



Australian Government  
Department of Human Services  
Job Capacity Assessment



# Job Capacity Assessment Review

## Summary Paper



Australian Government  
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## Table of Contents

<b>EXECUTIVE SUMMARY .....</b>	<b>3</b>
<b>INTRODUCTION.....</b>	<b>6</b>
<b>CHAPTER 1 – STAKEHOLDER VIEWS .....</b>	<b>14</b>
<b>CHAPTER 2 – APPROPRIATENESS .....</b>	<b>22</b>
<b>CHAPTER 3 - EFFECTIVENESS.....</b>	<b>44</b>
<b>CHAPTER 4 - EFFICIENCY .....</b>	<b>72</b>
<b>CONCLUSION .....</b>	<b>81</b>
<b>Attachment A:.....</b>	
<b>Minister for Human Services letter to Stakeholder Organisations .....</b>	<b>82</b>
<b>Attachment B: .....</b>	
<b>List of organisations which agreed to publish their responses to the JCA Review on the DHS Website.....</b>	<b>84</b>
<b>Attachment C:.....</b>	
<b>Good News Stories.....</b>	<b>85</b>

# EXECUTIVE SUMMARY

## The JCA Review

The Australian Government made a commitment to review Job Capacity Assessment (JCA) processes in response to issues raised by stakeholders, principally relating to efficacy. The Government's *Social Inclusion Agenda* states that:

*There have been many concerns raised about the efficacy of (the Job Capacity Assessment) process, including the appropriateness of the qualifications required of Job Capacity assessors and the guidelines for Job Capacity Assessments, which among other weaknesses, are believed by advocates to discourage referrals to appropriate specialists. Given that this is the tool that determines a person's level of income support and level of assistance, Labor believes it is essential that this assessment process is reviewed and its flaws remedied.*

The JCA Review (the Review) has been led by the Minister for Human Services, Senator the Hon Joe Ludwig, with the support of the Department of Human Services (DHS) and extensive input from other agencies, including the Department of Education, Employment and Workplace Relations (DEEWR) and Families, Housing, Community Services and Indigenous Affairs (FaHCSIA).

The Review has taken into account responses received from over fifty stakeholder organisations, as well as submissions to the Employment Service Review and the National Mental Health and Disability Employment Strategy, and discussions with key stakeholder groups. Senator Ludwig's letter to stakeholders of 12 February inviting their views is provided at **Attachment A**, while a list of stakeholder organisations which agreed to publish their responses on the DHS website is provided at **Attachment B**.

## Findings

The review found that the current JCA arrangements are soundly based on Australian and international best practice, generally well supported by stakeholders and have many positive features.

The Organisation for Economic Co-operation and Development (OECD) commends Australia's approach to work capacity assessment to other countries. In its 2007 report on *Sickness, Disability and Work: Breaking the Barriers: Australia, Luxembourg, Spain and the United Kingdom, volume 2* it states that:

*the new comprehensive JCA is a promising step as an integrated assessment aimed at earlier intervention, and the last step in a shift from a medical to a functional view of disability.*

*...JCAs, which were introduced in 2006, focus on identifying people's capacity to work and any barriers or impediments that prevent them from getting a job. This is a more comprehensive approach than in the other countries.*

Stakeholder views are extensively quoted throughout this summary paper. In general, stakeholders consider that, while current JCA arrangements are soundly based, there are a range of practical issues, mostly relating to complexity and inflexibility of current policy and program settings. These relate both to the JCA and Job Capacity Account programs themselves, and to the broader income support and employment services arrangements which they support.

DHS is currently working with stakeholders and other agencies on these issues, including reviewing training, guidelines, systems and processes. As a result of this work, new quality assurance and performance measurement frameworks were introduced from 1 July 2008.

The paper also contains extensive analysis of the appropriateness, effectiveness and efficiency of current arrangements, and finds that both contracted JCA service providers and the JCA and Job Capacity Account programs are generally performing well against current Key Performance Indicators and measures of quality and effectiveness.

### Key facts

The Job Capacity Assessment (JCA) and Job Capacity Account Programs are run by the Department of Human Services.

Assessments are conducted by allied health professionals employed by Centrelink, CRS Australia, HSA Group and 15 non-government providers.

Contracts commenced in July 2006 and have been extended to 30 June 2009.

People with barriers to work are referred for JCAs by Centrelink and employment service providers. The Jobseeker Classification Instrument is used by Centrelink to identify barriers to work.

Job Capacity Assessors refer people to employment services (around 83 per cent of assessments).

Around 50 per cent of JCAs are undertaken to support a Centrelink decision relating to income support, such as for Disability Support Pension or activity test exemptions. The Job Capacity Assessor assesses work capacity and, for Disability Support Pension, completes the Impairment Tables set out in the *Social Security Act 1991*.

Job Capacity Assessors are bound by income support and employment services policy settings, such as eligibility requirements, set by the Department of Education, Employment and Workplace Relations (and now the Department of Families, Housing Community Services and Indigenous Affairs for Disability Support Pension).

In 2006-07, 375,296 JCAs were conducted, with 23,603 Job Capacity Account referrals: total expenditure \$104 million including Job Capacity Account.

In 2007-08, over 447,000 JCAs were completed, with over 33,000 Job Capacity Account referrals.

Total expenditure in 2007-08 was just under \$150 million, including around \$17 million for Job Capacity Account services.

# INTRODUCTION

This introduction provides information on:

- the Australian and international context; and
- current program and policy settings and key facts.

## **Australian and International Context**

The Organisation for Economic Co-operation and Development's (OECD) report issued 18 December 2007 on *Sickness, Disability and Work: Breaking the Barriers: Australia, Luxembourg, Spain and the United Kingdom, volume 2* (often called the Four Countries Report), praises Australia for its emphasis on employment assistance and income support based on functional capacity, rather than incapacity.

JCA arrangements are particularly commended. The Australian approach to assessment, with its focus on function and capacity, is seen as a model for other countries with a more traditional approach based on diagnosis and incapacity (see Box 1).

The OECD comments that some countries, which have in the past relied on the person's own doctor to assess incapacity for income support purposes, are instead moving towards a model which draws on people with expertise in functional assessment and disability support, to assist people to work where they can do so with the right support. This is in line with current international thinking on disability, as evidenced for instance by the World Health Organisation's International Classification of Functioning, Disability and Health (World Health Organisation, 2001).

The JCA Program was introduced in Australia in July 2006. It replaced a number of existing assessments including Better Assessments, JSA Disability (DEI indicators), and the application for disability employment assistance processes.

Under Better Assessment, people were streamed to different assessment processes according to their presenting medical condition.

Where further investigation of a person's medical conditions was required, they were referred to an independent Medical Assessment Service Provider.

Where a person's medical condition had been fully investigated, but further information about their work capacity was required, they were referred to an independent work capacity assessor. These were contracted professionals with knowledge of labour market issues and experience in assessing the impact of medical conditions on ability to work.

In cases where a person had immediate, acute, or complex needs that would prevent them from attending or benefiting from a work capacity assessment (e.g. undiagnosed mental illness), they had their short-term non-vocational needs assessed by a Centrelink psychologist.

Better Assessments were sent to Centrelink, which made decisions about income support and referral to employment services. There was often a significant delay in referral to services.

Box 1: OECD Report on Sickness, Disability and Work volume 2, December 2007:  
Comments on Australia's Job Capacity Assessment arrangements

*...the new comprehensive JCA is a promising step as an integrated assessment aimed at earlier intervention, and the last step in a shift from a medical to a functional view of disability. The dual assessment and referral role could develop into its key strength. Success of recent reforms will rely heavily on the quality of the JCA, which is contracted out to a number of public and private agencies, and the quality of services provided after that.*

*JCA is also a step towards a more similar treatment of unemployed with disability and "standard" unemployed people with labour market disadvantage. This is mirrored by the fact that there are several ways to get a JCA. The new assessment is compulsory for DSP applicants but also for unemployed persons who apply for a longer-term activity-test exemption because of temporary work incapacity. As such, this may prove to be a useful tool to identify and tackle health problems earlier.*

*...Australia is now better able to discover health-related work barriers of the unemployed, a key issue when so many people are switching from unemployment onto disability. This is also important because the recent tightening of eligibility criteria for people with reduced work capacity, who are now pushed onto unemployment benefits, can only help achieving better outcomes if good services and support systems are in place.*

*Countries are increasingly addressing the issue of early identification of jobseekers at risk of transferring into disability. Since 2006, health problems of the long-term unemployed in Australia have a higher chance of being detected early on through the requirement for some groups of unemployed – e.g. jobseekers who ask to be exempt from job search activities due to temporary but longer-term sickness – to undergo a Job Capacity Assessment.*

*In Australia, GP's judgements and independent medical examinations are used only as one of several inputs in the decision to grant a benefit. The assessment is also based on a face-to-face meeting of the personal assessor with the disability benefit claimant. As such JCAs, which were introduced in 2006, focus on identifying people's capacity to work and any barriers or impediments that prevent them from getting a job. This is a more comprehensive approach than in the other countries.*

*The Australian JCA takes persistence of a health condition into account by using the criterion of being unable to work at least 15 hours per week within the next two years.*

In 2004, a Disability Support Pension Pilot was conducted to examine options to provide employment assistance to people on Disability Support Pension who volunteered for employment assistance. This was followed in 2005 by the Better Assessment and Early Intervention pilots that were conducted to refine these arrangements, to test the concept of consolidated assessment and to identify short service gaps for short-term interventions. A further Direct Registration Work Capacity Assessment pilot was conducted in 2006.<sup>1</sup>

These pilots were generally considered to be successful, and some key features were incorporated into the new Comprehensive Work Capacity Assessment arrangements, now called JCA, which were introduced as part of the Welfare to Work package in July 2006.

The National Employment Services Association (NESA), and providers who were involved in these pilots, consider that there are features of the Early Intervention pilots which should be incorporated into current arrangements, such as the ability to refer clients to the service of 'best fit', without regard for service caps.

### **Current Policy and Program Settings and Key Facts**

The Job Capacity Assessment program provides comprehensive work capacity assessment, combining referral to employment and related support services (such as literacy and numeracy training) with assessment of work capacity for income support purposes (such as for Disability Support Pension, partial capacity to work and exemptions from activity-testing due to medical conditions lasting more than 13 weeks).

#### How the Job Capacity Assessment Program Works

- The JCA program is administered by the Department of Human Services (DHS), which sets the requirements for service delivery in service provider contracts and guidelines.
- Eighty per cent of JCAs are provided by Centrelink, CRS Australia and HSA Group, which are human services portfolio agencies. They are provided under agreements with DHS.
- The remaining 20 per cent of assessments are provided under contract by private providers selected by tender in 2006. The private providers are a mix of for-profit and not-for-profit organisations, the two largest being Advanced Personnel Management and Mission Australia. Most are also employment service providers.
- JCA provider contracts have recently been extended to 30 June 2009.
- Although funding for the JCA Program is capped, DHS does not control referrals for assessment. People are referred for assessment by Centrelink and, in around 18 per cent of cases, by employment service providers.
- Most people applying for Newstart Allowance are referred directly to Job Network by Centrelink, without a JCA.

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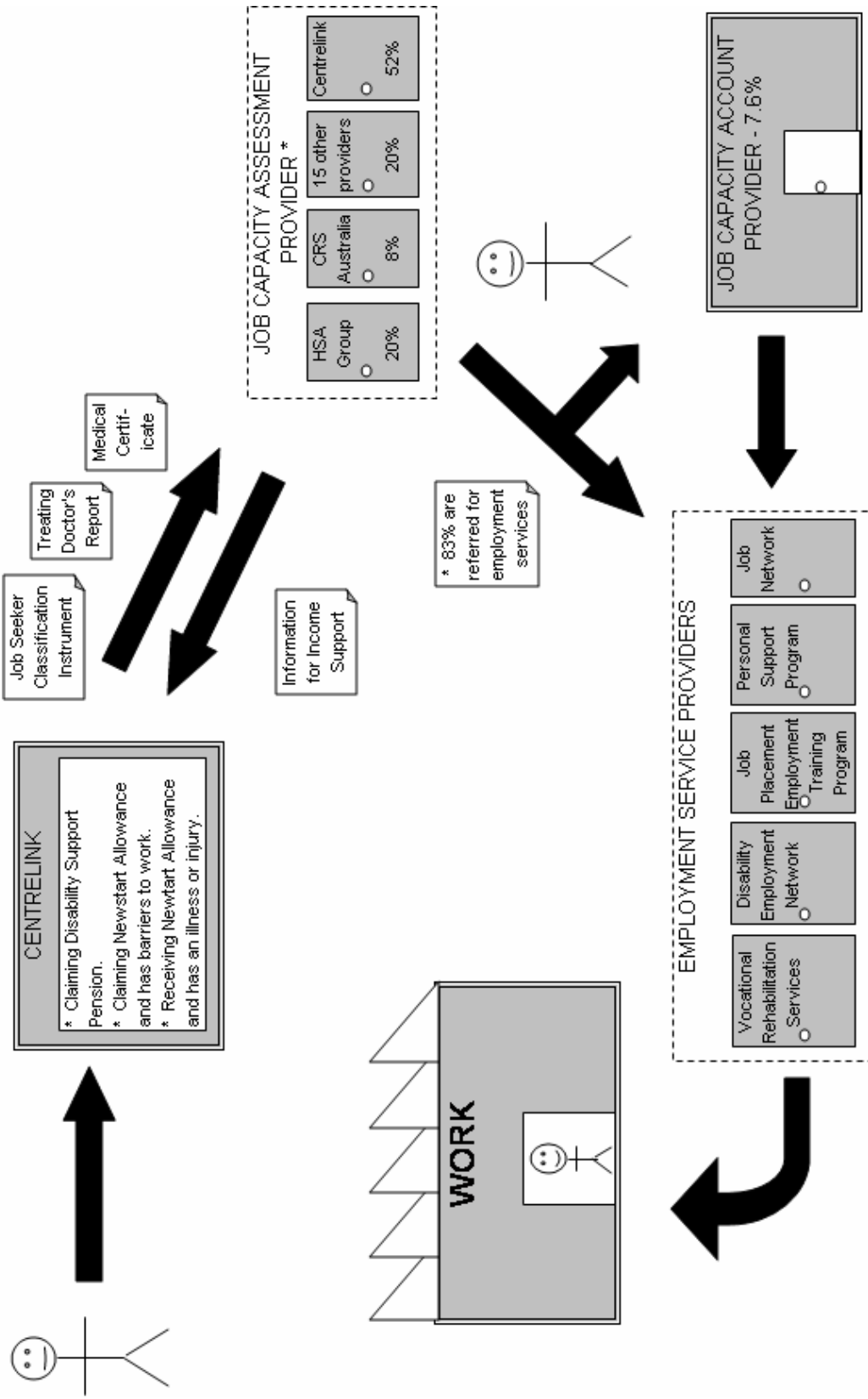
<sup>1</sup> Department of Employment and Workplace Relations, *Job Network Disability Support Pension Pilot: Interim Evaluation Report*, October 2004; *Early Intervention and Engagement Pilot: Evaluation Report*, September 2005.

- People are only referred for a Job Capacity Assessment if they have significant barriers to work, which are determined by Centrelink using the Jobseeker Classification Instrument (JSCI – this is currently being reviewed by DEEWR).

People are referred for a JCA if:

- they are applying for Disability Support Pension or undergoing a medical review of Disability Support Pension;
  - they are on Newstart or Youth Allowance and applying for an activity test exemption of more than 13 weeks due to illness;
  - they register directly with an employment service provider;
  - they inform Centrelink or their employment service provider of a medical condition or disability that affects their work capacity and/or employment service needs;
  - they have a significant change of circumstances, such as new medical evidence; and/or
  - the Jobseeker Classification Instrument administered by Centrelink shows that they have significant barriers to work.
- DEEWR policy and program settings determine referrals and eligibility criteria for income support, activity test exemptions and referral to DEEWR funded employment assistance services.
  - Since December 2007, FaHCSIA policy and program settings determine access to the Disability Support Pension.
  - Job Capacity Assessors, who are allied health professionals, conduct the JCA and refer people to employment services (in around 83 per cent of assessments).
  - As at 30 June 2008, there were 1,678 allied health professional Job Capacity Assessors providing assessments at 1,113 sites throughout Australia.
  - Job Capacity Assessors interview the client, review the medical and other evidence and complete a JCA Report on DEEWR's EA3000 system, which is used to manage the JCA Program. Through the EA3000 system, DHS pays providers a flat rate for completed assessments only, with loadings for Disability Support Pension assessments, remote assessments and interpreters.
  - JCA providers receive reimbursement for specialist assessments where required. These are required for around five per cent of assessments, at an average cost in 2006-07 of \$730 per client referred, mainly for specialised assessments such as for intellectual impairment and acquired brain injury.
  - JCA providers also receive reimbursement for short-term allied health professional interventions purchased through the Job Capacity Account; see [the Job Capacity Account Program](#) below.

# HOW JOB CAPACITY ASSESSMENTS WORK



- JCA appointments are booked by the referring agency, usually Centrelink, on EA3000 by selecting the first available appointment, generally within two days if the client can be contacted by phone, or three if an interpreter is required. If the client does not attend this appointment, for instance because they are sick, the Assessor contacts them and arranges another time. If they do not attend the second time, the Assessment is terminated as unable to complete and returned to Centrelink. Centrelink determines whether to apply a participation failure.
- The JCA report is stored on the EA3000 system and is used by Centrelink, along with medical and other evidence, to make decisions about income support eligibility (such as for Disability Support Pension and partial capacity to work) and temporary incapacity exemptions. About 50 per cent of assessments are related to an income support decision.
- When a Job Capacity Assessor refers a client to an employment service (around 83 per cent of completed assessments), the employment service provider uses the report in developing activity agreements with job seekers and assisting them to meet their participation requirements.

#### First year of operation

In 2006-07, 375,296 JCAs were completed, just over the Budget estimate of 372,000. Total expenditure was just over \$100 million (\$104 million including expenditure on the Job Capacity Account, see below).

The program met targets and benchmarks, with 82.4 per cent of assessments nationally being completed within 10 days of referral, including in remote areas.

The focus for the program in its first year was on implementation and building relationships. Input and advice was sought from a national stakeholder reference group, the JCA Reference Group, and also from other stakeholder organisations such as the National Welfare Rights Network.

Clarification of policy and changes to program arrangements and systems were made throughout the year, in response to issues as they arose. This required some significant changes to the JCA Guidelines and processes, often involving manual workarounds pending systems changes.

A mobility access audit was conducted with the assistance of the Human Rights and Equal Opportunities Commission, finding that all 1,070 sites (now 1,113 sites) throughout Australia met mobility access requirements.

DHS met with remote JCA service providers in Alice Springs in March 2007 to discuss possible approaches to improving the quality and viability of remote services. A number of possible approaches were discussed with providers, but implementation was delayed due to redirection of resources to work on the Northern Territory Emergency Response.

A team of independent allied health professionals were contracted to audit the quality of Job Capacity Assessments, with 1,012 assessments audited from January to June 2007.

Work on training modules on assessing people with special needs commenced in consultation with key stakeholder organisations. Two mental health training modules were developed by the Centre for Mental Health at the University of Queensland.

An independent audit of implementation was conducted in May 2007 and its recommendations were implemented.

#### Second year of operation – 2007-08

In 2007-08, the volume of referrals for JCAs increased. This was for two main reasons: Disability Support Pension transition clients are now subject to the 15 hour work capacity test for Disability Support Pension; and ‘grandfathered’ parenting payment clients are now subject to activity testing.

As a result, more than 447,000 JCAs were completed in 2007-08. Expenditure this year was just under \$150 million, including around \$17 million for Job Capacity Account services.

Two key focuses have been around quality and remote services.

A total of 1,301 assessments were audited by DHS contracted independent quality auditors in 2007-08.

A national performance review and business reallocation was conducted from July to October 2007 with the assistance of the Australian Government Solicitor, finding that providers were generally meeting requirements.

These activities were accompanied by extensive work with the National Employment Services Association, JCA providers and our quality auditors, to improve performance reporting and performance review arrangements, with a strong focus on more extensive and rigorous measurement of quality.

As a result of this work, new quality assurance and performance measurement frameworks were introduced from 1 July 2008, to provide broader, more rigorous and more balanced assessment of quality and other aspects of performance.

Work continued with the JCA Reference Group, the Commonwealth Ombudsman, other review and complaints bodies and stakeholder groups such as National Welfare Rights Network, to identify and address issues and ensure that the program meets the needs of clients, service providers and the Australian community.

- On 2 June 2008, the Commonwealth Ombudsman, Professor John McMillan, released his Report on *The Implementation of Job Capacity Assessments for the Purposes of Welfare to Work Initiatives*. This report focuses on quality, appropriateness and communications. In response to the ten complaints referred by the Commonwealth Ombudsman on JCA matters between 1 July 2006 and 30 June 2008, the Department has made changes to systems and processes to address issues identified. It is currently working with the Ombudsman, Centrelink and other agencies to progress the recommendations of the Report.

A training module for assessing people who are deaf or hearing-impaired was introduced, and other training modules are currently under review in consultation with stakeholders.

Work with Centrelink and DEEWR has resulted in significant improvements to information technology systems to address issues identified by JCA providers and employment service providers in each quarterly systems release. Further systems improvements are scheduled for the September 2008 release.

As part of the Northern Territory Emergency Response, DHS officers were outposted to Darwin to co-ordinate the JCAs required due to lifting of remote area exemptions. A total of 5,830 assessments were conducted in 2007-08 due to lifting of remote area exemptions in the Northern Territory.

#### The Job Capacity Account Program

Job Capacity Assessors are reimbursed through the Job Capacity Account for purchasing short-term allied health professional services, such as counselling and pain management, for people referred to Job Network who need this assistance to become work-ready. The JCA Guidelines currently set a maximum duration of Job Capacity Account services of 13 weeks.

A total of 23,603 referrals were made to Job Capacity Account services in 2006-07. In 2007-08, more than 33,000 referrals were made to Job Capacity Account services.

Initially, funding of \$26 million a year was provided over four years. The Program started in July 2006 but take-up was slow at first, because JCA providers were just commencing themselves and needed time to locate appropriate services and negotiate arrangements.

However, by January 2007, referral to Job Capacity Account services had increased to the estimated level of 6.8 per cent of assessments, and since then has been around 7.5 per cent of assessments. Expenditure in 2007-08 was around \$17 million.

The average cost of Job Capacity Account services per referred client is around \$600, compared to the original estimate of \$1,000.

An independent audit of Job Capacity Account processes was conducted in 2007 and its recommendations implemented.

