mental health started to decline.
- Alex’s employer and Case Manager, Jordan noticed this and tried to engage with Alex about his wellbeing.
- Jordan received a text message from Alex late on a Friday night stating “I will kill myself soon”. Jordan attempted to contact Alex, but there was no answer.
- Jordan contacted the police to request a welfare check
- Jordan heard back from the police a few hours later stating that Alex had been transported to the mental health unit at the local hospital
- The following day, Saturday, Jordan followed up with Mental Health Unit
- On Monday, Jordan advised Alex’s employee that Alex was unwell and would be absent from work for an unspecified time
- Employer wanted to know more about what was happening, but provider could not disclose information
- Jordan took on a “case manager” role to inform appropriate parties that Alex was in hospital, cancel appointments etc until Alex was discharged from hospital
- Jordan utilised Worklink’s additional Mental Health Days due to the emotional impact of becoming a case manager to support Alex during his mental illness crisis
- After Alex received the crisis support that he required, he was discharged from hospital and returned to work
Recommendations

Worklink offers the following interim and long term recommendations to support DES providers improve the employment outcomes for people with a mental illness.

Interim Recommendations

The below interim recommendations are offered as short term solutions to the current DES program to support the viability of providers who provide specialist support to jobseekers. These recommendations should not be interpreted as not long term solutions, or a complete solution and further improvements are required in DES post 2022.

1. Where a jobseeker has long-term psychosocial interventions listed in their Employment Services Assessment:
   - Jobseekers automatically receive a RAFL 5 to support long term Employment Assistance support to implement interventions.
   - Benchmarks are capped at 23 hours per week to allow jobseekers to gain employment and access interventions while in employment.
2. Apply a financial loading to jobseekers with a primary disability of mental illness similar to the current loading available for jobseekers with a Moderate Intellectual Disability.
3. Remove 7 – 28 day return to work timeframe for Permissible Breaks where a jobseeker returns to work with the same employer.
4. Create a fund similar to the Employment Assistance Fund that assists providers purchase mental health specific supports such as counselling.

These interim recommendations recognise that jobseekers require long term support to implement interventions while pursuing employment goals.

Long Term Recommendations

Worklink offers the following recommendations as considerations for the design of DES post 2022.

1. Review of DES Performance Framework
2. Review of DES Funding Model
3. Review of DES Wage Subsidy Scheme
4. Individual Placement Support Program Expansion
5. Integrated Employment Services
6. Referral to the National Disability Insurance Scheme
7. Continuation of Specialist Disability Employment Services

These recommendations are discussed in greater detail below and recognise that to support employment outcomes for people with a mental illness; the person, the provider and the employer need a long term commitment.

The recommendations aim to overcome a lack of resourcing currently evident within DES that results in low employment outcomes for people with a mental illness and removes the barriers that restrict providers to meet performance measures.

A DES Funding and Performance model that financially supports and rewards employment achievements while support future jobs growth and the mental wellbeing of our societies.
**Review of DES Performance Framework**

Worklink recommends the following solutions to DES Performance Framework disincentives:

<table>
<thead>
<tr>
<th>Issue</th>
<th>Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Penalises unwellness</strong></td>
<td>Remove return to work timeframes when cause of unemployment is in direct relation to a person’s disability, injury or illness&lt;br&gt;Remove exit from DES where a jobseeker ceases employment between 26 &amp; 52 Week Outcome Payments</td>
</tr>
<tr>
<td><strong>Penalising of providers who give long term pre and non-vocational support</strong></td>
<td>Change denomination trigger point to be in when jobseekers commence employment rather than their Period of Service&lt;br&gt;Recognise health promotion and activities that reduce social isolation within a job plan as positive performance</td>
</tr>
<tr>
<td><strong>Financial hardship and negative performance impact for supporting jobseekers implement long term prevocational interventions</strong></td>
<td>Shift benchmark to be based on current capacity and implement bonus for achieving future capacity to work hours&lt;br&gt;Review funding model that supports the improvement of personal capacity through short term employment placements and gradual increases of employment hours</td>
</tr>
<tr>
<td><strong>High unlikelihood of converting a 13 Week Pathway Outcome into 26 Week Full Outcome</strong></td>
<td>Support jobseekers to improve their capacity to reach their benchmark hours while in employment.&lt;br&gt;Treat each Outcome Period independently by removing requirement to achieve benchmark hours across entire 26 or 52 week period to gain a Full Outcome.</td>
</tr>
<tr>
<td><strong>Does not support short term employment achievements</strong></td>
<td>Remove Zero Dollar Payments and introduce a DES funding model that incentivise all employment activities not solely long term continuous employment e.g. contract or temporary employment that builds a jobseeker’s skills and confidence</td>
</tr>
<tr>
<td><strong>Does not support unpaid employment achievements</strong></td>
<td>Include performance measures that supports improvement of employability activities including work experience, volunteer work and job search activities</td>
</tr>
</tbody>
</table>
Review of DES Funding Model

Worklink recommends a review of the DES Funding Model in conjunction with the Performance Framework that recognises significant non-vocational support is required for jobseekers with complex non-vocational needs.

