

27 February 2008

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

Job Capacity Assessment  
Job Capacity Account Services

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Dear Senator Ludwig

Thank you for the opportunity to provide feedback in relation to the Job Capacity Assessment (JCA) and Job Capacity Account (JCAc) Services. RehabCo is a private organisation providing a range of health related services over Southern NSW, ACT and Northern Victoria. We have been very happy to have been involved in the provision of JCA and JCAc services over the past two years. We provide these services in regional and remote areas and have always adopted key principles of service delivery which includes among others: ensuring localised regional access and assessment services throughout the entire ESA; and ensuring high quality assessment services and intervention is provided by appropriately qualified professionals. Our results and feedback have demonstrated that we are a high quality provider delivering consistently on the full range of performance measures. We look forward to continuing to provide these high quality services in the future. We provide JCA services in three regional ESA's limited by market allocation. We provide JCAc services across ten mostly regional ESA's as this is not restricted by market allocation. Our comments therefore relate particularly to the provision of these services to regional and remote areas.

With specific response to the key areas of interest expressed in your letter of 12 February 2008 we offer the following:

1. Job Capacity Assessment guidelines, particularly as they relate to assessment and referral practices.
  - a. Assessment
    - i. It is essential to have clear guidelines that are understood by all stakeholders.
    - ii. The present guidelines are clear but they are not necessarily understood by all stakeholders;
    - iii. The present guidelines used by assessors to complete the assessment, triage the client, make referrals and determine work capacity are appropriate and can be effectively used by appropriately qualified health practitioners to achieve the objectives of the assessment;
    - iv. The work capacity section of the JCA is open for interpretation and is often questioned by Centrelink staff. The interpretation by the Centrelink staff member is often incorrect, time consuming and made without medical qualification as the Centrelink staff member may not be allied health qualified.
    - v. Possible solutions: the work capacity criteria requires further clarification to avoid misinterpretation; where Centrelink staff wish to question a JCA report this should be completed through a JCA file review, or only followed up if an allied health professional has agreed that the JCA report needs to be questioned.
    - vi. The fee payable for each assessment is insufficient to provide fair recompense for the time required to complete the assessment and related activities;
    - vii. Possible solutions: review the payment structure for JCA assessment to include adequate recompense for the completion of the assessment and all of the additional tasks required of the process.
    - viii. There is no difference in the fee payable for a JCA in a regional area when compared to a JCA in a metropolitan area. There is no comparison between:

- (1) a JCA provider in a metro centre undertaking five or six assessments in a day, 5 days per week from the one office accessed by public transport; and (2) a JCA provider in a regional area driving 400 km return conducting only two or three assessments per day in a differing location each day. The current remote loading is a completely non representative tool with respect of managing assessments in a regional location and does not address the regional centres that are certainly isolated but not within the remote category.
- ix. Possible solution: a staged cost structure giving greater recognition to different levels of remote servicing.
  - x. The guidelines require the JCA assessor to complete a number of activities in relation to the JCA process which is separate to the report including: managing non attendance; managing referral information; liaison with stakeholders; obtaining medical information advising JNP and Centrelink staff; explaining the guidelines to JNP and Centrelink staff; travel to service remote locations; updating client contact information that is incorrect; reviewing additional information. JCA assessors within our organisation are happy to complete these tasks however the fee payable for each JCA does not take into account these additional activities as they are required.
  - xi. Possible solutions: review the payment structure for JCA assessment to include adequate recompense for the completion of the assessment and all of the additional tasks required of the process.
  - xii. The guidelines and procedures have been repeatedly changed which has led to inconsistencies in the process and added a significant burden to the JCA assessors each time that these are changed without any consideration given to the cost and time required by a JCA provider organisation to adjust to these changes;
  - xiii. Possible solutions: fair consideration be given to the frequency of these updates and changes with the possibility of financial remuneration being considered for each time that changes are made where assessors need to be retrained and systems adjusted.
  - xiv. The changes to the guidelines have significantly increased the requirements asked of the JCA assessor to complete the report, the time taken to complete the report and all other activities that must be completed that are over and above the report. There has been no change to the fee structure to reflect the additional work that must be completed by assessors. This cost has been absorbed by the JCA provider organisation.
  - xv. Possible solution: the fee payable for each JCA needs to be reconsidered further with consideration to how much more is now required compared to how much was originally required when the agreement was first made.

b. Referral practices

i. With respect of referral to the JCA provider:

1. The present ESA 3000 diary system that manages market share for all JCA providers 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. This results in highly inefficient methods of servicing which is commercially unsustainable and a significant reduction in access to services for clients in more isolated regions.
2. Possible solutions: the ESA 3000 diary market allocation system is not appropriate for regional, rural and remote regions; there should be no

limit to the number of appointments that a JCA provider may open when servicing a regional centre; consideration should be given to limiting the number of JCA providers within an ESA; a greater market share than 20% is required within an ESA to make provision of the service commercially viable; greater weight should be given to JCA providers that are actually based within the region rather than servicing from a distant location.