## CHAPTER 1 – STAKEHOLDER VIEWS

In his letter to stakeholder organisations of 12 February, Senator Ludwig asked them to provide feedback on:

*your views on how Job Capacity Assessment and Job Capacity Account services can better meet the needs of people with barriers to work, service providers and the Australian community....I would be particularly interested in your views on:*

- *Job Capacity Assessment Guidelines, particularly as they relate to assessment and referral practices;*
- *the appropriateness and range of the qualifications necessary for Job Capacity Assessors to undertake assessments of people with different disabilities, including those with a mental illness;*
- *the quality of information recorded during the assessment process, including whether this is sufficient to assist agencies making decisions on income support and/or employment assistance;*
- *the appropriateness of arrangements to ensure attendance at Job Capacity Assessments;*
- *the role of the Job Capacity Account program, including the effectiveness of the current referral arrangements to the Job Capacity Account and the Job Network; and*
- *key strengths of the current arrangements and any lessons for the future, from your knowledge of current and past arrangements in Australia and internationally.*

A copy of this letter is provided at **Attachment A**, along with a list of stakeholder organisations which were sent the letter and stakeholder organisations which provided a response as at 28 March 2008. A list of stakeholder organisations which agreed to publish their responses on the DHS website is provided at **Attachment B**.

### **Sources of stakeholder views**

Following Senator Ludwig's letter to stakeholder organisations of 12 February 2008 seeking their views on how to improve JCA and Job Capacity Account services, over fifty responses were received. Fifty respondents agreed to their responses being published.

In addition to responses received for the JCA Review, a number of stakeholders raised issues relating to JCA and Job Capacity Account services in submissions and consultations on the Employment Services Review and the National Mental Health and Disability Employment Strategy.

DHS has met with many agencies and organisations to gain a better understanding of their views and discuss possible approaches, including:

- the JCA Reference Group (representing peak stakeholder organisations);
- the Mental Health Council of Australia;
- the National Welfare Rights Network;
- the Human Rights and Equal Opportunities Commission;
- the Commonwealth Ombudsman;
- the Privacy Commission;
- the National Employment Services Association (NESA - representing employment service providers and JCA providers) – NESA also facilitated two workshops with providers on 12 May and 16 June 2008;
- Jobs Australia (representing not-for-profit employment service providers);
- the Association of Competitive Employment (representing Disability Employment Network providers);
- the Social Security Appeal Tribunal;
- Uniting Care;
- JCA service providers; and
- Government agencies, including DEEWR, FaHCSIA and Centrelink.

DHS, DEEWR and FaHCSIA have also received substantial feedback from stakeholders during the life of the JCA Program, including through JCA Reference Group meetings and Centrelink Disability Customer Reference Group and Multi-cultural Reference Group meetings, in response to conference presentations and workshops, and in meetings with key stakeholder groups such as the National Welfare Rights Network.

Presentations at the JCA service provider conference in August 2007 by the National Welfare Rights Network, the National Council of Single Mothers and their Children and the National Association of People Living with HIV/AIDS, highlighted client perspectives on JCA arrangements. The National Welfare Rights Network also provided DHS with a paper on issues identified with the JCA in August 2007, several of which have now been rectified.

This chapter canvasses the feedback from all these sources and from several key reports which canvassed JCA and Welfare to Work issues, including:

- the Commonwealth Ombudsman's *Annual Report 2006-07*;
- the Commonwealth Ombudsman's *Report on Application of Penalties under Welfare to Work*, December 2007;
- the Commonwealth Ombudsman's *Report on Implementation of Job Capacity Assessments for the Purposes of Welfare to Work Initiatives*, June 2008;
- Mental Health Council of Australia, *A National Mental Health Employment Strategy*, December 2007;
- Mental Health Council of Australia Reforming Welfare to Work Forum and papers, Parliament House 15 February 2008; and
- NSW Nurses' Association, *Jumping through Hoops*, November 2007 (a study of barriers to work for people with mental illness).

## Positive aspects of the JCA Program identified by stakeholders

Stakeholders identified many positive features with current arrangements. A comprehensive analysis of the strengths of the current JCA arrangements was provided by the National Employment Services Association, which represents both employment service providers and JCA providers (see **Box 2**).

Generally, stakeholders agreed that the JCA arrangements enabled rapid connection to employment services and that they were considerably easier for people with barriers to work and employment service providers to negotiate than the previous arrangements:

*Catholic Social Services Australia supports the Job Capacity Assessment model. ... Job Capacity Assessments allow barriers to be identified and addressed more effectively than under past arrangements. The use of a range of professional assessors is a strength... good working relationships between assessors and service providers... assessments that usually match the client's view of their situation... access to independent assessments (Catholic Social Services Australia, response to JCA Review)*

*The assessment process is far more streamlined, cost effective and less daunting for the client than the old Disability ... Panels as introduced in the early 1990s (Personnel Placement Consultancies, response to JCA Review)*

*The overall system... allows for a better assessment process to occur before individuals are sent to employment services... we have seen a decrease in incorrect referrals, especially for Disability Support Pension, and... a distinct improvement in overall employment services. (AW Workwise, response to JCA Review)*

Timely access to assessment by allied health professionals, including in regional and remote communities, was seen as a key positive feature.

*Key strengths include... comprehensive national coverage by a range of government and non-government JCA providers who bring considerable knowledge and learning from previous assessment regimes and employment service environments to the JCA program... utilisation of a range of allied health professionals with expertise in the identification of barriers to participation and assessment of work capacity... combining the roles of assessor and referrer... (Centrelink, response to JCA Review)*

Employment service providers particularly welcomed being able to refer clients directly to JCAs, and having access to JCA reports (without impairment information) to assist them in providing appropriate support and services:

*...key strengths: a higher quality and consistency of information provided to Providers of Australian Government Employment Services (PAGES) allowing enhanced service delivery... significantly improved access to capacity assessments for jobseekers, especially for those whose circumstances have changed, as a result of the direct referral from PAGES... improved ability for PAGES to provide information to further inform the assessment or challenge the assessment... (Mission Australia, response to JCA Review)*

Box 2: The National Employment Services Association on the positive aspects of the JCA Program (NESA response to JCA Review)

*The introduction of the Job Capacity Assessments has contributed to strengthening the employment services framework. The Job Capacity Assessment model has a number of strengths and its introduction has resulted in the following improvements to assessment processes:*

- 1. Greater consistency in the assessment process.*
- 2. Greater consistency in the process of referral to assessments.*
- 3. High quality and consistent format of information to support Centrelink income support determinations.*
- 4. Improved access to assessment appointments both for new clients and those with changed circumstances with the introduction of direct referral from providers of employment services.*
- 5. Greater responsiveness in assessment services with improved timeliness experienced between referral, appointment and report.*
- 6. Improved efficiency of assessments with an integrated model which streamlines referral to Specialist Assessment where required.*
- 7. Improved access to information to support service provision with assessment reports now consistently available to all employment service providers.*
- 8. Significantly better quality of assessment information being available to employment service providers.*
- 9. Improved access to assessment services with waiting lists in non-metropolitan areas being reduced significantly.*
- 10. Improved opportunities for communication between assessors and providers of employment services to clarify issues identified in the assessment and better support interventions.*
- 11. Improved client referral to, and connections with, providers of employment services.*
- 12. Greater opportunity to challenge outcomes of the JCA or provide additional evidence to inform a review of the decision without necessarily having to restart the process.*
- 13. Job Capacity Assessments becoming a compulsory activity has supported improvements to service provision to those clients who have low awareness or insight into conditions such as mental health.*
- 14. Introduction of the Job Capacity Account has enabled better early engagements of clients who are experiencing short term but significant barriers to participation in mainstream services.*
- 15. Greater integrity of process and broad overview alignment with other income support and service frameworks is achieved with responsibility for JCA implementation being with the Department of Human Services rather than being restricted within employment.*

Advocacy groups generally supported the concept of independent assessment by allied health professionals, although in many cases consider that clinicians should be more closely involved.

*One of the potential strengths of the system is that many of the assessors are well qualified and seek to deliver a high quality assessment and assistance to their clients...many of the JCAs have been done fairly and have suited the needs of particular clients...Job Capacity Assessors can play a very important part in a person's life...adjustments to the system need to be made to ensure that role is as positive as it can be. (National Welfare Rights Network, response to the JCA Review)*

A number of stakeholder organisations considered that the skills and expertise of allied health professional Job Capacity Assessors had the potential to be better and more widely used to help people with barriers to work. One approach to address this, advocated by the National Employment Services Association and supported by all JCA providers, was to expand the Job Capacity Account program and lift limits to self-referral.

*The notion of Job Capacity Assessment is worth pursuing. The Job Capacity Assessment system provides a mechanism for further assessment and referral of clients which can be used by employment consultants as a case management tool. (Uniting Care Australia, response to the JCA Review)*

Several stakeholder organisations commented that a key strength of the current arrangements was the positive and constructive approach taken by the Department of Human Services, and its willingness to listen and take action in response to stakeholder concerns. Stakeholders commended:

*the client focused outlook of the Department of Human Services and their willingness to engage constructively with stakeholder groups and to seek feedback on a regular basis, and to work towards solutions...(National Welfare Rights Network, response to JCA Review)*

*a very consultative and responsive approach to implementing the program ... (which) has resulted in improved policy and IT systems that have resulted in better outcomes for clients (Mission Australia, response to JCA Review)*

*HSA acknowledges the tireless efforts of the departments involved in co-ordinating the Job Capacity Assessment program...we cannot fault their dedication, hard work or patience with the process (HSA Group, response to JCA Review)*

*provision of extensive training manuals, procedures, support and liaison by the Department of Human Services (Australian Rehabilitation Providers Association, response to JCA Review)*

### **Key themes and issues identified by stakeholders**

Responses from stakeholder organisations across all sectors, including advocacy groups, employment service providers, JCA providers, review and complaints bodies and government agencies show considerable common ground.

The main issues raised by all stakeholders relate to the inflexibility and complexity of current program and policy settings, in particular claims that there is too much focus on rules, barriers, program boundaries and contract requirements (see **Box 3**).

Stakeholders consider that this can produce referral and income support outcomes which are counter-intuitive and frustrating for clients, their families and advocates, leading to claims that the Job Capacity Assessor was unqualified or that the assessment was poor quality or incorrect. This complexity and inflexibility can also lead to frustration, staff retention problems and viability issues for JCA providers and employment service providers.

Stakeholders have raised a number of issues with JCA program arrangements, systems and processes, generally relating to their complexity, inflexibility and unintended consequences. They have made a number of practical suggestions for change. Work on some of these changes has already started, whereas others may require negotiations, contract variations and possibly additional funding.

A recurring theme in stakeholder responses and discussions is the need for changes to employment services and participation arrangements, to enable Job Capacity Assessors to refer people to the right services with appropriate participation requirements. Caps on services and current participation requirements were particularly criticised.

*A number of weaknesses in policy settings for income support and employment assistance place additional pressure on the assessment process. (Australian Council of Social Service, response to JCA Review)*

Some of these issues are expected to be addressed by the Employment Services Review being conducted by the Minister for Employment Participation, the Hon Brendon O'Connor MP, and by the National Mental Health and Disability Employment Strategy jointly led by Mr O'Connor and the Parliamentary Secretary for Disabilities and Children's Services, the Hon Bill Shorten MP.

However, it is important to examine whether JCA and Job Capacity Account program arrangements and processes can be changed to address the practical impact of these issues wherever possible.

### **Feedback on the Job Capacity Account**

Stakeholders, particularly employment service providers and JCA providers, were generally very positive about the Job Capacity Account, which reimburses Job Capacity Assessors for purchasing short-term interventions such as counselling and pain management for people referred to Job Network. A typical comment was:

*The role of the Job Capacity Account is great. The only issue is that at times the individual may not be suitable for Job Network, yet this is the only way the Job Capacity Account can be accessed. We have found that the Job Capacity Account program seems to be working very well as quite a few times, in particular with individuals who receive counselling through the Job Capacity Account, they have started to really focus on finding employment. Feedback from some individuals suggests that they would not have had the confidence to do so if they hadn't received psychological assistance through counselling first. (AW Workwise, response to JCA Review)*

### Box 3: Stakeholder views on main issues with current JCA arrangements

*The JCA model's effectiveness has been limited by a number of factors including:*

- *Interdependency of work capacity assessment and service recommendations;*
- *Rigid and complex policy guidelines providing too little flexibility for professional judgements of assessor in recommending service of best fit;*
- *Over automated decision making structure driven by Information Technology and providing too little flexibility for professional judgements of assessor;*
- *Inadequate resourcing to realistically deliver quality assessments and to deliver all specified service requirements;*
- *Inadequate resourcing of non metropolitan JCA services with loadings applied to only very narrowly defined remote and very remote locations;*
- *Inadequate provision of resources to case manage clients undertaking Job Capacity Account interventions; and*
- *A performance assessment framework which is not adequately aligned to objectives. (NESA, Response to JCA Review)*

*Interact Injury Management acknowledges the positive role the Department of Human Services has committed to this change process and appreciates the broader context in which JCAs operate. However, the rigidity of the current process and guidelines forces the JCA assessor to place clients in program they are eligible for, rather than the program that best suits their needs. (Interact Injury Management, response to JCA Review)*

*The Job Capacity Assessment instrument is a good screening tool but the rigid application of that tool to the screening procedure and the rule bound manner in which it is required to be followed render it less than optimally valuable and limiting in scope. (Australian Psychological Society, response to JCA Review)*

*Many of the system's problems lie outside the control of Job Capacity Assessors. For example:*

- *The volume of assessments demanded is high. Quantity may take priority over quality.*
- *While barriers are identified, caps on the Personal Support Program and the Disability Employment Network mean that they may not be addressed in a timely way.*
- *The combined requirements of income support, Job Capacity Assessments, and employment assistance can be demanding for vulnerable income support recipients. There is a risk that the assessment process will increase the risk of vulnerable clients being breached unfairly. (Catholic Social Services, response to JCA Review)*

A number of employment service providers wanted the program extended to people referred to Disability Employment Network and other employment services, while JCA providers wanted the program extended from 13 weeks to 6 months maximum duration.

JCA providers were, however, critical of the lack of remuneration for administering and monitoring services and of increased accountability requirements implemented following an independent audit in 2007. Currently, JCA providers are only reimbursed for the cost of the services themselves. Issues with the Job Capacity Account are discussed in more detail in Chapter 2.

## CHAPTER 2 – APPROPRIATENESS

This chapter considers:

- the Job Capacity Assessment model;
- the balance between work capacity and impairment;
- the independence of assessment from service provision;
- combining assessment for income support and employment services;
- current contract timeframes;
- client attendance and participation requirements;
- particular client groups, such as people with mental illness;
- the qualifications of Job Capacity Assessors;
- training;
- use of specialist assessments; and
- the role of JCAs in review and appeal processes.

### **Appropriateness of the Job Capacity Assessment model**

The Job Capacity Assessment model is well supported by Australian and international research and experience. As discussed in the Introduction, the OECD in its December 2007 *Report on Sickness, Disability and Work volume 2*, commented that Australia's

*...new comprehensive JCA is a promising step as an integrated assessment aimed at earlier intervention, and the last step in a shift from a medical to a functional view of disability. The dual assessment and referral role could develop into its key strength.*

Some stakeholders, such as CRS Australia and Advanced Personnel Management, have noted in their responses that independent and comprehensive work capacity assessment, with a focus on functional capacity rather than medical condition, is in line with internationally recommended best practice. They have provided references to show that it is in line with Australian and international research<sup>2</sup>:

*The Australian JCA process is leading international practice... the core policy and intent surrounding JCA is clear and sound. JCA represents the result of significant trialling and evolution and improvement of assessment approaches that began in 2000. CRS Australia was actively involved in the initial assessment pilot and all subsequent improvements to Australia's assessment process. JCAs have significant potential to contribute strongly to the Government's social inclusion agenda through the expert identification of barriers faced by disadvantaged jobseekers and the services required to overcome those barriers... (CRS Australia, response to JCA Review)*

Most stakeholder organisations also support the Job Capacity Assessment model, although they consider that operational refinements are needed. For example:

*ACOSS supports the principle that work capacity rather than impairment alone should be assessed. In the past there has been too much emphasis on medical*

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<sup>2</sup> Advanced Personnel Management, response to the JCA Review, 28 February 2008, page 6 and references.

*assessments of capacity to work* (Australian Council of Social Service, response to JCA Review)

Stakeholders strongly supported the combination of the functions of assessment and referral to employment services, which under the previous Better Assessment arrangements were performed separately by assessors and Centrelink. This was seen as promoting early intervention by enabling rapid connection to employment services.

However, while stakeholders generally considered that the model was sound, as identified in Chapter 1, they have identified a range of issues with current arrangements which need to be addressed.

### **The balance between work capacity and impairment**

Some stakeholders consider that current arrangements place too much emphasis on work capacity and insufficient emphasis on impairment and medical evidence. In some cases, they believe that an over-emphasis on the “work first” principle has encouraged assessors to make unrealistic assessments of work capacity which are not supported by the medical evidence, and to disregard medical evidence without adequate reasoning to support an alternative finding.

*Underpinning the problems with JCAs is the political context... Assessors operate in the harsh environment of the... ideologically driven and misplaced ‘Work First’ approach as opposed to the much more effective ‘Work Ready’ approach as proven in many other OECD countries... the current process [is] too one-sided, inflexible and the guidelines are too prescriptive and limiting. ... In the past, doctors ... had far too much influence. Recently, it has swung too far toward the non-medical ‘work capacity assessment’ only. (National Welfare Rights Network, response to JCA Review).*

### The Impairment Tables and the 15 hour rule

This issue relates mostly to people who apply for Disability Support Pension, but also those classified as having a Partial Capacity to Work and receiving Newstart or Youth Allowance.

Currently, the *Social Security Act 1991* (the Act) sets out that, to be eligible for Disability Support Pension, a person must have:

- one or more permanent medical conditions which are diagnosed, treated and stabilised, with a combined rating of 20 or more points against the Tables for the Assessment of Work-related Impairment for Disability Support Pension (the Impairment Tables), included in the Act; and
- a continuing inability to work of less than 15 hours per week at or above the relevant minimum award wage in any job in Australia.

The assessment of whether a condition is fully treated can be problematic, with some mental health organisations suggesting that Assessors can interpret this to exclude clients who have not had optimal treatment with the latest specialist interventions.

The Impairment Tables were last revised in 1998 in consultation with clinicians. However, many people with severe disabilities who would have a rating of 20 or over under the Impairment Tables are currently working full- or part-time: for example, a person would score 20 on the Impairment Tables for profound hearing impairment, even though they were using a cochlear implant or other aid which enabled them to participate fully in open employment.

For this reason, it is not uncommon for an Assessor to find that a person could work more than 15 hours a week, even with a relatively high rating against the Impairment Tables.

There is growing evidence to show that motivation to work, and the availability of appropriate support services, are the best predictors of employment outcomes, as noted by Dr Geoff Waghorn of the Centre for Mental Health at the University of Queensland in his response to the JCA Review. Hence, many organisations, including the Ministry of Social Development in New Zealand, are moving away from reliance on hours of work measures, and having success with an approach based on motivation and support<sup>3</sup>.

There is some evidence that doctors may make judgements about a person's work capacity based on their ability to do their previous job, or the work available in their local community. The *Social Security Act* requires work capacity to be assessed based on the person's ability to do any job, anywhere in Australia. .

In addition, doctors are also generally not aware of the full range of support services, workplace aids and modifications and other assistance currently available to people with disabilities and medical conditions, or of the skills shortages which make many employers more willing to take on people with disabilities. Assessors, on the other hand, are trained in this area and required to keep up to date with the latest developments.

On occasions, therefore, it may be appropriate for a Job Capacity Assessor to reach conclusions about the client's work capacity which differ from the doctor's view. However, in doing so, they must take into account all available medical evidence, including evidence of the client's impairments, and their findings must be evidence-based and fully justified.

*...assessors appear to have the discretion to prefer their own opinions to those of qualified medical or other professionals. Although DHS training material states that where an assessor's opinion differs from that of a qualified medical professional, the assessor must justify their opinions in the assessment summary of the JCA report, I consider that the guidelines need amendment to require that the medical professional be contacted. (Commonwealth Ombudsman, response to JCA Review)*

Communicating with the doctor is very important in these cases, but Assessors are often frustrated by difficulty in contacting the doctor and the time constraints of the Assessment.

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<sup>3</sup> Source: Ms Sue Mackwell, A/g Deputy Chief Executive, Ministry of Social Development, New Zealand, meeting with DHS and Centrelink, 28 February 2008; Dr Debra Dunstan, current Churchill Fellow, ongoing discussions with DHS regarding her Australian and international research.

Review and complaints bodies and advocacy groups acknowledge that the Job Capacity Assessments they encounter are generally those in which the client has exhausted internal complaints, review and appeal processes with the JCA provider, Centrelink and DHS, and is still unhappy with the assessment outcome. They are not representative.

These organisations also acknowledge that Assessors often do not have access to the right medical evidence, Treating Doctors Reports are often inadequate and that other key evidence, such as specialist correspondence, is often lacking.

However, this does not excuse a poor quality JCA report. Access to appropriate medical evidence is critical to a quality assessment. Under the new quality assurance framework introduced from 1 July 2008, scoring of JCA Reports by independent auditors is strongly weighted to recognise appropriate use of medical evidence and communications with doctors.

There is also scope to address these issues through improvements to training and ensuring appropriate use of Assessors, see under Training and Assessor Qualifications, below.

### **Independence of assessment from service provision**

Before the JCA program was introduced, people directly registered in services such as Disability Employment Network and Vocational Rehabilitation Services (VRS), and had their eligibility for the right service assessed by Centrelink through an 'Application for Employment Assistance' process.

The JCA replaced a paper-based independent assessment process with a face-to-face assessment, requiring the jobseeker to provide medical evidence.

Most stakeholders, including ACE, which represents Disability Employment Network providers, support the concept of independent assessment:

*ACE recognises the value of an independent assessment process to direct people towards appropriate program supports, however the current assessment tool, the Job Capacity Assessment, has significant shortcomings that impact on clients, disability employment services and other service providers. (ACE, response to JCA Review)*

However, some DEN providers do not see the need for an independent assessment and think that it interferes with 'natural pathways' to disability employment services, for instance from special schools, hospitals or mental health treatment services. For instance, Access Employment states:

*A feature of the system is the 'common referral pathway'. We note, however, that this is not the 'natural pathway' that was previously a feature of the disability employment system. [The Government should] retain 'natural pathways' as now there are too many barriers in place for people who are not easily able to negotiate the Centrelink/Disability Employment Network/Vocational Rehabilitation Services interface. (Access Employment, response to JCA Review)*

ACE also comments that:

*Disability Employment Network providers have spent considerable time over many years developing strategic relationships with a range of referring bodies including schools, business services, mental health services, the Vocational Education and Training sector and others that act to strengthen clear pathways to work for people with disability. (ACE, response to JCA Review)*

CRS Australia also considers that current direct registration arrangements, and particularly the systems support for direct registration, should be improved.