- Shift from payment bias towards Outcome Fees to adequate payments in Employment Assistance and Post Placement Support phases
- Recognise time spent in Post Placement Support where a 13 Week Outcome fee is not claimed as countable time when the jobseeker is returned to Employment Assistance
- Where time in Post Placement Support without Outcome cannot be counted as time in Employment Assistance, apply a pro rata outcome payment to providers like the pro rata application of wage subsidies
- RAFLs and benchmarks should be linked to ensure people with high support and prevocational needs do not have high employment expectations
- Outcomes fees reflect the impact of employment rather than time place in employment
- Outcome fees become bonus payments based on impact criteria rather than continuous weeks of employment at a set benchmark and continue incentivising providers
- Financially recognise short term employment achievements
- Removal of 7 or 28 day return to work timeframe in support of realistic return to work timeframes that encourage providers and employers to be collaborative
- Removal of Zero Dollar Outcome payments which penalise providers for supporting people with an episodic illness and become unwell during periods of employment and significantly restrict provider cash flow due to a lack of Post Placement Support fees
- Access to the Employment Assistance Fund to implement non-vocational interventions
- Return to Placement bonus to encourage providers to work long term with employers

Simplified DES 2018 Fee Structure

<table>
<thead>
<tr>
<th>Phase</th>
<th>Fee Type</th>
<th>Payment Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment Assistance</td>
<td>Service Fees</td>
<td>Quarterly Payments</td>
</tr>
<tr>
<td>Post Placement Support</td>
<td>4 Week Outcome Fee</td>
<td>Up to 4 Once Off Payments</td>
</tr>
<tr>
<td></td>
<td>13 Week Outcome Fee</td>
<td>Once Off Payment</td>
</tr>
<tr>
<td></td>
<td>26 Week Outcome Fee</td>
<td>Once Off Payment</td>
</tr>
<tr>
<td>Ongoing Support</td>
<td>52 Week Outcome Fee</td>
<td>Monthly Off Payment</td>
</tr>
<tr>
<td></td>
<td>Ongoing Support Fees</td>
<td>Monthly or Irregular Payments</td>
</tr>
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</table>

Example Supportive DES Fee Structure

<table>
<thead>
<tr>
<th>Phase</th>
<th>Fee Type</th>
<th>Payment Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment Assistance</td>
<td>Post Placement Support Fees</td>
<td>Monthly</td>
</tr>
<tr>
<td></td>
<td>Job Placement Fee</td>
<td>Up to 4 Once Off Payments</td>
</tr>
<tr>
<td>Post Placement Support</td>
<td>Meet Future Work Capacity Hours Loading - % added to PPS Fees when Future Work Capacity Hours are met</td>
<td>Monthly</td>
</tr>
<tr>
<td></td>
<td>Continuous Employment Bonus</td>
<td>13 &amp; 26 Week Bonuses</td>
</tr>
<tr>
<td></td>
<td>Return to Placement Bonus</td>
<td>Up to 4 Once Off Payments</td>
</tr>
<tr>
<td>Ongoing Support</td>
<td>Ongoing Support Fees</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Continuous Employment Bonus</td>
<td>52 Week Bonuses</td>
</tr>
</tbody>
</table>
Review of DES Wage Subsidy Scheme

Worklink recommends the DES Wage Subsidies be increased to reflect yearly CPI wage increases and operating expenses as well as an introduction of a two part wage subsidy.

Wage subsidies should be consistent with the value of the worker.

- Disability Employment Services wage subsidies are nominal and have not been increased in recent contracts
- Wage subsidies should reward employers who allow jobseekers to return to work after periods of illness, irrelevant of the length of the break

Providers require additional support to encourage employers to engage long term unemployed or those with irregular employment history to gain and stay employed.

A staged wage subsidy would recognise the job and the jobseeker separately and reward the employer for supporting creating opportunities for people with a mental illness and encourage employers to reengage jobseekers following absences from employment due to unwellness.

Individual Placement Support Program Expansion

Worklink recommends that The Department of Social Services offers people with a mental illness of any age access to the Individual Placement Support program with the following provisions:

- Runs concurrently with Disability Employment Services. The current DSS IPS programs runs adjacent with DES in the trial sites and has potential to cause duplication of service delivery.
- IPS Vocational Specialists placed within clinical mental health teams

A trial of integrated employment services is already occurring within Australia via the Individual Placement Support (IPS) program.

