

27<sup>th</sup> February 2008

Senator The Hon Joe Ludwig  
Minister for Human Services  
Parliament House  
CANBERRA ACT 2600

Dear Senator Ludwig

**RE Response to feedback requested regarding the Job Capacity Assessment and Job Capacity Account services.**

Thank you for the opportunity to respond to your request for feedback regarding the Job Capacity Assessment (JCA) and the Job Capacity Account Services (JCAc).

I would like to firstly provide you some background as to our organisation, Personnel Placement Consultancies (PPC). PPC has been operating for 11 years primarily as a vocational rehabilitation provider under the various workers compensation jurisdictions. While the majority of our work is delivering rehabilitation and assessment services for WorkCover SA, we also provide return to work services for the Commonwealth and State Government, Department of Defence, Department of Veterans Affairs, larger self insured employers, and for third party claimants following motor vehicle accidents. PPC has also been a major provider of vocational assessments and medico legal reports in South Australia undertaken by our team of psychologists.

We believe it was our experience in assessment and solid return to work rates that resulted in PPC being successful in securing both JCA and DEN uncapped contracts. PPC is new to the PAGES environment, being involved only since the last contracting period commencing July 2006. Regarding JCA, PPC successfully won market share in 6 regional South Australian ESA's including Yorke Peninsula, South East, Riverland, Southern Adelaide Hills, Murray Lands and Gawler.

Please note that our market share in JCA and DEN Uncapped is small in comparison to most other providers and our longer term business planning is to tender again for both of these programs (JCA and DEN). All staff involved in both programmes have enjoyed the nature of this work enormously which has provided a different level of professional satisfaction and skills development for our staff and aligns nicely with our core business of assisting people with disability to secure and maintain employment.

As members of the Australian Rehabilitation Providers Association and ACE, and from participating in NESAs workshops, PPC is very aware that many organisations are reporting to experience poor outcomes via the JCA programme.

Common complaints include inappropriate referrals, poor client engagement, inappropriate assessor qualification and experience, and high turnover of assessors. In relation to the assessment itself, criticism is leveled toward DSP review process and the risk this poses to benefit, inappropriate JCA Assessor skill base to make determinations regarding incapacity and application of impairment ratings for medical conditions, and a view that decisions regarding income should be separate from this assessment.

While PPC does not complete large volumes of JCAs, we can comment confidently on our own experience delivering JCAs for your Department. We do have some experience reviewing JCAs performed by other providers via our DEN uncapped programme and can comment that we have seen varied professional standards. We have also experienced inappropriate referral to our DEN uncapped programme. I can only imagine the frustration caused for larger providers of PAGES services with a high volume of inappropriate referrals.

To answer your queries specifically:

**Job Capacity Assessment Guidelines, particularly as they relate to assessment and referral practices**

The Guidelines are a fundamental resource to the completion of the assessments which are very complex documents. PPC has welcomed the additional support offered via the DEEWR Learning Centre and modules, the JCA Connection Newsletters and Fact Sheets which all assist with keeping providers and our team abreast of changes.

PPC has welcomed the continued improvement of the Guidelines although would like for the recording of capacity to be reviewed. Given this section is fundamental to appropriate programme connection, it is somewhat cumbersome. This section could benefit from simplification to ensure rapid connection of job seekers/ appropriate outcome. A recommendation might be recording current permanent capacity and future permanent capacity within 2 years with intervention; we are not clear as to why comment regarding capacity without intervention is required. In addition, an area to report on a period of incapacity, to document reasons as to why the client is incapacitated and whether delayed referral is appropriate may also streamline this section of the assessment.

Current policy prohibits referral to PAGES when there are temporary periods of incapacity. From our experience in the workers' compensation industry, we know that incapacity for work is not always a good predictor of a return to work outcome. Similarly, throughout the term of a programme, clients will fall into and out of capacity. PPC would welcome review of this policy as clients who are temporarily incapacitated could commence PAGES programmes to encourage engagement, provide support, and commence vocational planning.

### **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**

Firstly, it was our understanding in tendering for JCA that Assessors were required to be appropriately tertiary qualified. PPC has a team of rehabilitation counsellors with varying backgrounds and experience who possess qualifications in disciplines such as social work, nursing, psychology, rehabilitation, disability and health counselling, many have post graduate qualifications.

***PPC has to date not had a JCA rejected at referral.*** We believe this is due to the caliber of our assessors (i.e. experienced and often very experienced, mature with appropriate qualifications) and that they are specifically experienced in working with people with injury / disability and have a detailed and up to date knowledge of the labour market. PPC believes that the vocational rehabilitation profession, certainly as it pertains to South Australia, has the skill base to complete assessments.