*due to a range of procedural and IT barriers, direct registration is both difficult and time consuming to manage for employment service providers and very confusing for both Job Capacity Assessors and medical treatment providers. (CRS Australia, response to JCA Review)*

Some employment services providers and disability stakeholders consider that people should be assessed by the employment service provider, to make it easier for them to navigate the system and limit the number of organisations they need to deal with. As an example, the Mental Health Council of Australia, in its National Mental Health Strategy, December 2007, proposed that people should be assessed at the organisation they were attending at the time.

Other suggestions from employment service providers included that employment service providers should:

- have the capacity to reject a proportion of JCA referrals, if they did not believe they could assist the client; and
- be able to transfer a client to another service provider, by mutual agreement.

In discussions with DHS, stakeholders concede that, without independent assessment, it is difficult to ensure that access to services is based on need, that people are offered appropriate choices and that Government funding is allocated in the most cost-effective and evidence-based manner. They acknowledge that independent assessment and referral controls actual and perceived ‘cherry-picking’, and ensures that all clients have a fair chance to access services.

Nonetheless, it is important that JCA arrangements do not interfere with ‘natural pathways’ and communication between service providers and the people they assist: nor should it prevent people from going to the provider who is best placed to assist them.

Communications between JCA providers and employment service providers are discussed in Chapter 3 in Communications with Employment Service Providers.

### **Combining assessment for income support and employment services**

Several organisations have suggested that it is problematic to use the same assessment to make referrals to employment services and recommendations relating to income support. A number of organisations, including the Mental Health Council of Australia, have recommended that these functions be separated.

*The primary issue is that the tool serves as both an assessment for income eligibility and a determinant of program referral and this is having a serious impact on people's capacity to participate. (ACE, response to JCA Review)*

*The use of a single assessment process to determine both income support eligibility and employment services is problematic because people's income support needs and employment assistance requirements are rarely fully aligned... ideally, eligibility for income support and employment assistance would be assessed separately so that both can be tailored to the needs of the individual. (ACOSS, response to JCA Review)*

There are two separate issues here: issues for the client, and issues for program eligibility.

### Issues for the client

People who are applying for Disability Support Pension, having their pension reviewed, or seeking an activity test exemption due to illness, may be fearful and focused on their incapacities, and may not be in the best state of mind to consider employment options.

However, as recommended by the OECD and supported by Australian and international evidence, it is crucial to offer employment assistance and other support to people as early as possible, rather than waiting for them to receive income support and lose their workforce attachment. Recent Australian and international mental health studies also suggest that, even for clients with severe mental health conditions, intervention at point of contact generally produces better outcomes than waiting for recovery<sup>4</sup>.

JCA providers and employment service providers confirm that a skilled Assessor or employment service practitioner can 'turn the interview around', engaging the client and encouraging them to consider all their options.

Some stakeholders consider that, in cases where people are sick or in crisis, it may be better to hold off on assessment until they are able to engage with the Job Capacity Assessor. People applying for Disability Support Pension may already qualify for income support at the same rate as Newstart Allowance pending assessment.

The current focus on completing Job Capacity Assessments within ten days can prevent Assessors from delaying assessments for such clients. This issue is discussed further in Chapter 3, under Quality.

In this context, some stakeholders have raised concerns that, while clients may have given informed consent to disclosure of sensitive medical information to Centrelink for income support purposes, they may not understand that this information may also be provided to their employment service provider.

Currently, if a client is referred to an employment service, the service receives information in the medical conditions section of the report, but not the impairment information. The Job Capacity Assessor is required to read a statement to the client before the assessment, informing them that this information may be provided to Centrelink and the employment service provider.

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<sup>4</sup> Dr Geoff Waghorn, response to JCA Review.

These arrangements were developed in discussion with the Human Rights and Equal Opportunities Commission (HREOC) and the Privacy Commission in 2006.

However, DHS and DEEWR appreciate that clients may not always fully comprehend that information on their medical conditions may be released to their employment service provider, and is working with the Commission and other stakeholders to ensure that clients are fully informed and that information provided to employment service providers is necessary and appropriate.

#### Issues for program eligibility

From the perspective of the JCA provider and employment service provider, the underlying issue is not that income support and employment services assessment is combined, but that service eligibility is currently affected by eligibility for income support. This is partly as a result of caps on services, which is the issue of most concern to providers.

*While it is understandable that to manage Australia's welfare system and income support arrangements strict criteria must apply, it is unclear why it was decided that a path of linking service delivery to income support types ensures that an individual will receive appropriate service provision. International experience has been that such eligibility models have been ineffective. (NESA, response to Employment Services Review)*

The main situation in which income support type alone, rather than caps on services, affects access to service eligibility relates to people on Disability Support Pension who volunteer for employment assistance. Currently, they are required to attend a JCA and undergo a review of pension eligibility. Many responses to the JCA Review recommended that this arrangement be changed without delay.

*Critically, I believe assessment for income support and assessment for employment support must be separated. This view was shared by the [Human Rights and Equal Employment Opportunities stakeholder] working group. Firstly, separation of the two processes will enable people on the Disability Support Pension who would like to give work a go an opportunity to be assessed for appropriate supports without the threat of having their income support reviewed. The opportunity to trial work while on DSP was also recommended by the OECD in [their] recent report... (Human Rights and Equal Employment Opportunities Commissioner, Mr Graeme Innes AM, response to JCA Review)*

On 21 July 2008, the Government announced that these arrangements would change from September 2008. Other examples given by stakeholders mainly relate to caps on services, and restrictions related to hours of work and temporary reduced capacity, rather than income support type. These issues are further discussed in Chapter 3 under Guidelines and Processes.

JCA providers and employment service providers generally consider that clients should be referred to the employment service that best fits their needs, regardless of their income support eligibility or caps for services.

*[APM recommends] separation of income determination to ensure clients are matched to the employment service provider that best meets their needs ... less emphasis... on income determination and capped/uncapped streams with waitlists in order to engage clients in a timely way. (Advanced Personnel Management, response to JCA Review)*

*In a preferred model, Job Capacity Assessors should be able to conduct an assessment and make two distinct recommendations. One in relation to work capacity for income support determinations and secondly assess service needs and make referrals and criteria of best fit. (NESA, response to JCA Review)*

DHS is working with providers and other agencies to investigate the scope to improve the current JCA report format to better differentiate between requirements for income support and employment services. The JCA report is discussed further in Chapter 3 on the JCA Report.

### **Current contract timeframes**

JCA service provider agreements currently expire on 30 June 2009, following a twelve month extension to the original two-year agreements early in 2008.

The work of Job Capacity Assessors may be significantly affected by changes to employment services arrangements arising from the Employment Services Review, the National Mental Health and Disability Employment Strategy and current consultations on future arrangements for disability employment services and Vocational Rehabilitation Services, contracts for which have been extended to February 2010. This is because the policy and program arrangements which determine referral to employment services will change.

The Government is currently considering future tender arrangements in light of these processes.

### **Attendance and participation requirements**

Currently, Centrelink makes JCA appointments for clients using the automated diary system, generally within two days if the client can be contacted by phone, or three if an interpreter is required. A systems-generated advice is sent to the client. Before phone contact arrangements were introduced in February 2007, clients frequently did not receive their letter until after the appointment, and this can still happen for some hard-to-contact clients.

Because clients are only referred for a JCA if they have barriers to work, and around 50 per cent of referrals are for income-support-related reasons, such as for Disability Support Pension and exemptions due to illness, clients often find it difficult to attend at such short notice.

The Commonwealth Ombudsman, in his *Annual Report 2006-07* and his *Report on Application of Penalties under Welfare to Work*, considered that current Welfare to Work participation requirements are ill suited to people with serious illness, people with mental illness and those in crisis. He highlighted the difficulties that these groups may face in attending Job Capacity Assessments.

*Approaches to this office during the year indicated that, in referring people for JCAs for Disability Support Pension claims, Centrelink can overlook the difficulties people with serious illness can have in undertaking these formal testing processes. The case studies 'Incapacity for job capacity assessment' and 'Failure to attend interview' demonstrate the types of problems that have arisen. (Commonwealth Ombudsman, Annual Report, 2006-07).*

The inability of many JCA clients to understand participation requirements is borne out by recent research by the Universities of Queensland and Melbourne on Welfare to Work arrangements. This reported that some clients were unaware that they had attended a JCA, despite both Job Capacity Assessors being required to read to clients a script making this clear:

*Out of 82 participants in the interviews, just under half (36) participants did not know that they had specifically attended a JCA assessments ... [some] said that they hadn't attended a JCA meeting despite the fact that their employment agency confirms that they had attended.<sup>5</sup>*

Current contracts with JCA providers specify that, if the client does not attend the first appointment, the Assessor should contact the client and agree another time. If the client does not attend the second time, the Assessor is required to finalise the assessment as 'unable to complete' and return it for Centrelink to consider a participation failure (that is, a failure to meet activity test requirements). The JCA provider is not paid for 'unable to complete' assessments. Currently, after three participation failures, which may also be related to other activities, the client may face an eight-week non-payment period.

As at March 2008, around 21 per cent of JCA clients have failed to attend at least one appointment. Twenty-nine per cent of clients who missed two or more appointments have been flagged by Centrelink as 'vulnerable', usually after missing several JCAs. The most common reasons for clients being flagged as vulnerable are mental illness (around 46 per cent) and drug and alcohol dependence (32 per cent).

Over the last twenty months, JCA providers have implemented many strategies to reduce client non-attendance, most importantly by contacting the client before the first appointment. However, providers consider that these are not enough on their own.

*the high level of 'did not attend' rates indicate that this process is not sufficient and has forced us to make reminder calls for each client. We frequently are told that they were completely unaware of the appointment, that they needed to bring medical evidence, and that the letter arrived after the scheduled date of the JCA appointment. There are also IT restrictions that affect our ability to ensure that a client attends a JCA. If a client changes their contact details ... these details do not get updated on our system. (Mission Australia, response to JCA Review)*

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<sup>5</sup> Universities of Queensland and Melbourne, joint research project on 'Disability, Welfare and Work', unpublished material cited in the ACE response to the JCA Review page 18.

The Government has recently announced changes to these participation arrangements, to be introduced from 1 July 2009, under which assessments returned as 'unable to complete' due to non-attendance will result in suspension of income support payments until the client contacts Centrelink. They will not lose any amount of their payment, which will be reinstated as soon as they make contact.

Client attendance could also be improved by better communication between Centrelink, the client and the JCA provider. In particular, communications should ensure that the Job Capacity Assessor is alerted that the client is seriously ill or has other difficulties which may make it difficult to attend an appointment at short notice.

The Government has recently implemented processes to better identify and assist clients at risk of failing to meet participation requirements. A new Participation Failure code was introduced in the June 2008 DEEWR/Centrelink systems releases, which allows Centrelink to identify clients at risk of non-payment due to failure to meet activity-testing requirements. This will alert Job Capacity Assessors, employment service providers and Centrelink staff to vulnerable clients, such as those with mental illness, behavioural issues and people who are unable to meet activity test requirements, but refuse to provide the medical evidence which is legally required for an exemption. In these cases, the Assessor considers the client's capacity to meet activity testing requirements, and includes this information in their report.

### **Appropriateness for particular groups, including people with mental illness**

In its National Mental Health Employment Strategy document in December 2007, and at its Reforming Welfare to Work Forum at Parliament House on 15 February 2008, the Mental Health Council of Australia called for a review of the qualifications and capacity of Job Capacity Assessors, as part of a broader review of the appropriateness of Welfare to Work policy and program settings for people with mental illness.

*There have been concerns emerging about the appropriateness of the JCA system and the policies underpinning it for people with episodic conditions, in particular mental illness, as it does not take into account a fluctuating ability to work and long term support requirements.*

*...The employment system places the weight of disclosure on the individual, which means that the person may or may not disclose their illness to Centrelink or providers. If an assessment is undertaken by someone with a limited understanding of mental illness, accurately assessing that person's ability to work will be difficult.*

*People may then not receive the type of specialist support they need to maintain employment, and will be referred to an employment program with requirements they cannot fulfil. People with mental illness can find themselves in constant danger of breaking job search requirements and facing financial penalties. There is a substantial number of people who have been unable to connect with the appropriate services and have undiagnosed conditions. (Mental Health Council of Australia, National Mental Health Employment Strategy, December 2007, page 26)*

Stakeholders, including the Mental Health Council and the Commonwealth Ombudsman, have identified the following key groups at risk under current arrangements:

- people with mental illness;
- people who are seriously ill (whether from mental or physiological causes);
- people with fluctuating or episodic conditions (most mental health conditions, but also physiological conditions such as arthritis and other chronic pain, multiple sclerosis and other neuro-degenerative conditions)
- people who have undiagnosed conditions, or who do not disclose their conditions; and
- people with drug and alcohol dependence (in fact, this is classified as a mental health condition under the World Health Organisation's *International Classification of Functioning, Disability and Health*).

JCA providers agree that current arrangements do not always allow them to achieve the best outcomes for these groups. The result can be frustration for everyone, from the client, their family and mental health workers, to the JCA provider, the employment service provider and the Centrelink officer who is faced with a client who cannot comply.

Mental health workers and employment service providers sometimes conclude that the Job Capacity Assessor did not understand mental health issues, when the assessment outcome was a consequence of eligibility requirements.

- For example, because medical evidence is required for Disability Support Pension, reduced capacity to work, activity test exemptions due to illness and entry to Vocational Rehabilitation Services and Disability Employment Network, clients who will not provide medical evidence end up on Newstart Allowance in Job Network with an assessed work capacity of 30 hours a week, and may then face non-payment for failing to meet participation requirements.

The Mental Health Council recommends that the Government specify appropriate job participation requirements for people with mental illness (National Mental Health Employment Strategy, page 30). This could also assist other people who are seriously ill, or who have fluctuating or episodic conditions or drug and alcohol dependence.

Some of these issues may be addressed through the new participation arrangements announced as part of the Employment Services Review, see above, and through the National Mental Health and Disability Employment Strategy.

### **Qualifications of Job Capacity Assessors**

In its Social Inclusion Agenda, the Government identified a need to review '*the appropriateness of the qualifications required of Job Capacity assessors*'.

The Mental Health Council, in its National Mental Health Employment Strategy, recommended that:

*Job Capacity Assessors should have qualifications or training specific to the needs of assessing mental health issues, and that there is flexibility in the system to use this training to respond to the individual needs of their clients.*

Job Capacity Assessors are allied health professionals and health professionals (see **Box 4**). JCA providers are required to employ a multi-disciplinary range of allied health professionals, and provide them with appropriate training and support to undertake comprehensive work capacity assessments. The JCA Request for Tender (2005) stated that:

*all allied health professionals must be registered (or eligible to register) with their respective professional board or other appropriate professional associations as required by state and territory legislation. Providers should adhere to appropriate supervision arrangements and relevant Codes of Conduct consistent with professional requirements.*

**Box 4: Job Capacity Assessor Qualifications 2007-08\***

- Psychologists - Registered Psychologist 28%; Other (90 per cent are non-registered Psychologists) 32%;
- Other allied health professionals – 35%
  - Registered Occupational Therapist 9%; Accredited Rehabilitation Counsellor 8%; Social Worker 12%
  - Registered Physiotherapist 3%; Accredited Exercise Physiologist 3%; Speech Pathologist <1%;
- Nurses and doctors – 5%
  - Registered Nurse 5%; Registered Medical Practitioner <1%

\* Percentage of assessments completed by assessors with each qualification, 1 July to 30 June 2008

Nearly 60 per cent of Job Capacity Assessments are completed by psychologists. In addition, the other allied health professionals performing these assessments are required, as part of their professional training, to manage symptoms affecting their clients' functioning and to understand and deal appropriately with their psychological and behavioural issues. Additional training in mental health issues is also provided (see Training, below).

*There is a strong component to managing psychiatric disability in occupational therapy and rehabilitation counselling both at an undergraduate and clinical level, with a lesser extent in physiotherapy and nursing, though for the purposes of the JCA this is certainly adequate. (Rehabco, response to the JCA Review)*

The National Employment Services Association, which represents both JCA providers and employment service providers, considers that the qualifications of Job Capacity Assessors are appropriate, as do current JCA providers. They would agree with the Mental Health Council's assessment that the main issue is the lack of flexibility for Assessors to use their training, due to caps on services and related issues.

*Job Capacity Assessors are allied health professionals with a wide range of skills and expertise. Common feedback from assessors is the degree they can apply these skills in making service recommendations is highly limited.*

*With the current rigidity of processes, Job Capacity Assessors report that they often make service recommendations they do not professionally support but are consistent with guidelines. NESAs have provided a number of case studies to DEEWR for review and in each case, while it is clear that the service needs of the jobseeker are not going to be appropriately met, the recommendation was correct according to policy.*

*The industry considers that it is the policy and guidelines to which the JCAs are subject that are problematic and have resulted in decisions which have brought their professional qualifications into question. (NESAs, response to Employment Services Review, page 27)*

### Staff retention

All JCA providers have reported that it is increasingly difficult to attract and retain allied health professional staff with appropriate clinical experience.

*Many of the processes and procedures which support the current JCA model lack flexibility and limit the allied health professional's ability to exercise professional judgement (such as the rigidity of standardised phrasing... [and] defined referral pathways...). The limitation of Assessors' ability to exercise professional judgement results in a lack of job satisfaction. This in turn significantly impacts on staff retention, the ability to build a network of experienced Assessors and the development of corporate knowledge with understanding of current Australian Government policy. (Advanced Personnel Management, response to JCA Review)*

Providers consider that this has also detracted from the effectiveness of the JCA Program:

*This overly prescriptive approach... has removed to a large degree the capacity for professional judgement by assessors and as such has also impacted on the effectiveness of the JCA process to facilitate improved outcomes for jobseekers. (CRS Australia, response to JCA Review)*

JCA providers consider that retention difficulties are also partly due to nationwide shortages of allied health professionals, particularly in regional and remote areas, and because current funding arrangements make it difficult for JCA providers to compete for staff with other employers, such as state health authorities and private practices.

*The current payment structure does not support long term utilisation of ... highly skilled individuals. Retaining highly skilled clinicians however is difficult, as staff report feeling that their decision making ability have been removed due to the assessment process. (Interact Injury Management, response to JCA Review)*

*To enable service providers to engage Job Capacity Assessors with these appropriate skills and qualifications, the JCA and Job Capacity Account fee structure needs to keep pace with the exponentially increasing salaries of allied health professionals in order to attract and retain high quality assessors. This is particularly crucial for rural and remote regions. (Advanced Personnel Management, response to JCA Review)*

## Fee increases and indexation

JCA provider fees are not currently indexed and have not increased since July 2006. By comparison, the My Career website claims that the average allied health salary increased by 9.82 per cent, between April and December 2007.<sup>6</sup>

In its response to the JCA Review, NESAs attaches the Australian Psychological Society *Schedule of Recommended Fees*, which recommends an initial consultation/psychologist assessment fee of \$236 without GST for 61-75 minutes (the average JCA interview is one to 1.5 hours, although some clients require more than one interview), with an additional report writing fee of \$106 - \$192, and a cancellation fee of 100 per cent if cancelled with less than 24 hours' notice.

*The average time to taken to complete an assessment and write up an appropriate report would be no less than 90 minutes and in many cases significantly longer.*  
(Australian Psychological Society, response to JCA Review)

CRS Australia notes the current flat fee of \$830 for an initial needs assessment and rehabilitation plan for the Victorian Transport Accident Commission, and of \$539 for a brief Initial Needs Assessment by GIO Australia.

The current contract rate is \$253 per completed report, plus loadings of around \$100 each for Disability Support Pension, interpreter and remote, placing the average remuneration per completed assessment at about \$300, including all provider costs. There is no reimbursement for assessments which cannot be completed, and no provision for additional payments, other than reimbursement of specialist and Job Capacity Account services. NESAs states that:

*the industry strongly believes that the payment structure for JCAs does not reflect a sound basis on which to attract and retain allied health professionals and this should be addressed in future arrangements* (NESAs, response to JCA Review)

Some employment service providers claim that JCA providers rush through assessments to ensure viability, but this is not supported by the data. DHS data shows that, between July and December 2007, Job Capacity Assessors completed 5.2 assessments a week on average, or just over one a day. Of course, many Assessors work part-time, supervise other staff or have managerial responsibilities.

In regional and remote Australia, it is common for an Assessor to travel to a site to conduct one to three assessments, only to find that none of the scheduled clients attends. This is further discussed in Chapter 3 under Regional and Remote Australia.

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<sup>6</sup> Cited by Mission Australia in their response to the JCA Review; this figure may reflect advertised salaries, rather than on the job remuneration.

## Streaming of assessments

A number of advocacy groups and review and complaints bodies consider that JCAs should be streamed to Assessors with specific qualifications, based on the presenting condition of the client (the first medical condition they reported).

*In our experience one of the key aspects of the assessment that clients are unhappy with, and which causes them to doubt the veracity and accuracy of JCA findings, is that, for example, a person may suffer from chronic schizophrenia but their Assessor may be a physiotherapist. (National Welfare Rights Network, response to JCA review)*

The Mental Health Council has also suggested on its website that ‘*a standard Job Capacity Assessment is not considered adequate to assess mental health issues in job seekers who may be reluctant or fearful to disclose symptoms or who lack the awareness and recognition of their condition*’. It proposes a Mental Health Specialist Job Capacity Assessment Service. However, as noted above, nearly 60 per cent of JCAs are performed by psychologists.

Organisations such as the Mental Health Council, the National Welfare Rights Network and the Social Security Appeals Tribunal acknowledge that a formal streaming process is difficult in practice, as most clients have multiple conditions -

- Over 65 per cent of people undergoing JCAs who have a medical condition, have more than one condition, the majority with three or more conditions.
- Around half of people undergoing JCAs have a diagnosed mental health condition, including depression and anxiety.
- 72 per cent of people presenting to a Job Capacity Assessment with anxiety or depression have another medical condition, usually a physical condition.
- Frequently, the client’s presenting condition is not their main barrier to work. It is common for a client to report a physical condition, such as a musculoskeletal condition, but for the JCA to recognise an underlying and previously undiagnosed mental health condition, such as depression. In these cases, additional medical evidence or a referral to a specialist is often required.

It is important to understand that the JCA is not a medical assessment, and JCAs do not diagnose medical conditions. Although registered psychologists are qualified to diagnose mental health conditions, they do not do so as part of the JCA. Rather, the Assessor performs a work capacity assessment, taking into account the medical evidence. Without adequate medical evidence, they cannot do their job properly.

JCAs replaced previous assessment arrangements, which streamed people through different assessments depending on their presenting condition. Under the previous system, people whose mental health problems were not readily apparent, or who had multiple medical conditions including mental health problems, could miss out on the support and services they needed. Equally, people with obvious mental health problems could miss out on support and services they needed for their physical health issues.

Streaming to an Assessor with particular qualifications may also be difficult due to workforce shortages and the lack of Assessors with specific qualifications, particularly in regional Australia. It could significantly delay referral to appropriate supports and services and income support decisions.