3. We receive calls regularly requesting we open more appointments when the appointments are indeed open however the referrer cannot see the available appointments as another Provider has not met their obligations within the ESA and we are locked out. JCA providers that are not meeting their expectations or only offering the bare minimum to just meet their obligations are dragging the system down. Providing the bare minimum might meet the market share obligation however this is actually misrepresenting the market needs, as it only trickles the referrals through evenly when realistically the market might have a much greater need and one provider may have the capacity to complete a much greater volume if this was needed.
4. Possible solutions: Providers unable to meet their obligations or only provide the bare minimum should have market share removed; providers able to better meet the market demand should not be penalized when there is another provider holding the system back; referrers should be able to identify which JCA provider is not meeting market share obligations and locking others out of the system.
5. The present 10 day timeframe for report turnaround (15 for remote) is measured from the date of referral. This will mean that appointments can never be opened very far in advance. This poses less of a problem in higher population regions, however this greatly limits regional community access to services. Staffing by the JCA provider organisation in regional locations needs to be planned well in advance. This cannot occur with this KPI in place.
6. Possible solutions: there needs to be a change in definition of what is a remote location with a greater number of towns being included into the remote category; the existing approach to remote loading does not adequately address regional assessment provision; the timeframe KPI in regional centres would be better served to measure the timeframe from assessment to completion of report rather than from referral to completion of report; an additional but separate KPI could be introduced relating to the frequency of servicing a regional location; these measure would allow appointments to be opened further in advance which would allow for higher numbers to be scheduled to make this commercially viable and allow for the client to manage the more difficult travel arrangements that are required in a regional area to reduce non attendance (DNA's).
7. Referral can be strongly influenced by Centrelink staff. We have identified that the clients referred to our organisation for JCA have an increasing level of complexity or challenging behaviors that has increased the resources required to complete the JCA and related tasks. We believe there is a strong likelihood that Centrelink staff are more inclined to refer the more difficult cases to an external provider and refer the more straight forward of cases internally to Centrelink staff.
8. Possible solutions: appropriate recognition of the amount of time required to complete a JCA or manage the process for a client with greater challenges; possible classification of more JCA categories beyond just JCA and JCA-DSP; greater separation of Centrelink roles; greater allocation of market share to non government providers; more stringent auditing of referral practices.

9. RehabCo receive JCA referrals from some agencies with specific needs such as PEN specifically because they believe the quality of the assessment is higher. These cases are more complex with multiple levels of medical information but as they are not claiming DSP then the JCA is not funded as such. This results in a higher quality provider with greater regional knowledge being disadvantaged through a higher proportion of more complex assessments within a “one size fits all” JCA structure.
  10. Possible solutions: review the payment structure for JCA assessment to include adequate recompense for the completion of the assessment and all of the additional tasks required of the process.
- ii. Referral with respect of referral by the JCA provider to external services:
1. The JCA assessor is required to manage referral to external services including liaison which is entirely appropriate as a component of the JCA assessment process.
  2. While the JCA assessor is required to manage referral to external services there is no recognition of the time taken to complete these activities and appropriate financial remuneration.
  3. Possible solutions: review the payment structure for JCA assessment to include adequate recompense for the completion of the assessment and all of the addition tasks required of the process.
  4. There is limited resources available to accept referral which limits the effectiveness of the JCA provider being able to efficiently connect each client with appropriate services. For example there is often no vacancy in PSP and an extended waiting list.
  5. Possible solution: further funding for related services; consideration being given to the impact of no referral sources on the entire process.
2. The appropriateness and range of the qualifications necessary for Job Capacity Assessors to undertake assessments of people with different disabilities, including those with mental illness;
- a. The range of qualifications remains mostly appropriate for JCA assessors. We would not support any erosion of the minimum qualification requirements for JCA assessors as this would not be in the best interest of providing a quality assessment with appropriate interpretation of the functional impact of disability with respect of work capacity and the appropriate connection of clients to necessary community resources.
  - b. There should be further scrutiny of JCA assessors from sports, teaching or exercise backgrounds. While some exercise physiology graduates may be appropriate we would be concerned if those with primarily a fitness industry background were considered appropriate to undertake JCA assessments. We find it difficult to comment as we only employ Occupational Therapists, Physiotherapists, Psychologists, Rehabilitation Counsellors and Nurses to undertake JCA assessments. All of these disciplines are trained appropriately in allied health to make an accurate assessment within the guidelines following assessment of the client and review of the appropriate medical information.
  - c. With specific respect of psychological conditions we believe that the health disciplines of Occupational Therapy, Physiotherapy, Psychology, Rehabilitation Counselling and Nursing are appropriate providing the assessor has appropriate experience in either psych or case management, or has supervision from a clinician with that experience.
  - d. We do not believe that all psychological conditions should be assessed by a psychologist as this is a misconception with regard the capacity of allied health personnel to manage a range of medical conditions and disabilities. 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.