This is based on skills and knowledge of:

- Conducting empathetic and appropriate interviews to engage clients
- Understanding the difference between vocational and non-vocational barriers to the labour market,
- Being able to work across a range of disabilities in particular mental health issues which often accompany a primary physical disability and is often not addressed,
- Understanding medical capacity and how this applies to the world of work,
- Understanding work demands both physically, mentally and vocational skills required for job types,
- Having experience with chronic unemployment and the associated social isolation issues

In addition, PPC has resourced this contract with significant supervisory and quality assurance support. Our contract manager reviews the JCA report prior to being submitted so that anomalies can be addressed, ensuring the correct connection / outcome every time.

Secondly, we have heard on good authority that some providers are completing up to 7 plus JCA assessments per day. PPC believes that this rate of assessments would undoubtedly lead to assessor burn out, emotional numbness / fatigue and poorer outcomes for the client, subsequent referrals and represent poorer value for money. We believe our model of best practice in spending up to an hour with the client during each JCA ensures a more thorough assessment.

These assessments require an appropriate face to face interview with the assessor fully engaged with the client so that adequate information can be obtained. To illustrate this point further, we have recent experience of undertaking a JCAc service following a referral from another organisation recommending that the client remain with Job Network and be provided motivational counselling. In the first session, it became apparent that the client had significant depression, a gambling and drug / alcohol issue and had not been employed for the past 20 years. Our consultant enquired as to whether the job seeker had disclosed his personal issues to the assessor and he replied that no, he hadn't as he wasn't asked as the interview ran for only 15 minutes. Clearly this person was better suited to a different program and a longer interview by the JCA Assessor may have resulted in identification of the real employment barriers faced by this person.

In closing on the qualification issue, PPC believes that many problems regarding assessments will be resolved with increased attention to the Quality measure as per KPI 3. It is our view that DHS needs to rigorously measure and monitor quality issues at the company and individual assessor level using criteria such as the number of repeat assessments undertaken, number of inappropriate connections with programmes, number of assessments that move into dispute, number of assessments undertaken and completed by individual providers, quality of information contained in reports including evidence of insight into non-vocational and vocational barriers to employment, quality of recommendations etc. We remain very optimistic that quality will be crucial to this contract, with DHS's recent engagement and commitment to review Key Performance measures with consultation with NESAs and JCA Providers.

**The quality of information recording during the assessment process, including whether this is sufficient to assist agencies making decisions on income support and / or employment assistance**

Our position is that the assessment itself does allow an assessor to record detailed and quality information when appropriate time is taken during the interview, in seeking any follow up information (such as speaking with GP's) and in writing a thorough assessment. This is not to say, however, that the layout etc of the assessment document cannot benefit from continuous improvement.

PPC is spending over and above the revenue we are allocated to complete these assessments because we value quality. Revenue received does not at times cover professional time needed to provide a quality product and service which in essence is the time taken to provide a quality report. Herein may lay the issue with poorer quality reports, in that to manage profitability, organisations are required to set unrealistic targets for staff. A solution may be to consider greater resource allocation for providers to complete the assessments and/or reward providers with better performance connecting job seekers to the right programme the first time.

### **The appropriateness of arrangements to ensure attendance at Job Capacity Assessments**

While it is acknowledged that the wording in the standard letters issued to clients to attend these appointments could be re-worded to encourage engagement in this process, PPC has worked hard to manage our DNA rates by engaging the client as part of this process. Given DNA rates are measured as part of our KPI's, PPC has in place a procedure for maximising attendance. This includes having a designated staff member dedicated to making and maintaining contact with clients in the time leading up to the assessment. When clients telephone to cancel, they are counselled at length, reassured and encouraged to attend. This will often allay fears for the client, or those of their families regarding the nature of the appointment and what they can expect. These activities as described are another layer of expense carried by PPC and not adequately resourced by the funding model to deliver quality 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**

PPC also provides Account services primarily in country regions in SA. Poor mental health, poor self esteem, social isolation and loneliness, poor problem solving skills, difficulty accessing counselling (especially in regional areas), and poor vocational direction etc are all common themes with unemployed clients.

PPC has welcomed the Account service as an opportunity for clients to receive short term interventions regarding barriers to the workforce. Access to this Exit Report, however requires review as information and recommendations need to be available to future PAGES and PPC supports the client too receiving a copy. It is understood this is under consideration currently.