*APM feels that [streaming] is not logically or financially sound ... barriers are often confounders of each other, complicating the process and thus requiring an overall balanced approach ... It is however critical that the Job Capacity Assessor recognises when specialist assessment is required and has the capacity within the process to refer and liaise with the specialist provider. (Advanced Personnel Management, response to JCA Review)*

The current automated diary and session availability arrangements make it very difficult for JCA providers to ensure that clients see the Assessor best able to assist them, or a combination of Assessors if required. Approaches to make better use of Assessor skills are outlined in a separate section below.

#### Approaches to ensure best use of Assessor skills

The current diary and session availability systems require Centrelink to allocate JCA appointments to JCA providers (not to specified Assessors), generally to the first available appointment within two days. This arrangement was introduced to manage business allocations by ensuring that each provider was allocated their business share, and to improve timeliness and efficiency.

However, as we have seen above, it means that in some cases, the client does not have enough time to arrange attendance, gather the necessary medical evidence and organise a support person, such as a mental health worker, if needed.

Often, the client's mental health worker, doctor or employment service provider does not know about the appointment until after it has happened, so is not able to provide information to help the Assessor understand the client's condition.

Equally, this arrangement generally does not allow the JCA provider to ensure that the person sees the Assessor best able to assist them, although JCA providers generally try to substitute a Senior Assessor or an Assessor with particular qualifications, if they are alerted in time that the client has particular needs, such as severe or undiagnosed mental illness.

The requirement to complete the JCA within ten days of referral may also discourage Assessors from seeking advice from their colleagues, a complementary assessment (an additional assessment by a colleague with particular expertise, such as a physiotherapist), additional medical evidence or a specialist assessment.

It is important that any changes do not prevent timely referral to employment services or inappropriately delay income support decisions, as the timeliness of current arrangements is seen by many stakeholders as a key strength.

However, session arrangements and timeliness requirements should allow enough time to ensure the client sees the Assessor, or combination of Assessors, best able to assist them, and that the Assessor/s have the right information to complete the assessment, including appropriate medical evidence and information from key informants such as the client's doctor, mental health worker, and/or employment service provider. These issues are further discussed in Chapter 4 on Access and session availability and Timeliness.

#### Use of doctors as Job Capacity Assessors

Currently, about one per cent of Job Capacity Assessments are performed by doctors. Legal Aid NSW considers that:

*JCAs are not appropriate people to assess eligibility for a Disability Support Pension... it is more in keeping with the requirements of the legislation that assessments, at least in relation to impairment ratings and the availability of further reasonable treatment, are made by doctors or other appropriately trained people.*  
(Legal Aid NSW, response to JCA Review)

While this view is not widely supported, some stakeholders have reservations about the capacity of some Job Capacity Assessors to interpret medical evidence and apply impairment ratings.

With the current doctor shortage, it is unlikely that significant numbers of doctors could be attracted to work as JCA providers, even if this was the best use of their qualifications and experience.

Some JCA providers currently employ a medical adviser, who can assist Assessors in understanding the impact of particular medical conditions. This approach has also worked well in the Ministry of Social Development in New Zealand.

In practice, however, the client's own doctor is generally the best source of information on their condition, and it is important that Assessors make every effort to contact the client's doctor or other health practitioner to clarify any information.

#### Medical evidence

From 1 July 2008, DHS introduced a new quality assurance framework developed with JCA providers and the National Employment Services Association. The new framework has a strong focus on ensuring that Job Capacity Assessors have the right medical evidence and have made every effort to contact the customer's doctor or seek specialist assessment where required.

Under these new arrangements, DHS's independent allied health professional auditors will give Job Capacity Assessment reports a score which is heavily weighted to emphasise the importance of medical evidence.

DHS strongly encourages the use of complementary and specialist assessments and allows suspension of assessments due to medical evidence to be taken into account in assessment of timeliness.

It is vital that the Assessor should have time to contact the doctor to clarify any issues. However it is not always possible for the doctors to be contacted or to have additional information provided.

*The timeliness performance measure places pressure on JCAs to complete and submit reports quickly. In many instances it is necessary for completion of a quality assessment for JCAs to contact treating doctors to confirm or clarify issues, diagnosis and prognosis. Without such clarification, JCAs report that there would be compromises to the quality and accuracy of the recommendation and an increase in challenges to assessments. Contact with medical personnel is extremely challenging and JCAs report that it regularly takes some days and numerous attempts to get in touch with them. The amount of time that a JCA can wait to clarify issues is limited by the timeliness measure. (NESA, Response to JCA Review)*

Some stakeholders have incorrectly suggested that Centrelink or Assessors can ignore or set aside medical certificates. This is based on a misunderstanding of the process for temporary incapacity exemptions. If a person is seeking a temporary exemption from activity testing due to illness of more than 13 weeks, they are referred to a Job Capacity Assessor. The Assessor considers the medical certificate and all other information provided by the customer, and the services and other supports that are available, and recommends whether a person could undertake some suitable activity, such as a Job Capacity Account intervention to provide allied health professional services such as counselling or pain management.

This is in line with the OECD's recommendation that people who may be out of workforce for extended periods due to illness or disability, should be assisted as soon as possible.

## **Training**

In addition to the contractual requirements of Job Capacity Assessment providers to provide appropriate training, support and quality assurance processes, Job Capacity Assessors are required to complete compulsory on-line training developed by DHS in consultation with DEEWR, Centrelink, providers and other stakeholders.

This interactive training covers all aspects of assessments, includes competency based tests and is accessible at all times. Assessors are regularly audited to ensure they have completed the training modules as per contractual requirements.

It is a requirement for new Assessors to complete the following modules:

- Using the Impairment Tables;
- Mental health for Job Capacity Assessors;
- Job Capacity Assessment for people who are Deaf or hard of hearing.
- Diary
- JCA Service Provider Guidelines, Attachment, Task Cards and Sample Reports

Modules which are currently under review, in consultation with providers and other agencies, are:

- Receiving Referrals and Elements of a Job Capacity Assessment
- Job Capacity Account
- Referrals to Employment Assistance
- Improved Recording of Permanent Medical Conditions

The Mental Health Awareness training module was developed by the Centre for Mental Health at the University of Queensland. It covers identifying client barriers to participation, support requirements, interventions, appropriate referrals, and the potential impact of a mental health condition on work capacity; and includes case studies with a detailed focus on depression and schizophrenia.

Modules on multicultural awareness, assessing people who are refugees and assessing people on Parenting Payment have been developed in consultation with stakeholders and are currently being reviewed. Training for Assessors on review and appeal processes, developed with the Administrative Appeals Tribunal, is currently being finalised, and has a strong focus on ensuring a quality JCA report.

To build on this initial training, DHS provides Assessors with ongoing training and information. This includes:

- training broadcasts on the use of the Impairment Tables, delivered by an independent expert in impairment assessment, also provided on DVD to all JCA provider organisations as an ongoing resource;
- reference material including comprehensive JCA Service Provider Guidelines which contain details of Government services;
- policy specific training delivered on line, covering topics such as the background and key principles for priority client groups, and the impact of changes on these groups;
- on line information products/courses and specific modules on employment service providers, covering issues such as eligibility for services and the services delivered by different providers;
- specific training on changes to guidelines and processes, such as for the new processes for clients at risk of participation failure discussed above; and
- newsletters, teleconferences, monthly teleconferences, provider and practitioner conferences, quarterly contract manager meetings and ongoing advice highlighting current issues and reinforcing key policy messages.

In their responses to the JCA Review, providers have generally been positive about DHS's efforts to provide training; however some providers note the large volume of changes to JCA Guidelines and processes since July 2006 mean that some of the training modules require review, which is now underway. Current levels of staff turnover increase the need for comprehensive and up to date training.

*The constancy of change within the program results in significant ongoing training requirements for staff, impacting on the final quality of assessments and difficulty in retaining staff. ... (Mission Australia, response to JCA Review)*

NESA and JCA providers have expressed interest in working with DHS to develop competency-based training arrangements under which providers could make use of Registered Training Organisations to deliver consistent, high quality training.

In the longer term, NESA and JCA providers have expressed interest in work with tertiary institutions and/or Registered Training Organisations to develop accredited training for Job Capacity Assessors, which would enable them to acquire a diploma or other appropriate qualification or accreditation to provide work capacity assessments.

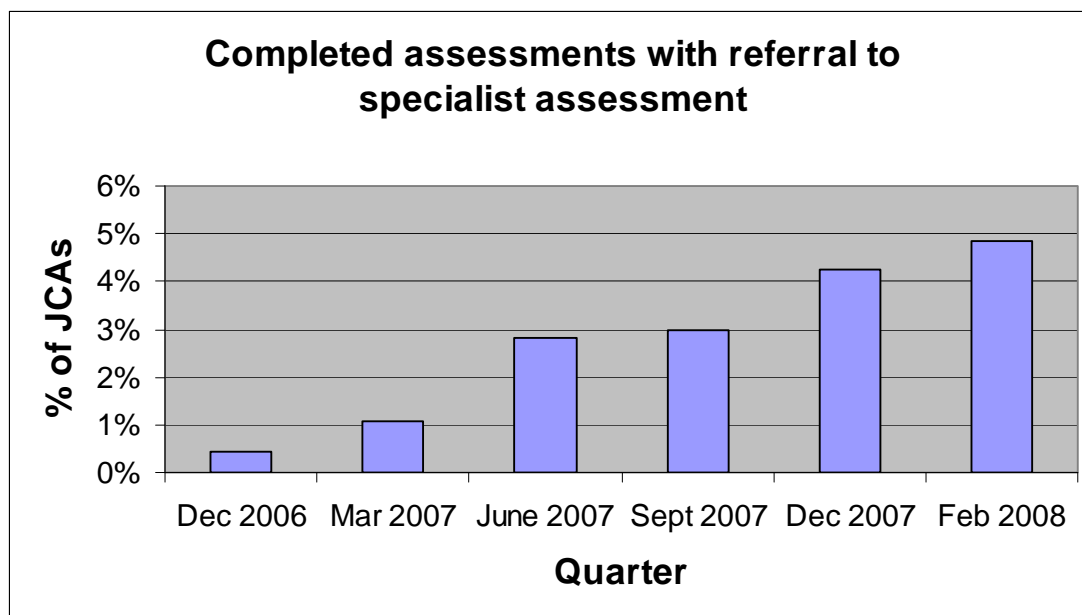
### Use of specialist assessments

The Government's *Social Inclusion Agenda* states that: *the guidelines for Job Capacity Assessments, ... among other weaknesses, are believed by advocates to discourage referrals to appropriate specialists.*

Changes to the DHS Guidelines were made in July 2007 and March 2008 to address concerns expressed by JCA service providers that they discouraged specialist assessments.

Partly as a consequence of ongoing efforts by DHS and JCA providers, referral to specialist assessment has continued to increase, from less than 0.5 per cent of assessments in December 2006 to nearly 5 per cent of assessments in February 2008 (*Table 1: Percentage of Completed Assessments with a Referral to Specialist Assessment*).

*Table 1: Percentage of Completed Assessments with a Referral to Specialist Assessment*



Funding for the JCA Program was initially based on an estimate of 2 per cent of assessments requiring specialist referral, in line with experience under the Better Assessment arrangements. However, this is not a cap and there is no restriction on funding for specialist assessment, provided that it is appropriate.

The average cost per client referred for a specialist assessment is currently \$730. Referrals to specialist assessment are often made for specific reasons, such as a Wechsler Adult Intelligence Scale (WAIS) test for suspected intellectual impairment or a neuropsychological assessment of the impact of an Acquired Brain Injury.

If a client already has a treating doctor or specialist who knows about their condition, it is generally less intrusive, quicker and more productive to seek additional medical evidence from them. Waiting times for specialist assessment can be long, even though the client is a private patient, with the cost paid by DHS. This is particularly the case in regional Australia.

Several providers have raised concerns that they are only reimbursed for the cost of the specialist assessment, not for the time they spend arranging it.

- In some cases, JCA providers and DHS have put in a great deal of work to arrange an urgent appointment and ensure that the client attends, for instance in one recent case where the client was in danger of losing his job, and lack of information about his brain injury was preventing him from receiving Disability Support Pension or accessing the Supported Wage System.

NESA and Centrelink both support further work to ensure that the best use of specialist assessments is made, particularly to assist people with undiagnosed mental health conditions.

*There are however limits to the types of specialist assessments that Assessors can arrange without referral from a general practitioner. While clients can be referred to psychologists for psychometric testing and audiologists for hearing tests without difficulty, other specialists such as psychiatrists, cardiologists or respiratory specialists generally require a referral to be made by a doctor. (Centrelink, response to JCA Review)*

### **The role of JCAs in review and appeal processes**

JCAs are not reviewable or appellable. However, they are used by Centrelink, together with medical evidence and other information, to make decisions about eligibility for Disability Support Pension, Newstart and Youth Allowance, other payments and temporary incapacity exemptions. These decisions are subject to review and appeal processes.

If review by the original decision maker and the Authorised Review Officer upholds the original decision maker's decision, the client may then appeal to the Social Security Appeals Tribunal and, if that is unsuccessful, to the Administrative Appeals Tribunal and ultimately the Federal Court. If the client is successful at the Social Security Appeals Tribunal, the Government must then decide whether to appeal to the Administrative Appeals Tribunal.

The Job Capacity Assessment report is key evidence in these appeals and the Assessor may be required to provide written or oral testimony. The current practice has been that Centrelink may seek a second JCA when the Government is considering whether to contest a Social Security Appeals Tribunal decision.

- In the six months from 1 September 2007 to 29 February 2008, DHS received an estimated 600 requests to conduct review JCAs for Tribunal purposes. These review assessments are required within very tight timeframes to meet Tribunal deadlines, and are closely monitored and quality checked by DHS.

#### 2007-08 Budget measure – Job Capacity Assessments: Reinforcing the Role

The 2006-07 Department of Employment and Workplace Relations (now DEEWR) Budget measure, *Job Capacity Assessments – Reinforcing the Role*, provided funding of \$3.5 million over four years for DEEWR, DHS and Centrelink to clarify and reinforce the role of Job Capacity Assessors, including amendments to the *Social Security Act 1991* (the Act).

The Minister for Employment Participation, the Hon Brendan O'Connor MP, who now has responsibility for this measure, has deferred implementation pending the outcome of the JCA Review.

#### Review of Department of Education, Employment and Workplace Relations Social Security Appeals and Litigation Arrangements

Recommendation 1 of the *Report of the Review of Department of Education, Employment and Workplace Relations Social Security Appeals and Litigation Arrangements* (released 2 June 2008, [www.deewr.gov.au](http://www.deewr.gov.au)), also refers to the JCA Review the issue of the role of JCAs in review and appeal processes. The Appeals Review finds that there needs to be better use of JCAs and medical evidence at the review stage. Specifically, it argues that:

*Inefficiencies arise from appealing, and then withdrawing matters, which can also cause uncertainty and anxiety for recipients.*

*The issues which arise from a department appealing a matter and later withdrawing the appeal could be reduced or avoided if necessary evidence could be obtained earlier in the new claim/review process.*

*In respect of Disability Support Pension, lack of access to medical specialist reports as part of the claim can block the process.*

*This situation could be addressed through better use of the funds that are available to JCAs to refer claimants to other services including a medical specialist.*

This could be achieved by ensuring that, when reviewing a decision, Centrelink Authorised Review Officers were encouraged to refer the client for a new JCA if there was significant new medical evidence, or the likelihood that new information could come to light in the course of the assessment. The JCA could obtain new medical evidence if needed, from the client's own doctors or using their funding for a specialist assessment.

## CHAPTER 3 - EFFECTIVENESS

This chapter considers:

- Client outcomes;
- Support for Centrelink decision-making;
- Referrals to employment services;
- Communications with employment service providers;
- Multiple assessments;
- JCA Guidelines and processes;
- The JCA report;
- Quality;
- Regional and remote Australia;
- The Job Capacity Account;
- Complaints; and
- Governance and communications within Government.

### **Client outcomes**

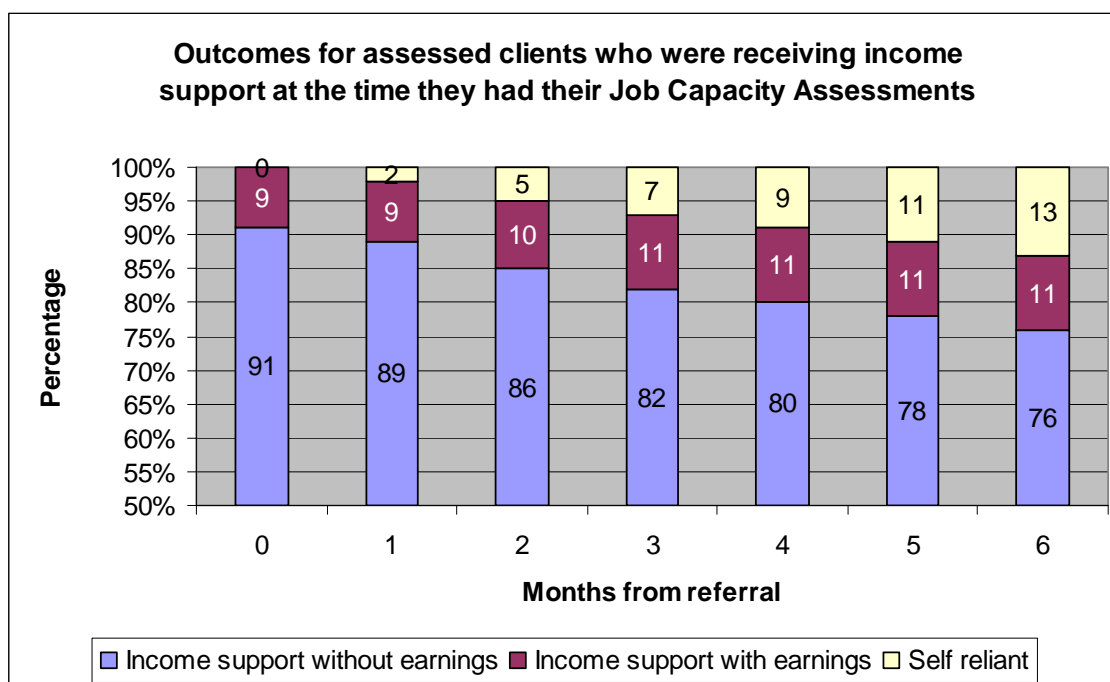
Because the JCA is only one step in the process for clients seeking income support or employment assistance, it is not possible to attribute client employment or income support outcomes to the JCA itself. However, it is important to ensure that the JCA contributes to good outcomes for clients by making appropriate referrals to employment assistance and providing the right information to assist Centrelink decision-making.

DHS is currently in discussions with Centrelink about undertaking client feedback surveys later in 2008, to provide information on client perspectives.

In the interim, DEEWR has provided a graph showing outcomes for JCA clients who were on income support when they were assessed (almost all clients). This shows that, six months after assessment, the percentage of clients on income support without earnings had fallen from 91 per cent to 76 per cent. Thirteen per cent had become self-reliant within six months while those on income support with earnings increased from 9 to 11 per cent. (*Graph 1: Outcomes for Assessed Clients who were on Income Support at the time they had their JCAs*).

This is a promising result, given the short time period and the nature of JCA clients: all of them have barriers to work, by definition. Around half of referrals to JCA are related to Disability Support Pension, Partial Capacity to Work and medical exemptions from activity testing of over 13 weeks' duration.

*Graph 1: Outcomes for assessed clients who were on income support at the time they had their Job Capacity Assessments*



### Support for Centrelink decision-making

About 50 per cent of assessments are undertaken to inform Centrelink decisions about Disability Support Pension, Partial Capacity to Work and exemptions from activity-testing due to medical conditions. The remainder relate to employment service referrals, including change of circumstances.

#### Acceptance by Centrelink

The JCA report is stored on the DEEWR EA3000 Smartclient system. Centrelink is able to reject JCA reports and return them to the original Job Capacity Assessor through the EA3000 system.

Of the 608,081 JCAs submitted from 1 July 2006 to 4 February 2008, only 3,109 (0.49 per cent) were returned because they were clearly unsatisfactory. (*Table 2: JCA Reports returned by Centrelink as incorrect*)

*Table 2: JCA Reports returned by Centrelink as incorrect*

Reason for JCA report being returned	Number	% of returns	% of total JCAs
Impairment tables used incorrectly	697	1.20%	0.11%
Insufficient information for ISD	471	0.81%	0.07%
Referral outcomes inappropriate	1,941	3.34%	0.31%
Total JCAs returned that were incorrect	3,109	5.35%	0.49%
Total assessments from 1 July 06 to 4 Feb 08	629,510		

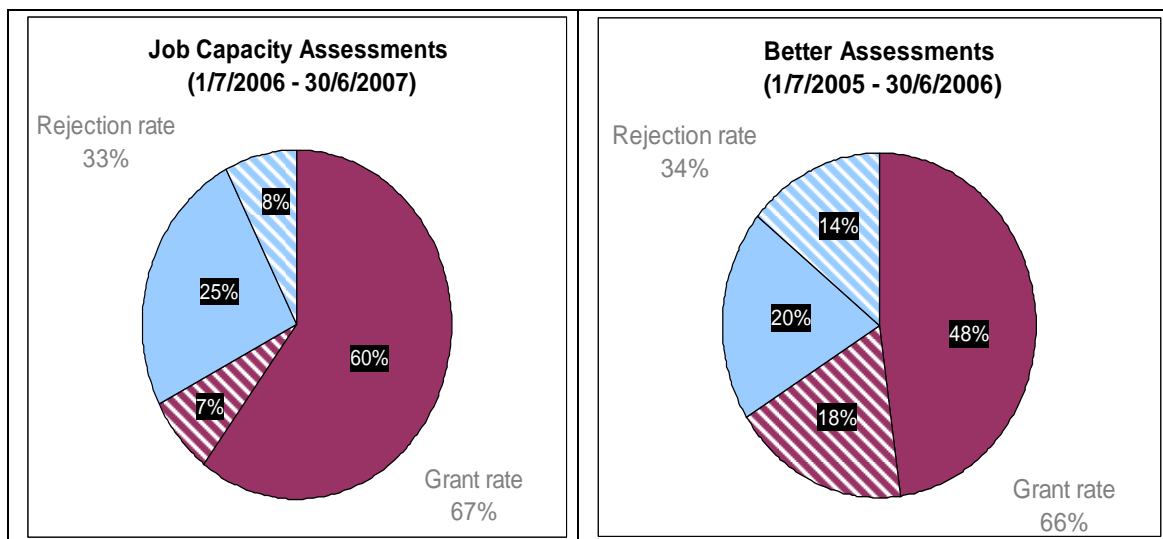
This does not include reports returned for additional information to be added, or at the request of the Assessor. This result is consistent with the findings of independent quality assurance audits that only around two per cent of JCA reports were unsatisfactory (see under **Quality** below).

Appropriateness

The appropriateness of JCAs to inform Centrelink decision-making is difficult to quantify; however, the available data shows that JCAs consistently inform decision-making over time.