IPS provides specialist vocational support to youth up to the age of 25 at participating headspace sites. The vocational specialist integrated employment services within mental health treatments and collaborates with the young person’s clinical team to ensure that treatments and supports are employment focused.

Internationally IPS models have demonstrated that 61% of people with a lived experience of severe mental illness return to work (Killackey, 2014). This rate is higher than DES Psychiatric National Average Placement of 30.8% recorded in December 2017.

IPS is evidenced based incorporating proven principles of consumer choice, integrated vocational rehabilitation with mental health care, seeking open employment and efficient commencement of job search activities (Waghorn & Lloyd, 2005).

Worklink provides co-location services of Disability Employment Services to public and private mental health services and is well versed in the positive impact that integrated employment and health service programs create.

Where an integrated Employment model is not able to be appropriately applied within a DES program for people with a mental illness, Worklink recommendations the creation of a mental health specific employment program outside of DES similar to that of PHaMs Employment.
**Integrated Employment Services**

Where Department of Social Services is unable to expand the Individual Placement Support program, Worklink recommends that future Disability Employment Services models seek greater integration into health and community services to reduce systemic fragmentation.

Integrated employment services support the lifelong journey of recovery for someone with a lived experience of mental illness. Current health and employment services systems operate independently with limited interaction when a jobseeker is in crisis. The fragmentation of the system creates a significant service gap and often competing priorities for the person. This is exacerbated with the ceasing of complimentary services within the mental health sector including the Personal Helpers and Mentors program.

The OECD report, Fit Mind, Fit Job (2015) articulates the need for an employment focused mental health care system and an employment service financial framework that rewards swift action and integration with mental health supports.

**Integrated Employment Services Example - Community Navigator**

Worklink has piloted an integrated employment services model with the inclusion of a Community Navigator. The Community Navigator works alongside the employment case manager to support the jobseeker to find interventions to non-vocational barriers including holistic support around physical and mental health circumstances. This role is currently funded by Worklink by utilising Outcome Fees gained due to increased employment outcomes achieved by jobseekers who gain support from the Community Navigator.

Worklink’s model supports the internationally recognised concept that integrated mental health and employment services that offer individualised and flexible supports based on someone’s individual need are central to employment (McAlpine & Warner, 2002).

Since the introduction of the Community Navigator role, Worklink has noted an increase in employment placements by jobseekers who engage with the Community Navigator.

By reviewing the DES Funding Model and acknowledging the requirement for significant prevocational support within future fee schedules, DES has the ability to support providers to deliver a whole of person integrated employment services.
**Referral to National Disability Insurance Scheme**

Worklink recommends that the completion of 18 months within Employment Assistance phase within DES is recognised as exhaustion of an evidenced based treatment for someone with a psychosocial disability and they gain access NDIS supports.

Eligibility into the National Disability Insurance Scheme is determinant on the demonstration of permanency of disability which includes the exhaustion of all known available and appropriate evidenced based treatments.

For someone who already has a lived experience of mental illness, the longer they are unemployed the more pronounced their mental illness will become and there is a reduction in functional capacity. Someone’s mental illness can be a significant barrier to finding/accepting employment and they require supports provided by the NDIS to improve their capacity to undertake employment.

Evidence shows that supportive and safe employment can reduce the impact of someone’s mental illness.

**Continuation of Specialist Disability Employment Services**

Worklink recommends the continuation of specialist Disability Employment Services particularly for mental illness/psychosocial disability.

Given the financial hardship that can be faced by specialist providers of people with a mental illness it can be easy to counter the argument that providers should provide generalist caseload employment services to assist with cash flow.

This however is contrary to the needs of the person with a mental illness who benefits from targeted and individualised support to gain employment. Programs that incorporate psychosocial intervention have greatly improved return to work outcomes for people with a mental illness who are unemployed (Coppin, Ciarrochi, Sahdra, & Rosete, 2019) (Waghorn & Lloyd, 2005).

The support that someone with a mental illness requires will be varied to that of someone with a different disability. The current DES program does not support the long term interventions required for someone with a mental illness which could be linked to the poor performance of specialist providers. 65% of all mental health specialist contracts only received a 1 or 2 Star Rating in the June 2019 performance period. This potentially is not reflective of the provider’s performance but a system that does not support specialist providers.

Specialised mental health employment services provide the vital link between the person and the health system. Only one third of people with a mental illness will engage with a clinical mental health service within a 12 month period (AIHW, 2018, p. 4) less in regional and rural locations (Coppin, Ciarrochi, Sahdra, & Rosete, 2019). They do however often have higher engagement rates with their DES provider. Empirically, DES providers can become a consistent support that people with a lived experience of mental illness in their day to day lives due to being removed from other systems where they experience large degrees of stigma and distrust. Worklink along with other DES providers are quick to identify when a person is becoming unwell and requires referral into allied or clinical health supports.