### **Key strengths of current arrangements and any lessons for the future, from your knowledge of current and past arrangements in Australia and internationally.**

It would appear to PPC that much criticism of the JCA is linked to the competencies and final recommendations of the assessor. There is perhaps an underestimation of the complex nature of these assessments requiring staff to have up to date knowledge regarding policy changes as they impact on DEEWR programs as well as highly developed skills and knowledge to conduct assessment interviews.

The assessment process is far more streamlined, cost effective and less daunting for the client than the old Disability Reform Panels as introduced in the early 1990's. Consideration could be given to the realistic time required to complete these assessments providing opportunity for more thorough assessments, final reports, and the right connection every time.

PPC is aware that DHS has commenced auditing the Quality KPI and are continuing to do so across all providers. It is understood that DHS are looking to further refine the way the three KPI's are measured. The release of feedback on the Quality KPI for JCA providers may go some way to addressing issues that PAGES are experiencing.

PPC is aware that one such complaint revolves around interview time with some providers allegedly completing up to 7 assessments per day and/or not spending the time with the client. With the release of feedback as to the KPI on quality, providers may be required to revise this practice.

PPC has sought to develop a best practice model for undertaking the Job Capacity Assessment. This begins with our overarching philosophy about what we 'do' as professional people. Our approach has been to allocate our best people to this contract because we recognise that the assessment can have life changing outcomes for clients. We are an organisation that is passionate about assisting people return to the workforce and believe that it is a person's right to be employed, but not at any cost. We are, however, realistic about the time, support and resources needed for some clients to enter or re-enter the workforce.

Our model has consultants meeting clients in comfortable surroundings utilising up to an hour to conduct the interview. This is undertaken face to face, not with our consultants interacting with a computer screen. Our consultants are very well experienced in the techniques of interviewing, with initial assessments being a familiar procedure with all other contracts within this business. Crucial to the JCA is the skill and the knowledge of our assessor and a robust QA procedure as these factors will determine the contents of the Assessment and right pathway for the client.

As you would be aware, those clients remaining on welfare during times of low unemployment have significant barriers to labour market entry. These barriers need to be explored during interview to ensure correct programme connection and this requires time, empathy and questioning in a non-judgmental way. As such, PPC has needed to provide appropriate remuneration and conditions of employment for our staff. We wish to employ appropriately qualified and experienced assessors and ensure that once trained in these assessments that our staff will remain with us.

In our experience, JCA assessors are often required to 'go the extra mile'. Our staff has been with clients who have disclosed that they are suicidal. In one particular instance, this assessor arranged crisis intervention although needed to wait with the client for some hours before assistance arrived because she feared the client was at such risk of self harm. Similarly, assessors have spent over and above time / funding allocated to counsel clients who have become so distressed at disclosing issues in their lives. Both examples illustrate current funding does not amply cover our time to manage such crisis situations. PPC wishes to reiterate the point that if you don't have employment in 'boom times', you are experiencing significant issues to moving into employment. The JCA is a platform for understanding these issues.

PPC would recommend review of the pricing generally for Assessments but in particular JCA's in regional Australia. There is currently no appreciation as to the real costs for servicing country locations. There is no reimbursement for travel and no recognition that there are complexities in servicing country ESA's such as sourcing office accommodation, vehicles / air flights and attracting and retaining professional staff.

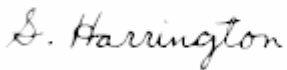
It is an anomaly that JCA's are priced at a lower rate per assessment yet the same provider can utilise the same staff member undertaking assessments to also provide Account services at a much higher rate. In addition, the qualifications to undertake Account services were relaxed to include Certificate IV level while this is not the case nor should it be for staff completing Job Capacity Assessments.

In summary, the Job Capacity Assessment is one of the most complex assessments our business delivers and we are across several compensation and employment service jurisdictions. We have appreciated the positive working relationship with DHS and the apparent desire of the department to improve the assessment model. It is our view that a focus on the Quality KPI must be a key priority for DHS to address so that quality of reports can subsequently be managed. We believe that many of the issues raised by stake-holders regarding the assessments are directly linked to issues pertaining to quality.

Thank you again for this opportunity to directly feedback to you. PPC is very committed to concepts of continual improvement and best practice and would welcome inclusion on any such discussions with key stakeholders regarding matters outlined above.

Should you wish to discuss any of the issues or information outlined in this correspondence in more detail, we would welcome your contact.

Yours sincerely,

A handwritten signature in cursive script that reads "S. Harrington".

Steve Harrington  
**Managing Director**