A higher proportion of cases are referred for assessment than under the previous Better Assessment arrangements; however, the overall rate of grants and rejections has remained stable. (*Graph 2: Disability Support Pension Grants. 2005-2007*)

Graph 2: Disability Support Pension Grants. 2005-2007



Stakeholder views

In general, the industry considers that JCA support for Centrelink decision-making is working well.

*It is the view of the industry that JCAs policy and procedure relating to the provision of recommendations and information to Centrelink to inform income support decisions in accordance with the Social Security Act is working effectively. (NESA, response to JCA Review)*

As discussed previously however, some stakeholders consider that the current arrangements do not always support the best use of medical evidence and understanding of the client’s medical conditions. This issue is addressed in Chapter 2 under **Qualifications of Job Capacity Assessors.**

Centrelink, in its capacity as the income-support decision-maker, considers that ‘generally, the JCA program is operating well and as expected’, but that there is some capacity for JCAs to provide more effective support for Centrelink decision-making and the review and appeal process by improving their understanding of legislative requirements, particularly around medical conditions.

## Referrals to employment services

### Increases in referrals to employment services

Referrals to employment services have increased significantly since the introduction of JCAs. Under the Early Intervention Pilots, 48 per cent of people were referred to an employment service. When the JCA Program commenced in July 2006, 74 per cent of completed assessments resulted in a recommended referral to an employment service, which has now risen to just on 83 per cent of completed assessments (*Table 3: Referrals to Employment Services by Reason for Assessment*). Referrals are analysed in more detail in this section.

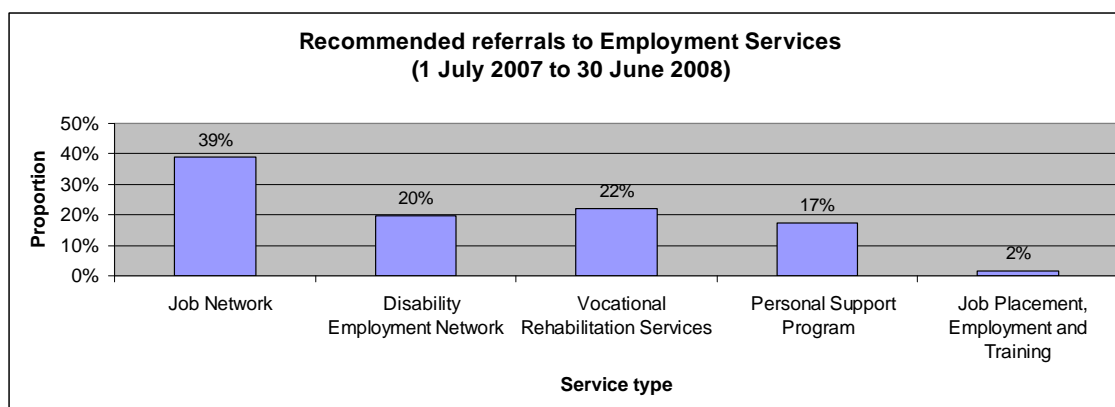
*Table 3: Referrals to Employment Services by Reason for Assessment*

Type of assessment	Early Intervention Pilot	JCA program
DSP new claim	38%	56%
DSP review	32%	47%
Newstart/Youth Allowance (Incapacitated)	51%	95%
Jobseeker Classification Instrument	72%	97%
All	48%	83%

Note: Referral data for JCAs relates to recommended referrals whereas the Early Intervention Pilot data relates to actual referrals. Changes to policy and process have also affected service referrals.

Currently 83 per cent of JCAs recommend a referral to a DEEWR employment service. Job Network is the most common referral type, accounting for 39 per cent of recommended referrals. There are no specific targets for referrals to employment services; however, DHS encourages JCA providers to refer to employment services whenever the client could benefit from employment assistance, and monitors individual providers to ensure that referral patterns are appropriate and consistent (*Graph 3: Recommended Referrals by Employment Service Type, 2007-08*).

*Graph 3: Recommended Referrals by Employment Service Type, 2007-08*



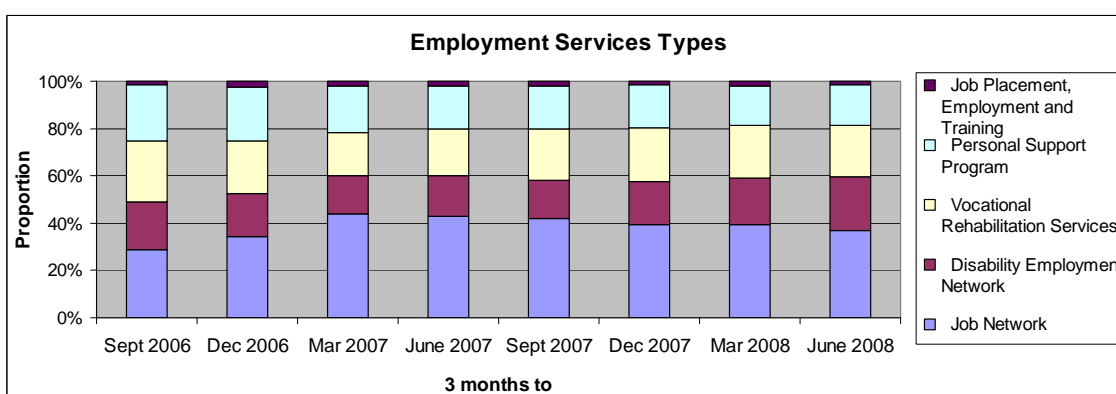
The rate of referral to employment services rose steadily from the introduction of JCAs, from under 74 per cent of referrals, peaking at 83.3 per cent in the three months September 2007. The dip in the three months to December 2007 was due to a larger proportion of referrals related to Disability Support Pension (*Graph 4: Rate of Referrals to Employment Services, 2006-08*).

*Graph 4: Rate of Referrals to Employment Services, 2006-08*



The mix of referrals to the various types of Employment Services has varied somewhat since the commencement of the JCA program, but has been relatively steady since January 2007 (*Graph 5: Trends in Referral to Employment Service Type, 2006-08*).

*Graph 5: Trends in Referral to Employment Service Type, 2006-08*

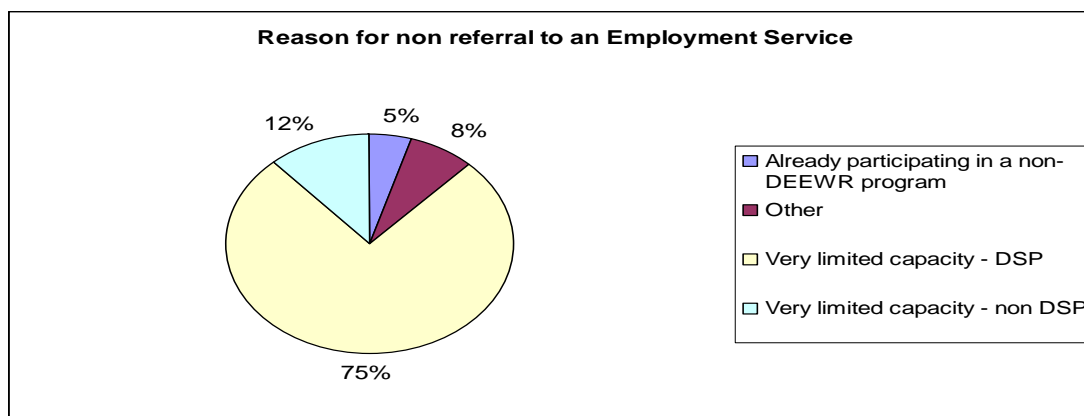


Referrals for people seeking income support decisions

As outlined above, around 50 per cent of referrals for JCA are to inform Centrelink decisions related to Disability Support Pension, Partial Capacity to Work and medical exemptions from activity-testing. Referral to employment services is not always appropriate for these clients, and some may already be working, for instance in part-time work or through the Supported Wage System.

Three-quarters of JCAs that did not result in a recommended referral to an Employment Service were for people who had a Disability Support Pension-related JCA. The majority of other non-referrals were for people with medical certificates (*Graph 6: Reason for non-referral to an Employment Service*).

Graph 6: Reason for non-referral to an Employment Service



However, referrals to employment services for people seeking income support decisions have increased significantly since the JCA Program was introduced.

- 56 per cent of JCAs for Disability Support Pension claimants conducted between 1 July 2007 – 1 Feb 2008 had a recommended referral to employment services.
- Only around 8 per cent of Disability Support Pension claimants were referred to services under the previous Better Assessment arrangements.
- Only 38 per cent of Disability Support Pension claimants were referred to services under the Early Intervention and Engagement Pilot 2005-06.
- About 50 per cent of clients seeking a temporary incapacity exemption have a recommended referral to employment assistance (referral may be deferred due to illness).
- About 39 per cent of clients seeking their second or more temporary incapacity exemption also have a recommended referral to employment assistance (referral may be deferred due to illness).

People applying for disability-related income support or out of the workforce due to illness are identified by the OECD as a high priority for assessment and support, as being as being at high risk of long term income support dependence.

In fact, the OECD recommends in its recent report that Australia introduce Job Capacity Assessments for people on extended sick leave from their employment. This is outside the scope of the JCA Review<sup>7</sup>.

#### Appropriateness of referrals

While taking a positive view of the effectiveness of JCAs in income support decision-making, NESAs considers that:

*In contrast, recommendations about service access are proving more controversial. The current requirements for allied health professionals are supported; however*

<sup>7</sup> See footnote 1 page 8

*policy and processes do not allow these skilled professionals adequate scope to exercise professional judgement. ...*

*NESA has presented a number of JCA recommendation case studies to DEEWR for review. In each case it was clear that the JCA recommendation was correct according to policy and equally clear that the service needs of the job seeker were not going to be appropriately met by the recommended service. (NESA, response to JCA Review)*

In some cases, a Job Capacity Assessor refers a client to a service which is not 'best fit', because the client does not disclose important information. For example, they may not disclose a medical condition, or that they are already connected to an employment service provider, or have recently been with an employment service provider, who may have key information.

In some cases, an inappropriate referral can occur because the Assessor did not contact the doctor or employment service provider, or was not able to get in touch with them. Hence the Assessor may not have all the information needed to make the right decision.

Unfortunately, some employment service providers can be inclined to blame the Job Capacity Assessor for referring clients who are not 'best fit', when the Assessor had no choice under current policy settings and systems.

- This is a particular issue for clients who have significant mental or physical health problems but cannot or will not provide medical evidence. Appropriate medical evidence is required to refer clients to Disability Employment Network or Vocational Rehabilitation Services, or to assess them as having Partial Capacity to Work and reduced participation requirements.
- These clients may be referred to Job Network with an assessed work capacity of 30 hours a week, leading to frustrations for the employment service provider and the client, as they are not ready for work and cannot meet participation requirements.

### Disputed referrals

When an employment service provider disagrees with a JCA referral, they need to contact the Job Capacity Assessor as soon as possible, because the Assessment becomes 'finalised' on the EA3000 system after 28 days, or when Centrelink makes an income support decision if this is earlier - and it generally is.

- After that, the JCA cannot be changed and the only option if the employment service provider cannot assist the client is to refer them for another JCA, which is time-consuming and disruptive, particularly for the client, and costly to government (see discussion about **Multiple Assessments**, below).

If discussions between the Assessor and the employment service provider do not resolve a dispute, the employment service provider can raise the issue with their DEEWR contract manager, who may refer it to DHS.

- Between 1 January 2007 and 20 February 2008, 39 per cent of all issues (or around 80 cases) raised by employment service providers related to appropriateness of referrals. This was out of 204 issues. During this period, around 380,000 assessments were completed.

While NESAs notes that the capacity for employment service providers to discuss and challenge referrals is a welcome feature of current arrangements, it recommends a more formal mechanism to review disputed referrals, and an extension of time in exceptional circumstances. DHS is currently working with providers and DEEWR to develop an improved process for disputed referrals.

### **Communications with employment service providers**

Employment service providers report that the quality of their communication with Job Capacity Assessors is mixed, with some providers having very strong relationships with particular Assessors, while finding that JCA staff turnover and time constraints on both parties can sometimes lead to failure of communication and mutual frustration. Staff turnover for employment service providers can sometimes also be an issue.

Maximum Solutions Australia reports from its perspective as both a JCA and employment service provider:

*Generally the relationship between JCAs and employment service providers are very positive. Frustration only occurs when clients are referred that are unsuitable or unable to work. ...lack of places in [employment services] also leads to many jobseekers being referred to the Job Network that really need more specialist assistance if they are to make the transition to work. (Maximus Solutions Australia, response to JCA Review)<sup>8</sup>*

At the extreme, ACE (the peak Disability Employment Network provider organisation) found in its State of the Sector Survey for 2008 that most Disability Employment Network providers were 'unsatisfied' or 'very unsatisfied' with the JCA process. As noted in Chapter 2 however, Disability Employment Network providers previously direct registered clients without independent assessment, and many would prefer a return to these arrangements.

ACE notes that:

*Disability Employment Network providers frequently comment on the turnover of Job Capacity Assessors in their area. Consequently they are frequently dealing with inexperienced Job Capacity Assessors. This means that Disability Employment Network providers are expending time and energy re-establishing relationships and re-educating the new Job Capacity Assessor about what the local Disability Employment Network can provide in terms of service.*

*It is postulated that the cause of the turnover is lack of job satisfaction, stemming from the time demands on Job Capacity Assessors but also that the rigidity of the system leads to high levels of frustration and a perceived lack of use of the Assessor's professional skills. (ACE, response to JCA Review)*

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<sup>8</sup> Job Capacity Assessors are required to refer people to the most appropriate service, regardless of caps and waiting lists. The reason for inappropriate referral to Job Network is generally the client's refusal to provide medical evidence, see JCA Guidelines and Processes, below.

### Clients already linked with an employment service provider

Job Capacity Assessors currently refer clients to a specific employment service provider (within a service stream such as Vocational Rehabilitation Services) based on a drop-down menu of available providers on the EA3000 system.

If the client does not tell the Job Capacity Assessor that they are already with a particular provider, or previously worked with that provider, they may be sent to a different provider. The client then has to start over again with a new provider, and the first provider may then lose the client just as they were about to place them in employment and achieve an outcome payment.

The June 2008 systems release enabled JCA providers to view employment service providers' exit reports for the first time. Previously, they were unable to access these. While this is a significant improvement for clients who have left their employment service provider, there is currently no facility to alert Assessors that the person is still linked to an employment service provider, who may be unaware that they are having a JCA. DHS is working with DEEWR on this issue.

ACE gives an example of a client who had been with a Disability Employment Network provider for 12 months, and was transferred to a Vocational Rehabilitation Services provider following a review of her Disability Support Pension. The client then sought to return to her previous Disability Employment Network provider. In this case, the Job Capacity Assessor may not even have been aware that the client was already with a service.

*Many of our participants are only now considering employment as an option because they know we have a partnership arrangement with their clinic and case manager. ... This model helps to make the transition to job search ... a much less daunting task for them because... we are working alongside them, and also their health professionals. When participants go through the JCA process and are not referred back to the employment provider supporting them through this process, many stop engaging in the employment process altogether. ... Consideration must also be made to providers who have made the effort to source the referrals in the first place and are supporting the participant through the JCA process. (Mental Illness Fellowship Victoria, response to JCA Review).*

### Networks and partnerships

DHS and DEEWR strongly encourage JCA and employment service providers to improve communications by developing strong networks with each other, for example by attending local forums and conferences and taking opportunities to meet with and present to staff in other organisations.

JCA providers often have both formal and informal meeting arrangements with employment service providers, including regular forums to share information and discuss issues. Many JCA providers and employment service providers already have strong partnerships and networks at both the organisation and practitioner level, due to a long history of working together locally to assist clients. Many JCA providers are themselves also employment service providers, which facilitates linkages and information sharing.

## Multiple Assessments

Current policy settings are that a JCA remains current for two years, unless there is a significant change in circumstances, such as significant new medical evidence.

The JCA Program commenced in July 2006 and in the 15 months of operation to September 2007, the average number of completed assessments for each client who underwent a JCA was 1.3.

- A total of 23.6 per cent of clients had undergone more than one JCA:
  - 19.7 per cent had 2 JCAs;
  - 3.5 per cent had 3 JCAs; and
  - 0.4 per cent had 4 or more JCAs.

Thirty-six per cent of multiple JCAs were for clients who applied for Disability Support Pension after they had already had one or more JCAs.

- Job Capacity Assessors do not complete the Impairment Tables for a client who is not applying for Disability Support Pension, but this is a requirement for clients applying for Disability Support Pension under the *Social Security Act 1991*. Currently, the impairment tables do not display on the system unless the reason for referral is related to Disability Support Pension. For this reason, clients may also require a second JCA if they apply for Disability Support Pension after their first JCA has been finalised.

A further nine per cent were due to multiple medical certificates, usually for clients applying for an extended exemption from activity-testing.

As discussed above, the other main reason for repeat JCAs is that the employment service provider, or the client, considers that the current employment service referral is not working out, or that the client was not referred to the correct 'bandwidth' in terms of hours of work capacity.

A proportion of clients will always need a reassessment within two years due to a significant change of circumstances. However, the current rate of re-assessments could be reduced by:

- making sure the right medical information was provided at the first JCA;
- better communications between employment service providers and Job Capacity Assessors;
- better training for Assessors; and
- changes to employment service arrangements, as proposed by the Employment Services Review.

## JCA Guidelines and Processes

The current JCA Guidelines are comprehensive and supported by a number of task cards which take Job Capacity Assessors through the more complex processes step by step.

*The JCA Guidelines now provide comprehensive details of the technical process required to complete a JCA. Regular updates to the Guidelines have been consolidated for service providers and have resolved a range of implementation problems... However, it has been noted that the JCA Guidelines have become increasingly prescriptive in nature... (CRS Australia, response to JCA Review)*

Service providers acknowledge that the JCA Guidelines are invaluable and that individual sections are clearly written and helpful, but consider that overall the Guidelines have become too complex and prescriptive, both because they have been added to and revised frequently over the last two years, and because they set out income support and employment services arrangements, process, contract and systems requirements that are themselves complex and multi-layered.

*The JCA Guidelines are highly complex in terms of policy and structure. The combined effect of this complexity has significant issues in terms of correct application of policy as well as training and retention issues.*

*Structurally, the information provided in the Guidelines is extremely fragmented and unwieldy in design. ... For example, to ensure a correct referral to a Disability Employment Network, an assessor would need to first consult section 2.3 to understand the nature of the service, then section 2.9 to ensure eligibility, then sections 4.11.3 and 4.11.5 to ensure the duration and type of Support Requirements are correct, then section 9.3 and finally section 11.4. The Guidelines need to be streamlined so that all relevant information is grouped together to assist assessors in correctly understanding complex policy.*

*The Guidelines have significantly increased in size to ...over 300 [pages], plus guidelines on the Jobseeker Classification Instrument, vulnerability guidelines and task cards and other attachments located on the learning centre... revisions and changes have ranged in frequency from bi-monthly, to monthly, and now quarterly arrangements have been established in consultation with DHS. (Mission Australia, response to JCA Review)*

The JCA Guidelines are not currently available on line. As a downloadable document, providers report that they are difficult and time intensive to search.

### Specific issues

Within the Guidelines, JCA providers, employment service providers, Centrelink and review and complaints bodies agree that there are particular issues that cause confusion and misunderstanding.

### i. Permanency

The main issue causing confusion is that, in line with DEEWR policy, the word ‘permanent’ has two different definitions, depending on whether it is used in relation to qualification for Disability Support Pension or partial capacity to work and access to employment services.

Under the *Social Security Act 1991*, ‘permanent’ for Disability Support Pension purposes means expected to last more than two years and ‘diagnosed, treated and stabilised’.

However, for eligibility for Vocational Rehabilitation Services and Disability Employment Network, the DEEWR policy requirement is that ‘permanent’ means that the condition is diagnosed and expected to last more than two years.

This is an important distinction in practice, because it allows people to receive Disability Employment Network and Vocational Rehabilitation Services, even though their condition may not be fully treated and stabilised.

A further distinction in relation to permanence of disability is made for people with partial capacity to work. While the legislation does not use the term ‘permanent disability’, the concept is similar. For partial capacity to work, a person must have a physical, intellectually or psychiatric disability which prevents them from working 30 hours a week independent of support, or being trained for such work, within the next two years. There is no requirement for the impairment to be ‘diagnosed, treated and stabilised’.

As the Commonwealth Ombudsman has pointed out, the meaning of ‘treated and stabilised’ is itself somewhat problematic, leading to people who are very ill, or even dying, having Job Capacity Assessment appointments scheduled because their prognosis is unclear, they are under treatment and their condition is unstable. This is a particular issue for people undergoing treatment for cancer and other very serious conditions.

### ii. Medical evidence

In Chapter 2, the Report discussed the issue of clients who refuse to provide medical evidence being referred to Job Network with an assessed work capacity of over 30 hours.

Equally, medical evidence requirements are frustrating, and can be perceived as insulting, for clients with stable physical disabilities which do not require treatment, such as permanent blindness or amputation.

- For example, Vision Australia reports that one client who had lost her eyeballs was required to provide medical evidence that she was permanently blind, while amputees have also been required to provide medical evidence that a limb is missing.

Stakeholders support a more sensitive and practical approach to dealing with this issue.

### iii. Hours of work and temporary incapacity

Other issues relate to employment service eligibility criteria other than the client's support needs, such as hours of work or restrictions for people on Disability Support Pension.

- An example is that current policy states that a client with a temporary work capacity of less than eight hours per week is not eligible for Vocational Rehabilitation Services, but a client with a current capacity of less than eight hours per week is eligible. Assessors are required to follow this policy, but to the employment service provider and the client, the referrals appear contradictory because two clients who 'look' the same can be treated differently.
- Another example is a client whose condition is 'temporary' because its prognosis is unclear:

*To take a typical scenario, a job seeker is assessed ... as requiring Vocational Rehabilitation Services [and]... has a medical diagnosis of 'back problem', which must be classified as a temporary condition under Social Security rules as it is not clear that the condition will last for more than two years. Given this, the jobseeker must be classified as having a 'current and future work capacity of 30 hours + a week' despite the fact that this supposed 'temporary' disability has a material impact on their work capacity. ... Under the existing arrangements, the jobseeker can only be referred to a fixed (capped) Vocational Rehabilitation Services place (CRS Australia, response to JCA Review).*

NESA and other stakeholders also consider that the current arrangements do not recognise the importance of factors such as client aspirations.

- As an example, clients who have 30 hours plus assessed capacity can be very difficult to assist if they are uncooperative or lack motivation. On the other hand, people who may have a low assessed work capacity (0-7 hours) due to the severity of their condition, but are highly motivated to work, can exceed their expected capacity with the right support.

*Within the current employment services framework, eligibility has been constructed around assessed work capacity and income support type. This has created an interdependency which results in JCA recommendations which do not reflect 'best fit'. A review of international streaming models demonstrates an increased move away from models which create such interdependences in acknowledgement that they are counter-productive. (NESA, response to JCA Review)*

### **The JCA Report**

Many employment service providers note that the availability of the JCA report to the employment service provider is a substantial improvement on previous arrangements, where the employment service provider generally received very little information about the client.