- e. Professionals from an exercise background are less likely to have the capacity to accurately assess psychological disability and this requires further evaluation.
3. 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.
    - a. We have always put the quality of the assessment as the ultimate KPI with respect of JCA performance. Our high performance has been reflected in all auditing undertaken by our customers and contract manager.
    - b. Meeting the high quality requirement however is at the expense of commercial viability especially in a regional area where there is a much greater cost burden to deliver services however there is no difference in the fee payable for a JCA in a regional area when compared to a JCA in a metropolitan area. There is no comparison between: (1) a JCA provider in a metro centre undertaking five or six assessments in a day, 5 days per week from the one office accessed by public transport; and (2) a JCA provider in a regional area driving 400 km return conducting only two or three assessments per day in a differing location each day.
    - c. Possible solution: adjustment of systems (ie market share allocation in the ESA 3000 diary for regional areas) to improve efficiency and cost viability in regional areas as previously mentioned in the options above; providing a higher rate for the provision of JCA assessments in regional areas so that there is no pressure on reducing quality to improve financial viability.
    - d. Aside from the challenges of delivering the services in regional areas, the greatest impact on quality has been that underlying balance between the amount that is required to complete the assessment verses the time allowable to complete the assessment (which is determined by the remuneration for the service). This balance has not been appropriately managed. This imbalance has been further magnified by increasing the requirements within the assessment without adjusting the time allowable for each assessment.
    - e. Possible solution: from our perspective we believe the current system can certainly deliver the level of quality required of the department as we have been able to demonstrate thus far, however this needs to be reviewed to ensure that JCA assessment can be delivered so that this remains commercially viable.
    - f. It has been previously described that the KPI for time from referral to report completion in conjunction with the diary limitations impacts the way appointments are scheduled and managed. Because of these issues it will often be the case that a report needs to be completed within one, two or three days from the date of the assessment as it was referred a week or more ago. The short timeframe limits the capacity for information gathering which in turn has a negative effect on assessment outcomes and report quality.
    - g. Possible solution: KPI adjustment for a timeframe for report completion post assessment and not from the date of referral. Other measures could be used to address the desired outcome of faster assessment following referral and better timely connection of clients to services that would not have the same negative effect on quality.
    - h. Medical information is often limited.
    - i. Possible solution: greater information gathering prior to the assessment and not just from the GP but from other health professionals and community agencies. This could be completed by Centrelink staff or subcontracted out much in the same way that the JCA service itself is managed or incorporated within the JCA as a more detailed category of JCA when this information is limited.
  4. The appropriateness of arrangements to ensure attendance at Job Capacity Assessments.
    - a. Arrangements to ensure attendance could certainly be improved as they are inadequate.