DES case managers are best placed within people’s lives to quickly identify issues and implement efficient interventions and engage necessary professionals within the health care or community services (OECD, 2015, p. 12), particularly within an integrated employment services model.
Appendix 1 – The Conflict Between DES & NDIS

The NDIS is seen as a complimentary service to DES however falls short of meeting this requirement. At full rollout of the NDIS it was anticipated that approximately 64,000 people with a psychosocial disability will receive individual support under the NDIS leaving a significant number of people with a psychosocial disability who will not be receiving complimentary capacity building supports (Smith-Merry, Hancock, Gilroy, LLewellyn, & Yen, 2018) which will have a deep impact on DES.

The two programs are not aligned in the populations who access the programs and cannot be considered complimentary programs for people with a mental illness. The eligibility requirements conflicts include:

- **Differing age brackets**
  - The NDIS requires people to be aged less than 65 prior to accessing the scheme, DES requires the person to not yet reached their applicable Aged Pension qualifying age
    - With Australia’s aging population this results in older persons unable to access complimentary supports

- **Strict disability and permanency requirements within the NDIS**
  - DES has a simple requirement of documentary evidence detailing a disability illness or injury - This can be completed by a GP
  - People who experience anxiety, depression and other ‘poor mental health’ conditions are eligible for DES but may not achieve the diagnostic criteria for a mental disorder or psychosocial disability which excludes them from access to NDIS.
  - NDIS requires considerable evidence of disability including permanency and functional impairment
    - This excludes people with a lived experience of mental illness who have limited medical records due to the episodic nature of their disability
      - Psychosocial Disability confirmation for NDIS cannot be completed by a GP, must be completed by a psychologist or psychiatrist
      - Reduced functional impairment coupled with a lack of medical evidence to demonstrate functional impairment
      - No long term relationship with clinical support
      - Sporadic medical interventions following extended periods of wellness

- **Unable to prove permanency**
  - No long term relationship with clinical support
  - Sporadic medical interventions following extended periods of wellness

- **Systemic institutionalisation**
  - Mistrust of agencies due to previous systemic discrimination

- **Do not identify has having a disability**

When someone with a mental illness can gain a NDIS plan they often experience:

- Low support budgets that fail to understand increased servicing during periods of crisis
- Underutilised plans due to low or no access to Support Coordination resulting in less access to support when needed
- Low employment related goals
How People with a Mental Illness in Disability Employment Services are Predisposed to Failure

NDIS Impact on DES

The NDIS has failed to achieve adequate transition rates of people who accessed the PHaMs program and subsequently Disability Employment Services providers are required to provide additional support to people with a mental illness who are now unable access PHaMs programs or who have been deemed ineligible for NDIS.

The National Disability Framework – Issues Paper indicated a reliance firstly on PHaMs and then subsequently the NDIS for the success of DES. The Department of Social Services website now only refers to the transition of supported employment delivered through Australian Disability Enterprises into the NDIS (2018).

The transition of PHaMs to NDIS has removed a vital support network and performance determinant of DES as it removes fundamental support for people to improve their personal capacity, overcome social isolation and re-engage with their communities.

While the NDIS does aim to provide these supports, as indicated previous, there is a small number of people who are both referred to NDIS and DES and consequently a significant service gap is evident.

The Continuity of Support program while beneficial to those who have been deemed ineligible for NDIS is underfunded and holds an ambiguous future despite the Commonwealth Government declaration that no one would be worse off due to the introduction of the NDIS. For those with a mental illness who are unable to gain access to the NDIS, the Continuity of Support program cannot be a stopgap but a lifelong support.

The National Psychosocial Support Scheme is currently in infancy and is yet to demonstrate integration with DES.

NDIS Employment Supports

NDIS employment specific supports not related to Australian Disability Enterprises or School Leaver supports are limited within the Support Catalogue 2019 – 2020.

The NDIS Price Guide articulates that the line items relevant to employment support are to build capacity prior to gaining support from a DES and therefore should not be considered a complimentary service for people seeking open employment rather a referral pathway into DES.

In theory, the NDIS should help meet social and personal needs while building prevocational capacity to achieve employment goals. This is not occurring due to the low transition rates of psychosocial disability into the NDIS and a low co-referral between DES and NDIS.

Worklink acknowledges that the NDIA have established a NDIS Participant Employment Taskforce to address employment outcomes within the NDIS including increased utilisation of DES.

Relevant Recommendations

- Referral to National Disability Insurance Scheme