*It is the view of providers of employment assistance that since the introduction of JCAs there has been a significant improvement in access to and the quality of information they receive in assessment reports. (NESA, response to JCA Review)*

However, some providers consider that Job Capacity Assessors are not providing sufficient information in the report. ACE has suggested that this is due to Assessors' focus on getting the data entered during the interview '*to save time, as they are inadequately funded*'.

In fact, the system design and processes were premised on the Job Capacity Assessor writing up the report during the interview. As an example, they cannot refer a client to an employment service without the client agreeing to the choice of service provider, but the system does not allow them to choose the service provider until they have finished the report and referral recommendations.

In theory, this means that the client needs to wait while the Assessor writes a comprehensive report, checks the report against the client's documentation and if necessary contacts the client's doctor, mental health worker or employment service provider or other support person. As this is generally impractical and inappropriate, most Assessors finish the report later and ring the client to discuss choice of employment service provider.

The report format can interfere with providing sufficient information in a logical manner. Centrelink and other JCA service providers note that some fields in the report have very limited number of characters, so that the Assessor can often not enter sufficient information to explain their findings (this has partly been addressed by the March 2008 DEEWR systems release).

The report is divided into a series of fields which, until the June 2008 DEEWR systems release, could not be viewed at the same time or as whole, leading to disjointed reports with duplication and in some cases internal inconsistencies. Some specific issues with functionality are further discussed in Chapter 4 on Systems.

JCA providers note that the art of writing a good and comprehensive report within current systems functionality takes some time to master, so current staff turnover levels can reduce the quality of reports.

## **Quality**

Many stakeholders consider that the complexity and inflexibility of current policy and program settings is adversely affecting the quality of JCAs.

Notwithstanding these factors, reports, on the whole, appear to be of good quality. Centrelink rejects less than 0.49 per cent of reports as incorrect (see under Support for Centrelink decision-making). In addition, ongoing audits of JCA reports by independent allied health professional auditors show that 98 per cent are satisfactory or better, with only 2 per cent containing errors which could lead to incorrect outcomes. This audit process is discussed in further detail below.

## JCA Reports

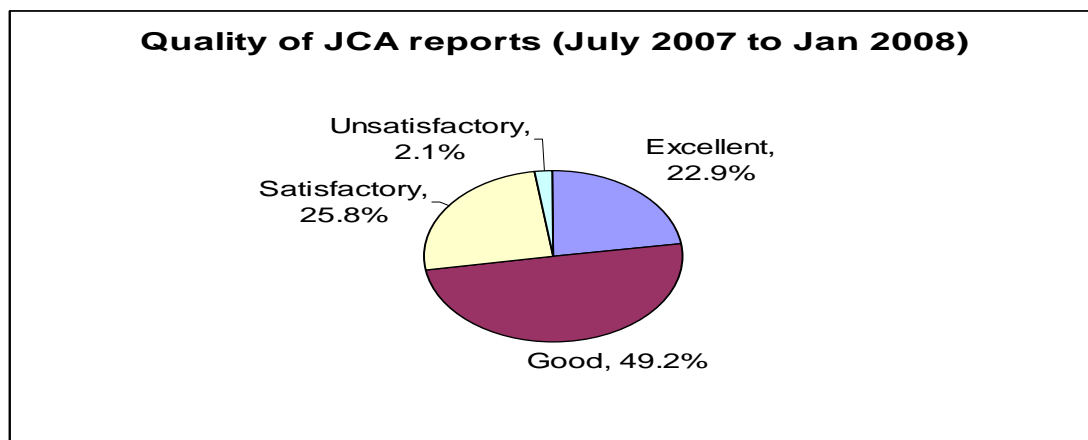
In January 2007, DHS engaged an organisation to conduct independent quality assurance audits of the quality of JCA reports. The allied health professional auditors are required to review the JCA report as well as the medical evidence available to the Assessor. A total of 1,012 audits were conducted in 2006-07, with another 1,301 in 2007-08.

The overall finding by external quality assurance auditors has been that around 98 per cent of JCA reports are satisfactory or better in terms of comprehensiveness, internal consistency, usability, appropriateness and sensitivity.

After the initial start up period, the auditors now provide ratings for all reports being audited. Of the 57 per cent of JCAs for which the auditors provided ratings from 1 July 2007 to 10 January 2008:

- 22.9 per cent were rated as excellent;
- 49.2 per cent were rated as good;
- 25.8 per cent were rated as satisfactory; and
- 2.1 per cent were rated as unsatisfactory (*Graph 7: Quality of JCA Reports*).

Graph 7: Quality of JCA Reports:



Reports are rated satisfactory if they do not contain any technical errors that are likely to affect the outcome for the client, such as through income support decisions, activity test requirements or program referrals. Any such errors are subsequently corrected.

Qualitative feedback from the external audit team is that the overall quality of JCA reports has improved significantly over the course of the program.

#### Interaction between quality and complexity

The complexity of current requirements increases the risk of an unsatisfactory report.

- For example, eligibility for Disability Employment Network and Vocational Rehabilitation Services is determined by complex combinations of checked boxes and 'periods of support' requirements. Sometimes these are built into the system (meaning that if the Assessor ticks the wrong box, a referral is prevented), and sometimes these are outlined in policy.

A small audit sample was conducted recently to assess the implementation of a policy clarification around the definition of permanency, which was not only difficult to understand and administer (see above), but involved a complex manual workaround for Assessors.

- This audit showed that only 1 (0.76 per cent) of 150 clients received an incorrect partial capacity to work status, which was subsequently corrected. None of the clients had received an incorrect income support decision.

The impact of systems limitations on quality is addressed in Chapter 4 under Systems. This section also discusses recent and planned improvements to systems functionality to support more efficient and better quality assessments.

Following considerable work with JCA providers, the National Employment Services Association and other stakeholders, a new JCA quality assurance framework was introduced from 1 July 2008, with scoring and weighting against a number of key criteria, such as appropriate use of medical evidence. This will enable more rigorous assessment of the quality of reports and for a sound basis for comparative assessment of provider performance.

#### Other aspects of quality and performance measurement

DHS measures performance for the JCA and Job Capacity Account programs, and JCA service provider performance, against Key Performance Indicators of quality, effectiveness and timeliness/efficiency, and against other measures of quality and effectiveness discussed in this report. Both the program and JCA service providers are performing well against these measures, as indicated by a national Performance Review conducted in 2007 with assistance from the Australian Government Solicitor.

DHS has been working with NESAs and JCA providers since September 2007 to develop a more comprehensive performance measurement framework to take into account a broader and more balanced range of measures of quality, effectiveness and efficiency.

Following extensive consultations and workshops with NESAs and a number of providers on 12 May and 16 June, the new performance measurement framework was introduced from 1 July 2008.

As discussed above under Client Outcomes, the new framework will include improved measurement of quality for the program as a whole, including through formal feedback processes such as client, JCA provider, employment service provider and Centrelink staff surveys.

#### Method of assessment

The majority of JCAs are conducted by face-to-face interview. DHS considers that face-to-face interview is preferable unless another method is in the best interests of the client (for example, if the client is unable to travel to an assessment due to severe illness but it is not possible to postpone the assessment). Performance measurement takes into account the percentage of face-to-face assessments.

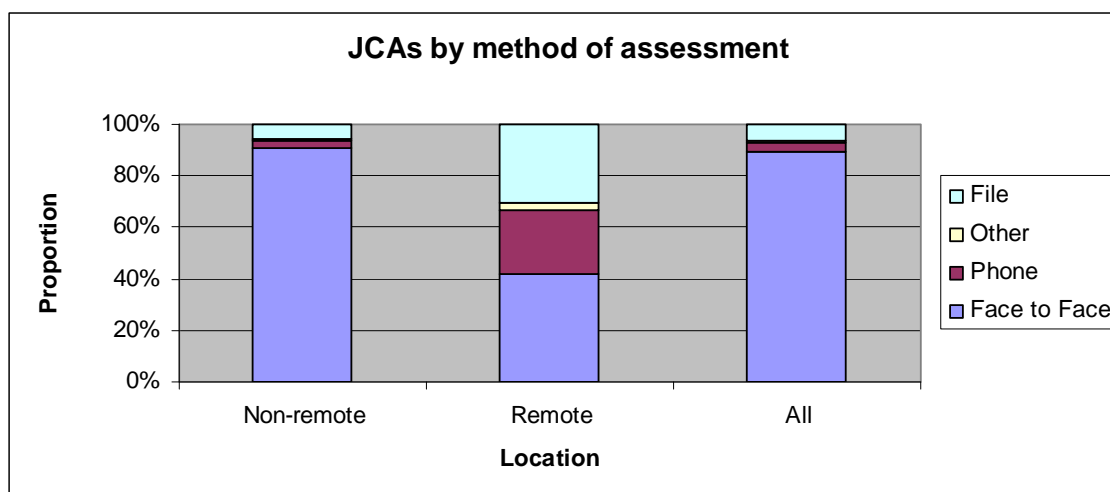
Of the 447,158 JCAs completed from 1 July 2007 to 30 June 2008, 398,241 (89 per cent) were conducted face to face. File assessments were conducted in 6.7 per cent of cases and telephone assessments in 4 per cent. Other assessments are assessments conducted by video conferencing, which only account for 0.3 per cent of assessments (*Table 5: Number of JCAs by Method of Assessment, 1 July 2007 to 8 February 2008*).

*Table5: Number of JCAs by Method of Assessment, 1 July 2007 to 8 February 2008*

Method	Non-remote	Remote	All	All %
Face to Face	392,111	6,130	398,241	89.1
Phone	13,956	3,712	17,668	4.0
Other	868	425	1,293	0.3
File	25,477	4,479	29,956	6.7

This is also illustrated graphically (*Graph 8: JCAs by Method of Assessment*).

*Graph 8: JCAs by Method of Assessment*



Telephone assessments are much more common in remote areas and are generally due to the person being assessed being unable to travel to the assessment, although some providers make exceptional effort to travel out to smaller sites to conduct face-to-face interviews.

Rules limiting travel time for Centrelink income support recipients with disabilities to sixty minutes means that the telephone is in many cases the only option for the JCA provider. These rules also account for many of the 13,956 telephone assessments in non-remote areas, as many people in rural areas have similar travel difficulties.

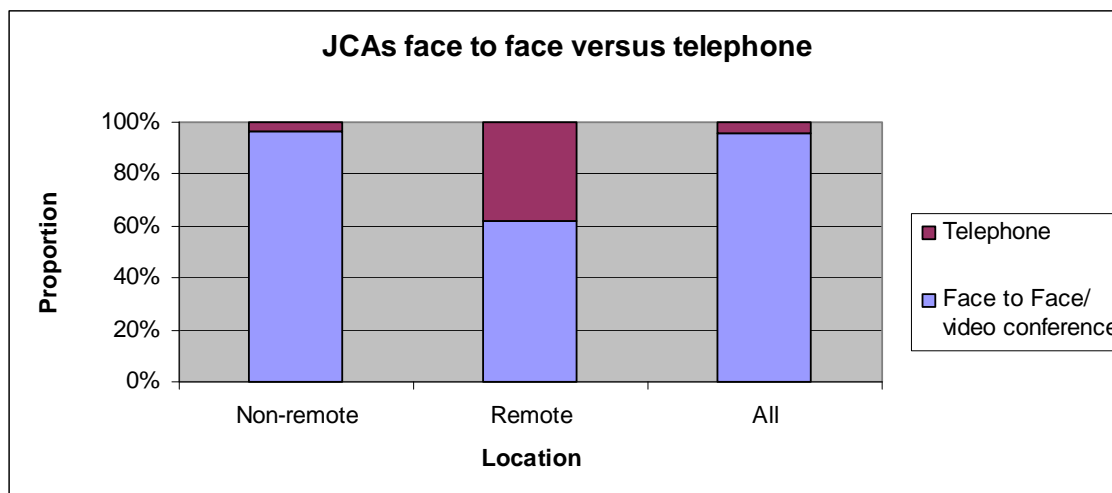
While JCA providers chose whether to undertake an assessment face to face, by telephone or by video conference, they do not choose whether to undertake a JCA by file.

This decision is made by Centrelink as the referring agency. File assessments may be directed where the person being assessed is in hospital or the person has recently been assessed by a JCA for another reason but requires a new JCA. This is usually because the client:

- has decided to claim Disability Support Pension;
- is seeking a further extension of their incapacity exemption; or
- has no telephone and cannot travel to an assessment.

Where JCA providers chose the method of assessment, they are undertaking telephone assessments in just over 3 per cent of JCAs non- remote areas and less than 26 per cent of JCAs in remote areas. Telephone assessments account for less than 5 per cent of JCAs where the JCA chooses the method of assessment (*Graph 9: JCAs: Face to Face and Telephone*).

*Graph 9: JCAs: Face to Face and Telephone*



Approaches to increase face-to-face assessments in remote and regional communities are discussed below.

### **Regional and remote Australia**

#### Access

The current JCA arrangements have achieved good access to JCA services in regional and remote areas, with national coverage in over 1,113 sites across Australia, many visiting services. Timeliness is close to that for metropolitan sites, with 94 per cent of remote assessments completed in 15 working days, and about 80 per cent within ten working days.

As part of the Northern Territory Emergency Response, DHS officers were outposted to Darwin to co-ordinate the JCAs required due to lifting of remote area exemptions. A total of 5,830 assessments have been conducted so far due to lifting of remote area exemptions. Feedback from clients has been positive, with many people referred to treatment and support services for the first time.

#### Viability

However, feedback from JCA providers is that current market share and contracting arrangements do not work well for regional and remote Australia. While the issues are most acute in remote communities, NESAs considers that this issue needs to be addressed in many regional Employment Services Areas as well.

Currently, providers receive a remote loading of around \$100 for JCAs provided in remote Employment Service Areas only. They do not receive any additional funding, such as reimbursement for travel costs, either in remote or regional sites.

In addition, current market share arrangements and session booking arrangements are the same for all Employment Service Areas: service providers are required to serve all sites in every Employment Service Area in which their tender was accepted, with at least three providers represented in every Employment Service Area. In some regional sites which require travel, market share is very small, representing perhaps one assessment per month.

*...the current allocation of market share in such sites often has three or four JCA providers all delivering assessments across a remote Employment Service Area. This approach further reduces the flow of JCA referrals and places further financial pressure on providers. (CRS Australia, response to JCA Review)*

The practical impact of current contract arrangements is highlighted in a response to the JCA Review from Maximus Solutions Australia, a small private provider.

*MSA has a small business share in rural sites such as Roma, Dalby and Charleville in Queensland. ...Although DHS hears [MSA's] concerns no resolution has been found regarding the servicing of these rural sites. MSA currently requires assessors to commute to these areas by either aeroplane or car. To increase the likelihood of MSA filling appointments in these regions, we open sessions up to two weeks in advance knowing that these will affect our timeliness Key Performance Indicator of ten days. The last two trips planned for Charleville have resulted in cancellations due to the Assessor not being filled with appointments and the cost outweighing this trip.*

*A more flexible approach to timeliness and sharing of business in these areas is important to ensure jobseekers can gain appointments when they require them. Consideration may also be required for travel costs to rural locations. (Maximus Solutions Australia, response to JCA Review)*

Centrelink, with 52 per cent of market share and an existing presence in remote communities throughout Australia, also reports that current arrangements are not viable.

*...Centrelink endeavours to provide [face-to-face] interviews wherever possible. This involves substantial costs associated with expensive travel, time away from the office and back-filling of travelling assessors. Some remote assessments require the skills and experience of Senior Assessors – for example when conducting assessments with traditional Indigenous clients who require interpreters (Centrelink, response to JCA Review)*

CRS Australia notes the current remote loading equates to 40 minutes' travel time in terms of current allied health professional salaries, forcing providers to use phone assessments far more often than elsewhere in Australia: 36 per cent of JCAs in remote areas, excluding file assessments, compared to 4 per cent in non-remote locations.

#### Approaches developed with JCA providers

DHS has worked with JCA providers to address these issues, with an initial focus on remote communities, where there are the greatest challenges in providing high quality, face-to-face assessments on a financially viable basis.

Good progress was made in mid-2007 following a meeting with remote JCA providers in Alice Springs in March 2007. At this meeting and in subsequent discussions, providers agreed a number of useful approaches, particularly achieving economies of scale and more timely and effective services by combining visits to remote communities with other agencies, such as DEEWR, Centrelink and employment service providers.

The most promising approach was for providers to work together and agree allocation of different sites within an Employment Service Area, so that each provider would only be required to visit some communities, and would have enough assessments in those communities to make the visit worthwhile.

DHS agreed to work with providers to implement the new approaches following the 2007 national performance review and market allocation in September. This made some changes to market share which somewhat improved viability for providers in some regional and remote Employment Service Areas.

However, work on the new approaches did not proceed, as DHS and the main remote JCA providers instead devoted the required staff and resources to undertaking Northern Territory Emergency Response JCAs.

DHS has made a commitment to work with providers and other agencies to refine these approaches in the light of experience with the Northern Territory Emergency Response. Work with providers commenced in June 2008, focusing first on remote and regional communities where providers are experiencing particular difficulties.

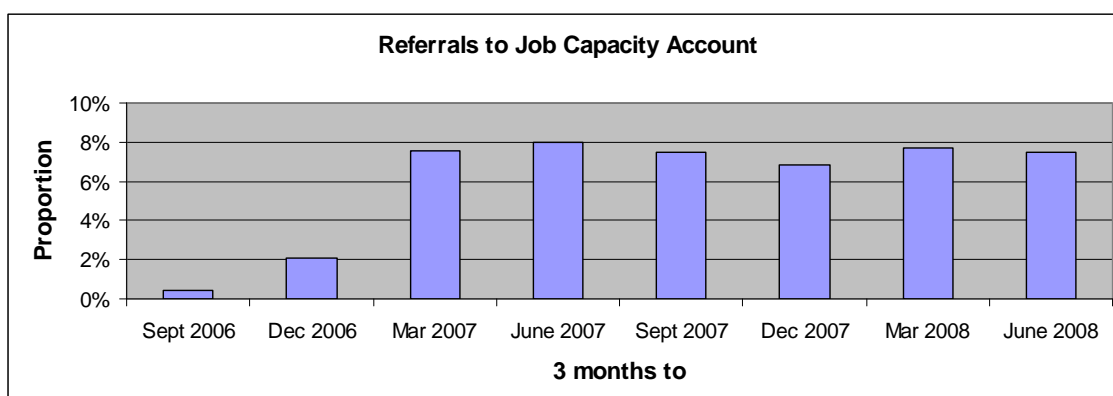
### **The Job Capacity Account**

As set out in the Introduction, Job Capacity Assessors are reimbursed through the Job Capacity Account for purchasing short term allied health professional services, such as counselling and pain management, for people referred to Job Network who need this assistance to become work-ready.

#### Referrals to Job Capacity Account

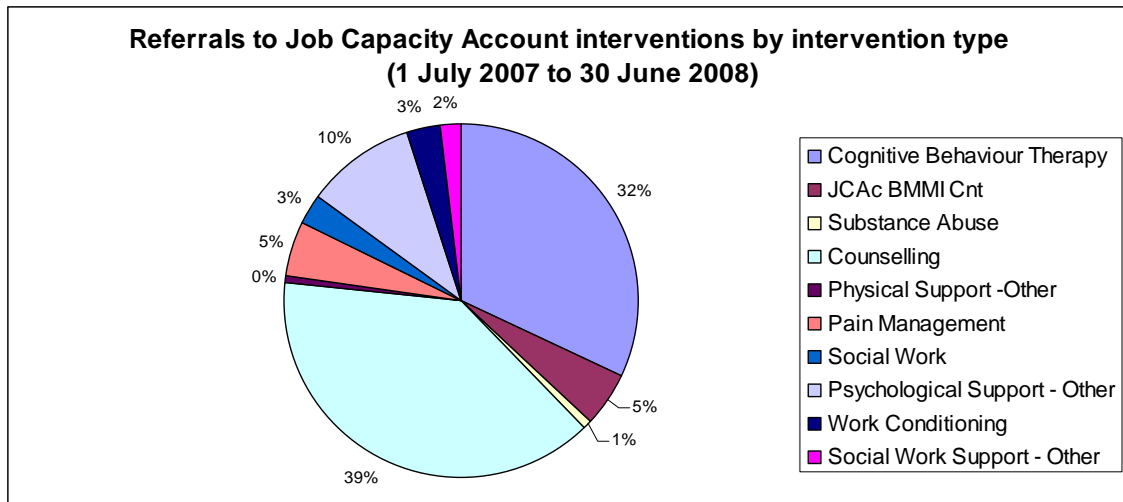
In 2007-08, 33,754 referrals were made to Job Capacity Account services. A total of 23,603 referrals were made to Job Capacity Account services in 2006-07. Although take-up was initially slow, since January 2007 it has been running at around 7.5 per cent, with expenditure in 2007-08 of around \$17 million (*Graph 10: Referrals to Job Capacity Account*).

*Graph 10: Referrals to Job Capacity Account:*



The majority of referrals to Job Capacity Account interventions for 2007-2008 were for counselling. Cognitive behaviour therapy accounted for 32 per cent of referrals during this period, Other Psychological Support for 11 per cent, Pain Management for 5 per cent, Behaviour Management/Modification 5 per cent, Social Work 3 per cent, Work Conditioning 3 per cent, Other Social Work Support 2 per cent, and Other Physical Support less than 1 per cent. There are no targets for the individual types of Job Capacity Account interventions.

*Graph 11: Referrals to Job Capacity Account interventions, 2007-2008*



### Effectiveness of Job Capacity Account

In their responses to the JCA Review, stakeholders including JCA providers and employment service providers were overwhelmingly positive about Job Capacity Account services.

JCA providers note that they have many 'good news stories' from clients who have been referred to Job Capacity Account services, some of which have been provided to DHS (see **Attachment C, JCA and Job Capacity Account – Good News Stories**).

JCA providers indicate that feedback from Job Capacity Account clients is highly positive. Advanced Personnel Management provided feedback from a survey of 108 Job Capacity Account clients undertaken in October 2007 (*Table 6: Client feedback on Job Capacity Account, from Advanced Personnel Management survey, October 2007*).