- b. Possible solutions: greater responsibility being accepted by the referrer for ensuring attendance at the assessment; highlighting those with past attendance or compliance issues at the time of referral and the referrer and the assessor putting more proactive measures in place; greater emphasis on client responsibility for non attendance; allowing for assessments to be scheduled further ahead to ensure that necessary planning can be put in place to get to the assessment; identifying transport issues especially in regional centres where there is no public transport prior to the assessment and resolving this before the appointment is made; allowing for JCA assessor travel where isolation problems exist to get the assessor to the client when this is the primary barrier; ensuring that the client is fully advised about the assessment as this does not appear to be consistently occurring; appointments should not be made in the diary unless the client is in direct contact with the referrer (ie sending a letter only); ensuring that the phone number and address details are accurate prior to the appointment being scheduled as these details are often inaccurate.
  - c. It is inappropriate that all of the financial responsibility of DNA for JCA services is borne by the JCA assessor. Consider the following actual circumstance: an occupational therapist drives 200 km to conduct two JCA assessments (market allocation does not allow for more to be scheduled) in Hay (it would appear we are the only provider willing to provide JCA services in Hay). Even after a range of measures to facilitate attendance the clients do not attend. The occupational therapist then travels 200 km on a return journey. No revenue is recorded for the day as travel is not covered nor is there provision for DNA,
5. 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.
- a. The role of the JCAC program to facilitate those in need of targeted intervention to assist in the successful transition into the Job Network is based on sound rationale and in our view potentially very effective.
  - b. JCAC services have been in limited supply however this is understandable as this involved the introduction of a new service requirement into the market and therefore the level of uptake commenced slowly, but has continued to improve. Providing these services can compete with other aspects of the health sector in a tight market for access to skilled health professionals, these services will continue to increase in availability and quality with reflective improvement in outcomes.
  - c. The support of DEWR and DHS to facilitate the development of JCAC services has been positive and directive though more clearly would be of benefit.
  - d. RehabCo would be willing to work with the department to pilot the further development of JCAC services.
  - e. The scope for use of JCAC services could be widened such as to facilitate the transition into VRS or provide greater levels of support to the job network for specific client groups with disadvantage above and beyond the current arrangements with JNP.
  - f. The referral process to JCAC appears appropriate in that the responsibility for referral to services is best managed by the JCA assessor. The concern is that the assessor accepts responsibility for this process but is not paid to manage the administrative burden of the process itself.
  - g. If the scope for JCAC was widened the possible referral source to JCAC could be widened to include circumstances other than those managed by the JCA assessor. For example, very broadly speaking, JCAC services could be utilised by Centrelink to improve the work capacity of a client prior to JCA (involving work capacity determination) where there was evidence to support that the work capacity of the client could be improved with intervention. Secondly this could be utilised by VRS providers to improve outcomes for disadvantaged workers should the VRS process struggle to meet expected job placement benchmarks.

6. Key strengths of the current arrangements and any lessons for the future, from our knowledge of current and past arrangements in Australia and Internationally.

a. Key strengths:

- i. We have outlined a number of strengths in reference to each area specifically addressed in points 1 – 5 above;
- ii. Most significantly the JCA and JCAc process effectively targets barriers to employment and then connects clients quickly to appropriate services to address these services;
- iii. The JCA process is based on a disability assessment and support model and is undertaken by health professionals. This therefore is based on sound rationale and is the most likely way to assist disadvantaged job seekers to engage in the workforce;
- iv. The process seeks to support the ability in workers rather than simply focus on the restrictions imposed by disability;
- v. The JCA assessment fairly and objectively assesses the work capacity of clients;
- vi. The JCA assessment provides valuable information to assist those working with clients to assist in the transition to employment which is otherwise information that would not be available;
- vii. The JCAc services recognise the need for specific targeted allied health services and that are needed to facilitate those with disability and related health issues to put strategies in place to overcome these barriers and effectively engage in the employment market.

b. Lessons for the future:

- i. We have offered a range of possible solutions throughout this document and we would refer you to these with respect of this question;
- ii. There is evidence to suggest that a longer pilot program was required prior to the implementation of the JCA process to have avoided the recurrent cycle of amendment and adjustment to the process and the guidelines;
- iii. The management of the market share allocation is frustrating to both referrers and providers and limits the access to services by clients. A number of possibilities could be considered in this area as previously described;
- iv. Consideration needs to be given to greater levels of market share in each ESA to assist with efficiency;
- v. A one size fits all approach is not appropriate for the provision of JCA assessment services in regional centres to ensure the equity in access for all Australians;
- vi. There is clear benefit in the engagement of the private sector to deliver these and related services;
- vii. Though there is clear benefit to engage the private sector, the level of compliance required of the private sector to deliver the services and engage with the department is very high. Actions should be taken to minimise levels of compliance burden that has a negative effect on the private sector. For example the level of compliance required of our organisation covering three ESA's is the same level of compliance required of Centrelink or Work Solutions covering ESA's nationally. While we hope that this will place us in a good position with respect of future tenders and hope to achieve greater market allocation in a wider number of ESA's, greater consideration should be given to facilitating the private sector in managing such transitions or reducing the burden of the same;
- viii. In future tender processes or market allocations strong consideration should be given to past performance of existing providers;
- ix. In future tender processes, existing JCA service providers with a positive record should benefit from past work and not be required to address criteria



where there is a proven track record which could be determined by the contract manager. Instead efforts would be better focused on exploring service development opportunities and innovations.

Thank you for the opportunity to provide feedback and we look forward to a successful and long standing relationship with the Commonwealth Government.

Yours faithfully

Shaun Lane  
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