*Table 6: Client feedback on Job Capacity Account, from Advanced Personnel Management survey, October 2007*

Question	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
I believe it's important to have access to a service such as this	0%	1%	2%	22%	75%
The service has helped me make positive changes in my life	1%	3%	16%	40%	40%
The service was relevant and worthwhile and met my needs	0%	1%	7%	43%	49%
It was useful for me to receive this service before being referred to a job network provider	0%	2%	18%	39%	41%
The service helped me feel more confident to work with my job network provider	2%	8%	29%	37%	25%
I would recommend the service to other people who have been referred to a job network provider	2%	1%	7%	36%	53%

Advanced Personnel Management's paper, *Job Capacity Account – Addressing the Barriers*, also provides a number of excellent cases studies and the following quotes for clients surveyed, who felt that the Job Capacity Account provider:

- *'has provided me with the counselling to assist me to get my life back into focus, although not completely void of all remaining issues. I feel without her assistance I would not now be in a position where I can visualise a positive future ahead.'*
- *'helped me and put positive energy into my life again. I feel more happy, confident and believe in myself, that I can do anything and I'm always smiling. Whenever I feel down I think about what [she] said to me and I smile again. I recommend this to anyone. It saved me and changed my life around and I appreciate everything.'*
- *'I found the experience rewarding. I also feel confident that my life and job prospects will be better as a result.'*
- *'After doing this course I feel 100% to what I did before. I am now back working and feel I wouldn't be doing this without the help of [the Job Capacity Account provider]'.<sup>9</sup>*

Evaluating the effectiveness of Job Capacity Account is complex, because of the many other factors affecting client outcomes and the long lead times from referral to Job Capacity Account services to sustainable employment outcomes. In addition, it is difficult to track clients on the DEEWR system, which is transaction-based. Therefore only preliminary results are available.

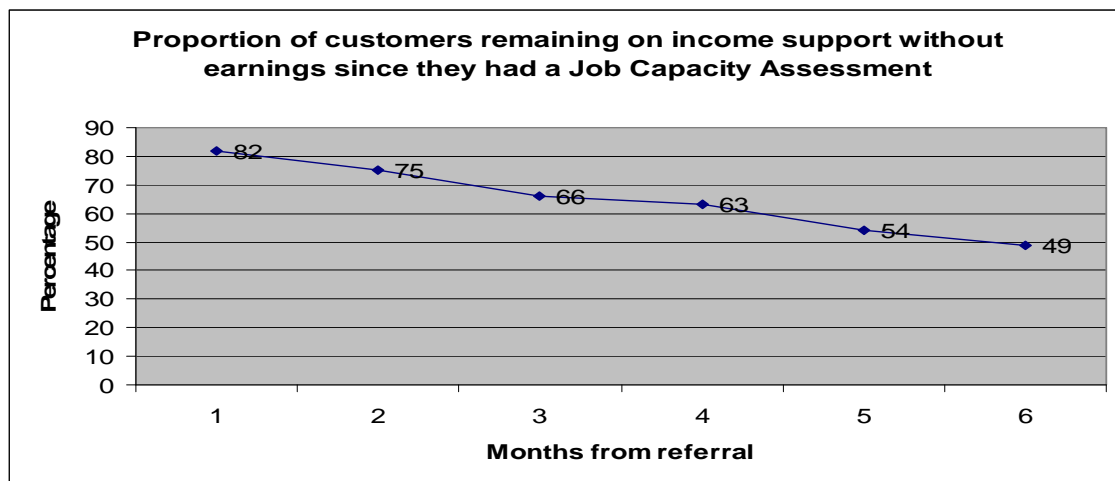
- Job Capacity Account is not a stand alone service: clients are only referred to Job Capacity Account services if they have a concurrent referral to Job Network, so if they later get a job, it is generally not appropriate to attribute this to the Job Capacity Account intervention alone.

<sup>9</sup> Advanced Personnel Management, *Job Capacity Account: Addressing the Barriers*, Perth, 2008: also attached to Advanced Personnel Management's response to the JCA Review.

- There is also no valid ‘control’ or comparison group. Job Network clients are only referred to Job Capacity Account if they have barriers to work requiring allied health professional services such as counselling, so it would not be appropriate to compare them to other people attending Job Network.
- Job Capacity Account services are not compulsory (the *Social Security Act 1991* prevents clients being compelled to undergo treatment services such as counselling). Clients who accept referrals to Job Capacity Account services and attend the services clearly have higher motivation than clients who refuse to attend.

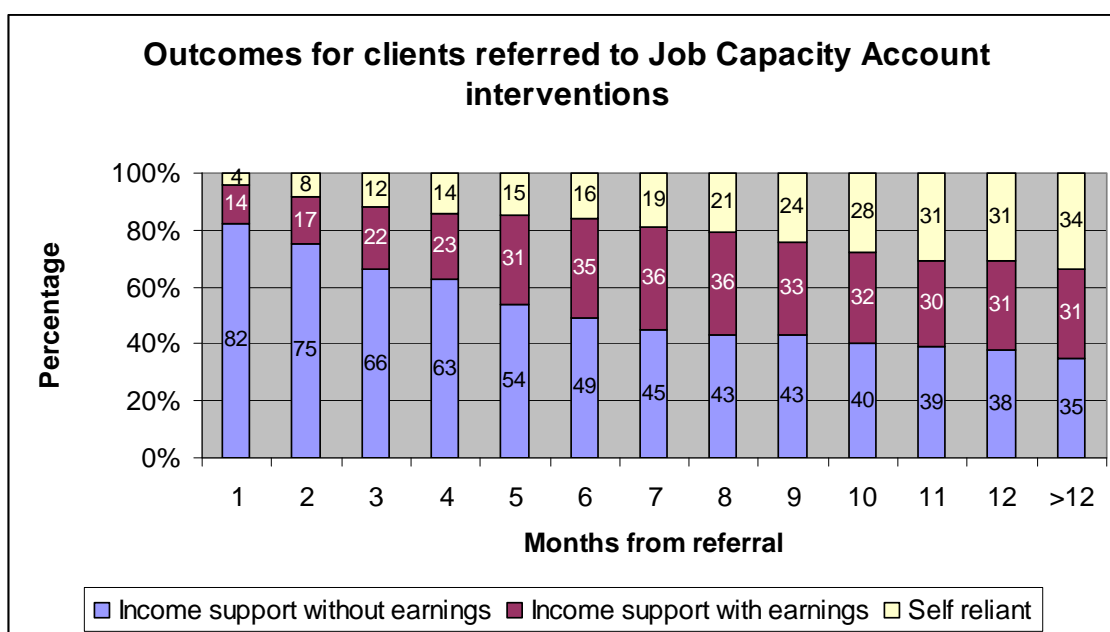
The following graph shows that the proportion of clients referred to Job Capacity Account who were on income support fell from 82 per cent to 49 per cent in six months from referral (*Graph 12: Proportion of clients on income support following Job Capacity Account services*).

Graph 12: Proportion of clients on income support following Job Capacity Account services:



DHS and Centrelink have examined the first 100 referrals to Job Capacity Account, which provide a more or less random sample. While over 80 per cent were on income support with no earnings when referred to Job Capacity Account services, after 12 months, this was reduced to around 30 per cent. By this time, around 70 per cent of clients had earnings or were no longer on benefit, presumably because they had a job (*Graph 13: Outcomes for 100 Clients referred to Job Capacity Account Interventions*).

Graph 13: Outcomes for first 100 Clients referred to Job Capacity Account Interventions:



Source: Centrelink files for first 100 clients referred to Job Capacity Account services from July 2006

Industry proposals

Stakeholders overwhelmingly support the Job Capacity Account. JCA providers and most employment service providers consider that it should be extended to people referred to employment services other than Job Network, and that the maximum duration should be extended from three to six months.

NESA’s words summarise the views expressed in responses from JCA providers and employment service providers:

*The industry supports the initiative that the time frame for Job Capacity Account interventions should be increased to six months.*

*Job Capacity Account ... can enhance the capacity of the client to participate and reduce the anticipated time to achieve economic participation. The initiative also supports improved social inclusion through improving access and supporting clients to connect with services. ...It is the view of employment service providers and JCA providers that this initiative should be extended to clients being referred to other types of assistance, not only Job Network but also Vocational Rehabilitation Services and the Disability Employment Network. (NESA, response to JCA Review)*

While at least one employment service provider considered that Job Capacity Account funds should be spent by the employment service provider, this would remove the advantage of having clients referred to an allied health professional service by another allied health professional, who is in the best position to judge their appropriateness and effectiveness. As NESA says:

*The Job Capacity Assessors are in a good position to exercise professional judgement if the interventions would improve outcomes for the client. (NESA, response to JCA Review)*

JCA providers also consider that the contract requirement that a maximum of fifty per cent of referrals should be self-referrals makes it difficult to find appropriate allied health professional services for clients, particularly in regional Australia.

#### Administrative costs for providers

JCA providers are however concerned that current arrangements only provide for reimbursement of the cost of purchasing services, not administration, monitoring or case management.

*There is no provision in the current JCA price structure that recognises the administrative impost and cost represented by referrals to Job Capacity Account. In other programs, such as DEEWR's wage subsidy program, providers are able to levy a \$100 administration fee for each wage subsidy. A similar arrangement should be considered for Job Capacity Account. (CRS Australia, response to JCA Review)*

This view was strongly expressed by all JCA providers following changes to the JCA Guidelines in September 2007, to implement recommendations of an independent audit of Job Capacity Account processes. These changes were required to ensure appropriate accountability for government funding, but JCA providers considered that they added significantly to their workload. Most larger providers report that they are now employing 1-2 staff full-time to administer the Job Capacity Account.

*There have been significant revisions to the guidelines... that have resulted in a considerable administrative burden... According to the guidelines, JCA providers must track instances of non-attendance, the quality and timeliness of Job Capacity Account exist report, liaise with the Job Network during and after completion of the service, monitor the quality of outcomes, ensure that the referrals are finalised appropriately, and make sure that the service is completed within 16 weeks after date of submission of the JCA report. (Mission Australia, response to JCA Review)*

#### Accountability

Concerns were raised by the Australian Federation of Disability Organisations (AFDO) about accountability for Job Capacity Account services:

*AFDO is concerned that insufficient safeguards are built in to the Job Capacity Account service model to ensure accountability, to discharge the duty of care of the government and to effectively boost the work readiness of clients. (AFDO, response to JCA Review)*

The National Welfare Rights Network also raised the need to ensure the cost-effectiveness of the program and that referrals to these allied health professional services were appropriate and did not interfere with the client's existing treatment regimes. As allied health professionals themselves, Assessors are in the best position to ensure appropriate and effective use of allied health professional services.

DHS is working to improve arrangements for monitoring effectiveness and client outcomes.

## Complaints

JCA service providers are required to ensure that clients and other stakeholders such as employment service providers are clearly informed of JCA complaints mechanisms, including the providers' own internal complaints handling processes and the Centrelink Customer Relations Line.

Nevertheless, the JCA program receives very few complaints. In the 24 months from 1 July 2006 to 30 June 2008 there has been a total of 377 complaints lodged relating to JCAs. During the same period over 822,000 JCAs were completed. This equates to less than one complaint from every 2,000 JCAs (less than 0.05 per cent). On average, DHS has received less than 16 complaints a month since 1 July 2006.

About 70 per cent of complaints are about the conduct of the JCA or other issues that relate to the service provided, while about 30 per cent are a disagreement with the Job Capacity Assessor's findings. In some instances this is a complaint about Government policy or legislation, and in others it is a disagreement with Centrelink's decision: for example, the client thinks they should get Disability Support Pension, but the Job Capacity Assessor and the Centrelink decision-maker do not.

### Sources of complaints

Complaints on the JCA program come from a number of different sources.

If a client has concerns about how their assessment was conducted, they are advised to follow a three-step process:

1. Contact the Job Capacity Assessor;
2. If still concerned after doing this, they can call and lodge a complaint with the Centrelink Customer Relations Unit;
3. If they are not satisfied with Centrelink's or the Job Capacity Assessor's attempt to resolve the issue, they can complain to the Commonwealth Ombudsman.

The majority of complaints come to DHS via the Centrelink Customer Relations Unit or are lodged directly with the JCA providers. Complaints which are directly lodged with providers are sent to DHS as part of their quarterly reporting requirements.

Other channels in which complaints can be raised include:

- the DHS Hotline (this is managed by DHS and is available for calls from clients and employment service providers);
- through DEEWR for complaints from employment service providers;
- formal complaints to DHS (these include complaints to the Commonwealth Ombudsman and could include those from JCA providers); and
- via email to [feedback@jca.gov.au](mailto:feedback@jca.gov.au) (this is managed by DHS and is available predominantly for clients or other stakeholders). (*Table 7: Source of JCA Complaints, 2006-2008*)

*Table 7: Source of JCA Complaints, 2006-2008*

Source	No.	%
Centrelink Customer Relations Line	177	46.95%
Bi-monthly Report	79	20.95%
Calls to DHS Hotline	65	17.24%
DEWR (issues register)	41	10.88%
Formal letter (e.g. Ombudsman)	10	2.65%
Email to jca.feedback	5	1.33%
<b>Total</b>	<b>377</b>	<b>100.00%</b>

### Type of complaint

DHS receives complaints about a number of different issues relating to JCAs.

Most complaints are about the conduct of the assessments. These complaints are usually about the way that the JCA was conducted but are separate to complaints about the Assessor's behaviour, language or presentation alone.

Examples of complaints about conduct of assessment include 'the Assessor wasn't listening to me', 'the Assessment was too short', and 'the Assessor made up their own mind'. This reason also includes some multiple complaints, particularly instances where the person is complaining about the conduct of the Assessor and also has a secondary complaint about the Assessor's qualifications e.g. 'the Assessor didn't do a thorough assessment and he/she wasn't a doctor.'

The second largest group of complaints relates to the appropriateness of referral by the Assessor. These complaints, along with those relating to income support/activity test requirements which are the fifth highest category, are often complaints about payment or program eligibility, rather than the JCA itself.

The third largest group of complaints relates to the quality of assessment services. These types of complaints usually relate to difficulties dealing with the organisation providing the JCA. Many of the complaints in this category are from Centrelink and employment service providers as referrers. Examples of complaints about quality of assessment services include 'the JCA didn't organise an interpreter', and 'the JCA wouldn't return my call about his/her recommendation'.

### Complaints to the Commonwealth Ombudsman

Between 1 July 2006 and 30 June 2008, DHS received ten complaints from the Commonwealth Ombudsman. All have been finalised and subsequently closed.

The Commonwealth Ombudsman advised that in five cases there was an administrative deficiency recorded for DHS (this is related to the activities of DHS's contracted service providers, not DHS staff).

In those five complaints where no further action was required:

- in three cases, the client had an issue with the Assessor determining if their condition was permanent;
- in one case, the client had an issue with the recommendation of the report; and
- in one case, there was a wrong referral code.

Of the five cases that an administrative deficiency was recorded:

- in one case, the client was not assessed for Disability Support Pension;
- in one case, the complaint was about Assessor behaviour;
- in one case, the assessment was conducted while the client was in hospital (this is not known to the Assessor when Centrelink makes the appointment); and
- in two cases, there was a claim for Disability Support Pension and there was a problem in identifying whether the condition was permanent.

In those instances where an administrative deficiency is recorded, DHS takes the appropriate action with the provider and/or makes adjustments to the JCA program to prevent a similar instance occurring in the future.

### **Governance and communications within Government**

The Social Security Appeals Tribunal considers that:

*the overall administration of the programs of which the JCA assessment can be a part, seems somewhat fractured. Responsibility for Disability Support Pension policy now resides in FaHCSIA; DEEWR remains responsible for policy for Newstart and other working age payments; the delegates making the substantive income support decision reside in Centrelink, with JCA contractual issues and training of Job Capacity Assessors being the responsibility of DHS and the assessments themselves being performed by the JCA service provider. (Social Security Appeals Tribunal, response to JCA Review)*

While these arrangements can certainly be confusing for stakeholders, in practice they work very well, due to the strong working relationships between people in these government agencies who work on JCA issues, and strong relationships between DHS and JCA providers.

In their responses to the JCA Review, many stakeholders have strongly supported the current administrative arrangements as ensuring the integrity and independence of Job Capacity Assessment. As outlined in Chapter 1, stakeholders who provided views about the role of DHS have been uniformly positive about the willingness of staff to listen and respond to stakeholder concerns.

## CHAPTER 4 - EFFICIENCY

This chapter considers:

- Administrative requirements for providers;
- Courier costs;
- Access and session availability;
- Timeliness;
- Systems; and
- Issues for DHS.

### **Administrative requirements for providers**

As is clear from the preceding chapters, administrative requirements for Job Capacity Assessors and providers are complex, partly reflecting the complexity of income support and employment services policy settings, systems and processes, and partly as a result of JCA and Job Capacity Account program and contract management requirements.

*Job Capacity Assessors have a complex and challenging role in assessing work capacity based on legislative requirements of the Social Security Act and determining service needs of the client. ... they are inadequately resourced to fulfil all that is being asked of them particularly in the light of the increasing complexity of policy settings and administrative requirements. (NESA, submission to Employment Services Review)*

JCA providers advise that they did not anticipate the administrative costs and overheads when they entered agreements to provide services, and have subsequently had to employ additional administrative staff, and spend the valuable time of allied health professionals in performing clerical duties.

The following account of administrative costs is typical for a small private JCA provider:

*MSA business share for JCAs is approximately 100 JCAs per week nationally ... Property and rental costs, information technology fees, administrative and finance staff, translator fees, courier fees and recently the case management of Job Capacity Account are among some of the hidden costs in the delivery of the JCA contract.*

*...In all instances when a JCA is conducted by MSA, there is a [room] rental charge despite whether the client attends. ...roaming internet costs...the costs of face to face translator services in some regions can escalate up to \$150 an hour. Translators charge fees to MSA when clients do not attend.*

*In addition to the cost of professional health staff, MSA currently employs three full time equivalent administrative and finance staff to open sessions in EA3000, make reminder calls or SMS, reschedule appointments where required, claim financial information from EA3000, receive JCA referrals, internally create an invoice for Job Capacity Account, claim Job Capacity Account from EA3000, and track any outstanding ad hoc payments. It is estimated that this costs MSA approximately*

*\$120,000 a year based on the average administrative salary. (Maximus Solutions Australia, response to JCA Review)*

JCA providers are accountable to the Government not only to provide high quality, effective and efficient services, but to ensure appropriate expenditure of public funds. Sound internal administrative processes are critical, particularly in the case of Job Capacity Account where JCA providers are effectively acting as the Government's agent in purchasing services from third parties.

However, as for the guidelines, many changes to processes have been introduced since the JCA Program commenced, which have led to an accretion of additional requirements for providers. JCA providers consider that requirements could be reviewed to ensure that they are sound and necessary, to streamline processes and reduce duplication, and to replace ad hoc and manual processes wherever possible.

### **Courier costs**

JCA providers are responsible for collecting and returning the client's medical information file from Centrelink. DHS does not reimburse these costs. The process is outlined in Mission Australia's response to the JCA Review:

*This process creates a significant administrative and resourcing burden on both the assessor and administrative staff. Not only does each client's JCA report need to be checked to see if documentation is required for pick-up, a courier needs to be arranged and paid for. However, despite the procedure being not to arrange a JCA appointment without the Medical Information File being present, Centrelink often arrange the appointment before they have the documentation ready. This leads to a significant cost involving having to send couriers twice to pick up the same file ...nationally, we spend between \$2,000-\$3,000 per week on courier charges. (HSA Group, response to JCA Review)*

Once again, Maximus Solutions Australia provides a typical account from a small private JCA provider:

*In some instances MSA have funded couriers up to \$298 in non-metro areas to deliver overnight medical documents. The courier fees are charged to MSA when they visit Centrelink offices and medical documents are not available....The average costs of couriers for MSA in one month are \$1,800 or approximately \$22,000 a year. No money is recouped from DHS for courier costs. (Maximus Solutions Australia, response to JCA Review)*

The information on clients' medical information files can be substantial. Centrelink has considered scanning this information to enable it to be used more efficiently and effectively, but to date, the cost has been prohibitive. Even if Centrelink scanned the documents, a secure means of transmitting them to other JCA providers would still be needed. DHS and Centrelink are currently considering this issue.

## Access and session availability

Current diary arrangements and the requirement to complete 80 per cent of assessments within ten days of referral to meet contract Key Performance Indicators mean that JCA providers rarely open appointments on the EA3000 system more than five days in advance. Appointments can book out fast, particularly in regional areas.

*The only means that providers have to manage their performance against [the current timeliness] measure is to ensure that they only make appointments available five days in advance. This issue is most critically felt in regional and remote areas where full time services may not be available or clients live considerable distances from offices and require more notice. (NESA, response to JCA Review)*

In addition, market allocation arrangements mean that, if one provider has not booked enough appointments to meet their market share, other providers can be 'locked out' by the system and prevented from opening new appointments.

*The present EA3000 diary system ...does not work effectively for rural and remote servicing. Where numbers are smaller the allocation system will lock a provider out from opening further appointments when perhaps only one actual JCA appointment has been scheduled. This will continue until another JCA provider opens an appointment in the location/area. This means that the JCA provider will need to travel to the remote location, which is not currently compensated, and then only provide a reduced number of assessments because more cannot be scheduled even if there is demand. (Rehabco, response to JCA Review)*

JCA providers generally manage session availability well within the current constraints, although absence of Assessors on unplanned leave and workforce shortages can cause issues particularly in regional sites. DHS notes that JCA providers have invariably been quick to open sessions when asked, usually within the next hour.

This issue could be largely resolved by changes to the session booking processes, along with adjustments to performance measurement, to enable providers to open sessions further in advance, particularly in regional sites where an Assessor might only visit every two to three weeks. DHS is working with providers and other agencies on this issue.

### Choice of Assessor

In practice, the current session availability arrangements also determine which Assessor a client will see, because sessions are opened by providers based on which Assessor is available at a particular time in a particular site.

As discussed in chapter 2, this has the effect of randomly allocating clients to Assessors without regard for the individual needs of the client or the qualifications or expertise of the Assessor.

Changes to session availability arrangements could give providers more discretion to allocate clients to a particular Assessor, or combination of Assessors, based on the client's individual needs. This would need to take account of market allocation arrangements and not place unrealistic demands on providers, given the difficulties in attracting and retaining experience allied health professional staff, particularly in regional Australia.

## Timeliness

Under the Better Assessment arrangements and the preceding regimes, there was considerable criticism of delays in income support decisions and referral to employment services in particular. Mounting Australian and international evidence of the importance of early intervention and rapid connection to services highlighted the importance of a timely and efficient assessment process.

Contract and performance management systems for the JCA program therefore had a strong emphasis on timeliness, with rapid connection to employment services as a key objective.

Rapid connection has certainly been achieved under current JCA arrangements. As noted earlier in this report, JCA providers performed consistently well against the required performance standards under the contract Key Performance Indicator (KPI) for timeliness, which from July 2007-to June 2008 were:

- 80 per cent of non-remote assessments to be completed within ten business days from referral; and
- 80 per cent of remote assessments to be completed within 15 business days from referral.

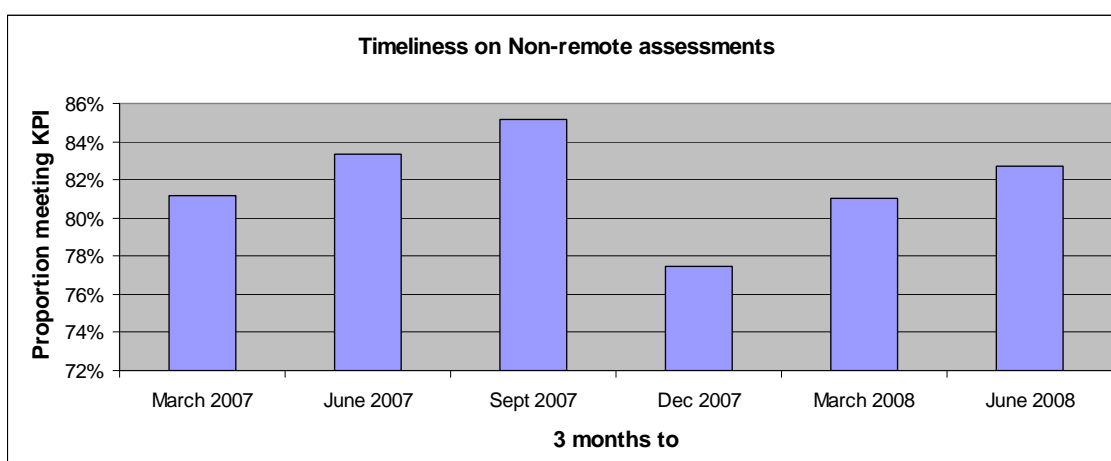
In fact, providers have consistently achieved an overall national timeliness rate of over 80 per cent, with most remote assessments also being completed within ten days.

### Non-remote assessments

In total, 82.7 per cent of non-remote assessments were completed within ten business days for the period July 2007 to June 2008.

The timeliness of non-remote assessments had been steadily increasing from January 2007, peaking at 85 per cent in the 3 months to September 2007. A large increase in JCA referrals in the three months to December 2007 and the need to open appointments further into the future to accommodate these JCAs resulted in a reduction to around 77.5 per cent for that period. Timeliness increased to 83 per cent by the end of June 2008. (*Graph 14: Timeliness of Non-remote Assessments, 2007-08*).

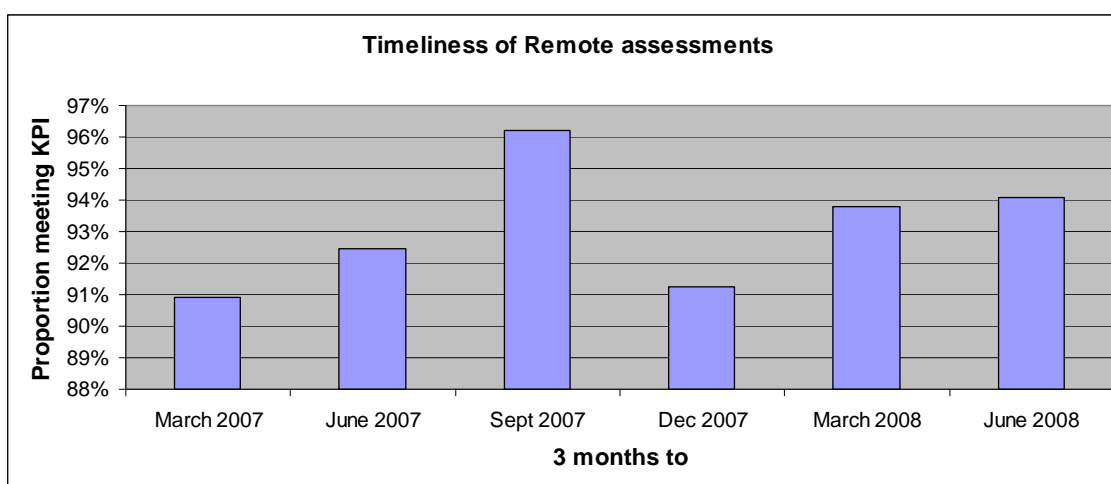
*Graph 14: Timeliness of Non-remote Assessments, 2007-08*



## Remote assessments

A total of 94.1 per cent of remote assessments were completed within 15 business days for the period July 2007 to June 2008. This KPI has consistently been met by JCA providers since the commencement of the JCA program. This is due in part to the longer period of time available but also by the higher (legitimate) use of non face-to-face assessments (*Graph 15: Timeliness of Remote Assessments, 2007-08*).

*Graph 15: Timeliness of Remote Assessments, 2007-08*



## Timeliness in practice

Current provider achievements against the timeliness benchmark are particularly impressive, given the practical difficulties in achieving a ten-day turnaround, as outlined by Advanced Personnel Management in its response to the JCA Review:

*APM understands the importance of early intervention and the philosophy underpinning the ten day metropolitan area timeline...APM recommends guidelines be developed to 'pend' the timeline in events outside of the Job Capacity Assessor's control or critical to the assessment process. This includes:*

- *Clients who do not attend*
- *Clients rescheduling appointment*
- *Lack of availability of Medical Information File*
- *Further medical clarification required*
- *Lack of availability/ or non-attendance of the interpreter*
- *Client requires more time to engage.*

*In APM's experience, the two-day turnaround of report completion, post assessment, may not always be possible when service provider contract is required. Additionally the two day turn around to reschedule [clients who do not attend] may not always be possible especially for those without telephone contact or requiring interpreters. (Advanced Personnel Management, response to JCA Review)*

In theory, it would be possible to suspend assessments to allow for many of these unavoidable delays. In practice, it would be very difficult to make appropriate allowances for all the causes of delay which are outside a provider's control through suspension periods.

There is also a real danger that the ability to suspend an assessment, or in effect freeze the clock, would remove provider incentives to keep close track of these assessments and ensuring that they are completed as soon as possible, for example by following up delays with medical evidence. A suspension approach would not improve effectiveness or quality, and would detract from efficiency.

The right balance between timeliness, quality and effectiveness may vary according to the needs of the client. Generally, the more straightforward the client's needs, the quicker the JCA.

### Achieving the right balance between timeliness and effectiveness

As set out above and in previous chapters, NESAs and JCA providers consider that over-reliance on this timeliness measure in performance measurement has distorted provider behaviour and created perverse incentives which restrict client access to services, particularly in regional Australia, and can detract from quality and outcomes for clients.

Over-reliance on this measure can also detract from overall efficiency, as outlined in the section on Session Availability, above.

*In the implementation of JCA there has been an over-emphasis on timeliness which in the view of industry has compromised quality and access. Current timeliness measures are creating administrative pressures and increasing the level of non-attendees. Importantly, it is the experience of providers that these measures are reducing the accessibility of appointments. (NESAs, response to JCA Review)*

A more balanced approach to measuring performance is provided in the new performance measurement framework developed in consultation with JCA providers and implemented on 1 July 2008.

This introduces a new measure of timeliness from date of JCA interview to date of report completion. However, DHS will continue to monitor overall timeliness from date of referral to ensure that rapid connection to employment services and the efficiency of income support decision making is not compromised by inappropriate delays in JCA appointments. The new framework also removes assessments suspended awaiting medical evidence before calculating performance against these timeliness benchmarks.

More importantly, the new framework introduces a broader and more balanced set of measures, which allow effectiveness and quality to be more effectively assessed. Measures for appointment availability and the proportion of face-to-face assessments will particularly redress the balance towards quality and effectiveness, by rewarding providers who open sessions well in advance and conduct face-to-face assessments in regional and remote communities, and whose timeliness score may therefore be lower than that of providers who place more emphasis on rapid throughput.

This performance measurement framework is underpinned by the new quality assurance framework, further improving balance between timeliness and quality by allowing rigorous comparative assessment of quality through independent allied health professional auditors.

## **Systems**

### The JCA EA3000 system

The JCA EA3000 Smartclient system is a very small part of the huge and very complex DEEWR system which manages the DEEWR employment service network contracts and interfaces with the Centrelink system on client income support and participation requirements.

The introduction of the JCA component of the EA3000 Smartclient system was a considerable advance on previous arrangements, and significantly improved efficiency by enabling automated referral to JCAs and from JCAs to employment service providers, and by improving connections between external Assessors and Centrelink.

JCA providers rely heavily on EA3000 to manage their business and to ensure that Assessors are allocated appropriately to sites where they are most needed. Session availability information is particularly useful in enabling a quick response to any local difficulties in accessing JCAs.

DHS makes extensive use of information available from EA3000, not only to manage the program and payment arrangements, but to analyse patterns of referral and expenditure and deal with any issues as they emerge. EA3000 is a key tool for performance monitoring and review and for contract management, both for DHS and JCA providers.

Generally, the e-commerce interface works well and JCA providers rarely report problems with down time or systems connections. Access to the secure DEEWR site provides a safe way for providers to transfer the sensitive client information contained in JCA reports to Centrelink and providers.

The JCA component of the system is necessarily complex, because of all the functions it performs: among others, managing contracts, payments and market share, allocating and notifying appointments, rescheduling, writing and submitting reports, managing referrals and appointments with employment service providers, submitting reports to Centrelink and finalising them once Centrelink has made the income support decision.

Moreover, the system is complex because the employment services and income support arrangements which it is based on are complex. When JCA or employment service providers complain that the system or the JCA report is complex or inflexible, they are generally complaining about the policy and program rules, not the system itself.

### Systems improvements

Limited time and funding for the initial development of the JCA system meant that, when it was introduced in July 2006, some of the specified functionality was unable to be included. Following its introduction in July 2006, further issues were identified with its practical operation, most of which have now been addressed. Since then, significant changes to processes and policy clarifications have added a further layer of complexity.

Changes to the EA3000 Smartclient system are usually costly and time consuming. They frequently also require changes to the Centrelink system.

Since the JCA program commenced in July 2006, DEEWR quarterly systems releases have made a number of key improvements to JCA functionality, particularly regarding the JCA report itself. More changes are scheduled for the September 2008 systems release.

For example, systems changes to improve JCA quality that occurred in June 2008 included:

- print preview functionality for JCA reports that are not yet submitted, so that the Assessor and their supervisor can view the whole report for consistency and quality;
- usability enhancements such as improving ability to view text as it is being entered and providing additional space for text;
- a new referral reason for Centrelink use; 'Participation Failure Pending' to alert Assessors, employment service providers and Centrelink staff to clients who are at risk of non-payment due to failure to meet activity-testing requirements; and
- the facility to view employment service provider exit reports for clients.

#### Impact on JCA providers

Job Capacity Assessors are subject to the current system limitations and must also implement a significant number of time-consuming and inefficient manual workarounds, many of which require a number of steps and for them to manually enter specific phrases in specific fields within the report. These not only affect efficiency, but as noted in Chapter 3 under Quality, also create potential for Assessor error.

*Assessors are required to spend time navigating (EA3000) and gleaning bits of information (in some instances looking for only one word) from multiple screens prior to seeing the client. For example, the Assessor needs to check all of the following screens for a typical assessment: the Registration screens (there are several tabs), the Central screen, placement history, Jobseeker Classification Instrument, client profile, medical screen, and the front page of the JCA report to collect all of the information required.... A much more practical situation would be to have a central screen that all of this information is collected in.... (Mission Australia, response to JCA Review)*

JCA providers report that Assessors find the system, in particular the JCA report functionality, difficult and frustrating to use.

*HSA has noted common reasons why internal staff have requested moving from the JCA teams to other HSA roles. These include the increased complexity of the assessments and their difficulties with the JCA system, DEEWR EA3000 Smartclient program. (HSA Group, response to JCA Review)*

The Commonwealth Ombudsman, in his response to the JCA Review and report on *Implementation of Job Capacity Assessments for the Purposes of Welfare to Work Initiatives*, has also raised issues with systems limitations. DHS has worked with the Ombudsman and DEEWR on these issues and a number of related systems changes were introduced from 2007. Further work is currently underway with the Ombudsman, other agencies and JCA providers.

## **Issues for DHS**

DHS is a small Government agency, and does not have state offices. The JCA team is located in Canberra. Currently, there are 15 full-time equivalent staff running the JCA Program and Job Capacity Account programs and managing contracts and payments. For most of the life of these programs, the number of staff was very much smaller.

The same team is responsible for JCA policy and for providing advice and briefing, undertaking research and analysis on JCA and related issues, and working with other agencies on a wide range of other matters relating to income support and employment services arrangements.

In addition, last year the same team conducted a national performance review and business reallocation, which required very detailed comparative analysis of provider performance in each of over 130 Employment Service Areas. This occurred at the same time as the Northern Territory Emergency Response, which required considerable work to develop and agree processes and funding arrangements for JCAs in the Northern Territory with agencies and JCA providers, and outposting of DHS staff to Darwin to manage these arrangements. Throughout this period, there were between 8 and 13 staff in the Branch.

Stakeholder responses to the review and meetings with stakeholders have highlighted a range of issues affecting the operation of the JCA and Job Capacity Account programs, work on which has already commenced with stakeholders and other agencies.

Considerable work is also expected to be required on changes to JCA requirements as a result of the Employment Services Review, the National Mental Health and Disability Employment Strategy, the new disability employment services arrangements currently being developed with stakeholders, and other processes. In addition, work is needed on the arrangements for the next Request for Tender.

## CONCLUSION

The JCA Review has found that the current JCA model is soundly based on Australian and international best practice, is generally well supported by stakeholders and has many positive features. As noted in the Introduction, the OECD commends Australia's approach to work capacity assessments to other countries.

Stakeholder views are extensively quoted throughout this paper. In general, stakeholders consider that current JCA arrangements are soundly based, but have identified a range of practical issues, mostly relating to complexity and inflexibility of current policy and program settings.

These practical issues relate both to the JCA and Job Capacity Account programs themselves, and to the broader income support and employment services arrangements which they support. DHS is currently working with stakeholders and other agencies on these issues, including reviewing training, guidelines, systems and processes. As a result of this work, new quality assurance and performance measurement frameworks were introduced from 1 July 2008.

The report also contains extensive analysis of the appropriateness, effectiveness and efficiency of current arrangements, and finds that both contracted JCA service providers and the JCA and Job Capacity Account programs are generally performing well against current Key Performance Indicators and measures of quality and effectiveness.

## **Attachment A:**

### **Minister for Human Services letter to Stakeholder Organisations**

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#### **SENATOR THE HON JOE LUDWIG**

Minister for Human Services  
Manager of Government Business in the Senate  
Senator for Queensland

Mr Jeff Whalan  
Chief Executive Officer  
Centrelink  
Box 7788 Canberra Mail Centre  
ACT 2610

Dear Mr Whalan

As you are aware, the Australian Government believes all Australians need to be able to play a full role in Australian life, in economic, social, psychological and political terms.

To be socially included, people must be given an opportunity to secure a job, as well as to access the services they need, to connect with others, to deal with personal crises such as ill health, and to have their voices heard.

As part of the Government's commitment to a support network that genuinely helps people find jobs, I am seeking your views on how Job Capacity Assessment and Job Capacity Account services can better meet the needs of people with barriers to work, service providers and the Australian community.

The Job Capacity Assessment program is designed to assist people with barriers to work, by providing comprehensive work capacity assessment conducted by specifically trained allied health professionals. Job Capacity Assessors refer people directly to appropriate employment and other support services where appropriate. Their reports are also used by Centrelink staff, along with other information such as medical evidence, to make income support decisions which take into account people's work capacity and support needs.

Job Capacity Account funds are used by Job Capacity Assessors to help people referred to the Job Network who need short-term services to become work-ready, such as pain management or counselling.

It is important that these programs provide the best possible assistance for people with barriers to work, and I will be working closely with my Ministerial colleagues to consider your views and to take them into account in future arrangements for job capacity assessment services.

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Following earlier discussions with stakeholder groups and service providers, I would be particularly interested in your views on:

- Job Capacity Assessment Guidelines, particularly as they relate to assessment and referral practices;
- the appropriateness and range of the qualifications necessary for Job Capacity Assessors to undertake assessments of people with different disabilities, including those with a mental illness;
- the quality of information recorded during the assessment process, including whether this is sufficient to assist agencies making decisions on income support and/or employment assistance;
- the appropriateness of arrangements to ensure attendance at Job Capacity Assessments;
- the role of the Job Capacity Account program, including the effectiveness of the current referral arrangements to the Job Capacity Account and the Job Network; and
- key strengths of the current arrangements and any lessons for the future, from your knowledge of current and past arrangements in Australia and internationally.

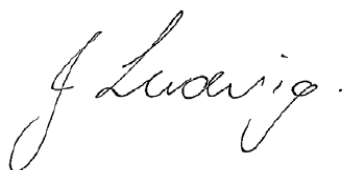
In order to allow for adequate consideration of your suggestions and consultation on any proposed changes in time for future tender processes for the Job Capacity Assessment Program, please send submissions to me by close of business Wednesday, 27 February 2008 at:

[Minister@humanservices.gov.au](mailto:Minister@humanservices.gov.au)

If you have any questions regarding this letter, please contact Dr Jacky Fogerty, Assistant Secretary, Job Capacity Assessment Branch on 02 6223 4705 or [Jacky.Fogerty@humanservices.gov.au](mailto:Jacky.Fogerty@humanservices.gov.au).

I look forward to working with you to improve assessment services and outcomes for people with barriers to work.

Yours sincerely



**JOE LUDWIG**  
**Minister for Human Services**

cc Minister for Employment Participation  
cc Minister for Families, Housing, Communities and Indigenous Affairs

## Attachment B:

*List of organisations which agreed to publish their responses to the JCA Review on the DHS Website*

<b>JCA Submissions released:</b>				
<b>No.</b>	<b>Organisation</b>		<b>No.</b>	<b>Organisation</b>
1	Access Employment		29	Mental Health Council of Australia
2	ACE		30	Mental Illness Fellowship
3	ACOSS		31	Mission Australia
4	Active Employment Service's		32	Multicultural Disability Advocacy Association of NSW
5	Administrative Appeals Tribunal		33	National Association of People Living With HIV/AIDS (NAPWA)
6	Advanced Personnel Management (APM)		34	National Council on Intellectual Disability
7	Australian Medical Association		35	National Disability Services
8	Australian Federation of Disability Organisations (AFDO)		36	National Employment Services Association (NESA)
9	Australian Psychological Society		37	National Ethnic Disability Alliance
10	Australian Rehabilitation Providers Association		38	National Welfare Rights Network
11	Bedford Group		39	Personnel Placement Consultancies
12	Carers Australia		40	Positive Life NSW
13	Catholic Social Services Australia		41	QLD Centre for Mental Health Research
14	Commonwealth Ombudsman		42	Refugee Council
15	CRS Australia		43	RehabCo
16	Distinctive Options		44	Royal Society of the Blind - SA
17	Finding Workable Solutions		45	Social Security Appeals Tribunal
18	Homelessness Australia		46	St Vincent De Paul
19	Human Rights and Equal Opportunity Commission		47	Uniting Care Australia
20	Interact Injury Management		48	Vision Australia
21	Interwork Ltd		49	Wise Employment
22	Jobco Melbourne		50	Work Solutions Australia
23	Jobmatch - Northcott Disability Services			
24	Jobs Australia			
25	Jobsupport Inc.			
26	Legal Aid NSW			
27	Max Network			
28	Mental Health Coordinating Council			

## **Attachment C:**

### **Good News Stories**

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#### **GOOD NEWS STORIES FROM JCA AND JOB CAPACITY ACCOUNT**

This attachment provides a small sample of the good news stories provided to DHS by JCA providers. The stories are true but names have been changed.

‘**Ahmed**’, a refugee client, presented for a JCA having spent 23 years in an overseas refugee camp where he sustained significant injuries. Ahmed was unsure what type of work he could perform or whether he could work. He had no medical information and had never seen a doctor. He possessed no functional English skills and had no idea how to engage a GP in Australia. Fortunately an Exercise Physiologist was available to conduct the assessment and performed a series of motion tests to establish the extent of his physical restrictions. Ahmed was pleased that his restrictions would not necessarily prevent him from working in Australia and that Vocational Rehabilitation Services were available to help him return to work.

‘**Kerry**’, who had a history of substance abuse, mood difficulties and limited employment, was referred for Cognitive Behaviour Therapy under the Job Capacity Account. She responded well to therapy, increased her daily activity levels and began to attend Job Network more regularly. The Job Network Member assisted Kerry to purchase clothes for job interviews, then informed the Assessor of Kerry’s success in gaining employment in a customer service role. Kerry reported that while she still experienced some difficulties, she was better able to understand the connection between her thinking, feeling and behaviour and could implement strategies as discussed in her Job Capacity Account intervention.

‘**Susan**’ was referred for a JCA due to a change in circumstances. She was working 20 hours per week as a kitchen hand but revealed that this job was in jeopardy as she needed to take time off due to a painful wrist. She felt frightened to tell the employer about her wrist. After review of her options, she agreed to see her GP for treatment, who then referred her on to have steroid injections. In conjunction, the Assessor referred her for physical support using the Job Capacity Account. She underwent three sessions of physiotherapy and was fitted with a wrist brace. She also was provided with stress and pain management strategies. After three weeks, Susan returned to the Assessor to report that the interventions had helped build her confidence to tell her employer about her situation who is now very supportive. Susan is pleased with the outcome, her wrist is improving and her employer is holding her job open for her whilst she recovers.

‘**Nola**’, an Indigenous woman in her forties, had been unable to work for some time due to pain following an operation. She has now been referred to Vocational Rehabilitation services to help her manage her pain and other symptoms, and is undergoing further medical investigation. She hopes that, with this help, she will be able to return to her job as a teacher’s aide.

‘**Joe**’ could not return to work in industry due to pain from his medical condition. He also lacked confidence that he could get a job. Following Vocational Rehabilitation to help him manage his condition and build his confidence, Joe was able to commence light duties with a supportive employer. Over a seven week period, his capacity to work

progressively increased and he was offered a full-time position, which his employer is now holding open for him while he recovers from a recent car accident.

**'Glen'** is an Indigenous man in his twenties, living in a remote community. He had no experience of work, limited education and English language skills, alcohol dependency and symptoms of anxiety/depression. He appeared to have low self esteem and was very unhappy and anxious about his alcohol dependency. He stated that he had not expressed his concerns before to anyone and there were no medical records at the clinic. He expressed motivation to overcome his alcohol dependency and achieve some sustained employment by participating in substance abuse and personal counselling, upgrading his literacy/numeracy and English skills and undertaking some Work for the Dole, and was keen to begin his programme.

**'Nina'** is a widowed refugee with a young son. Both she and her son have serious medical conditions, and Nina could only find temporary work and was struggling financially. Nina's Job Capacity Assessor referred her to a psychologist funded through the Job Capacity Account, who provided counselling, organised social support services for her and her son and helped her to locate family members overseas. Nina is now linked with an employment agency, which provides her with flexible work which suits her son's care needs, and she hopes that her sisters will join her in Australia soon.

**'Carol'** had a Job Capacity Assessment as part of her Disability Support Pension review. After talking with the Assessor, Carol decided that she did not want to be on pension, but wanted to start her own business as a photographer. She was referred to the New Enterprise Incentives Scheme that afternoon and soon secured some employment with her local newspaper as a photographer.