




**Australian Government**

**Department of Education, Employment  
and Workplace Relations**



**Evaluation  
of the  
Moderate Intellectual Disability Loading**

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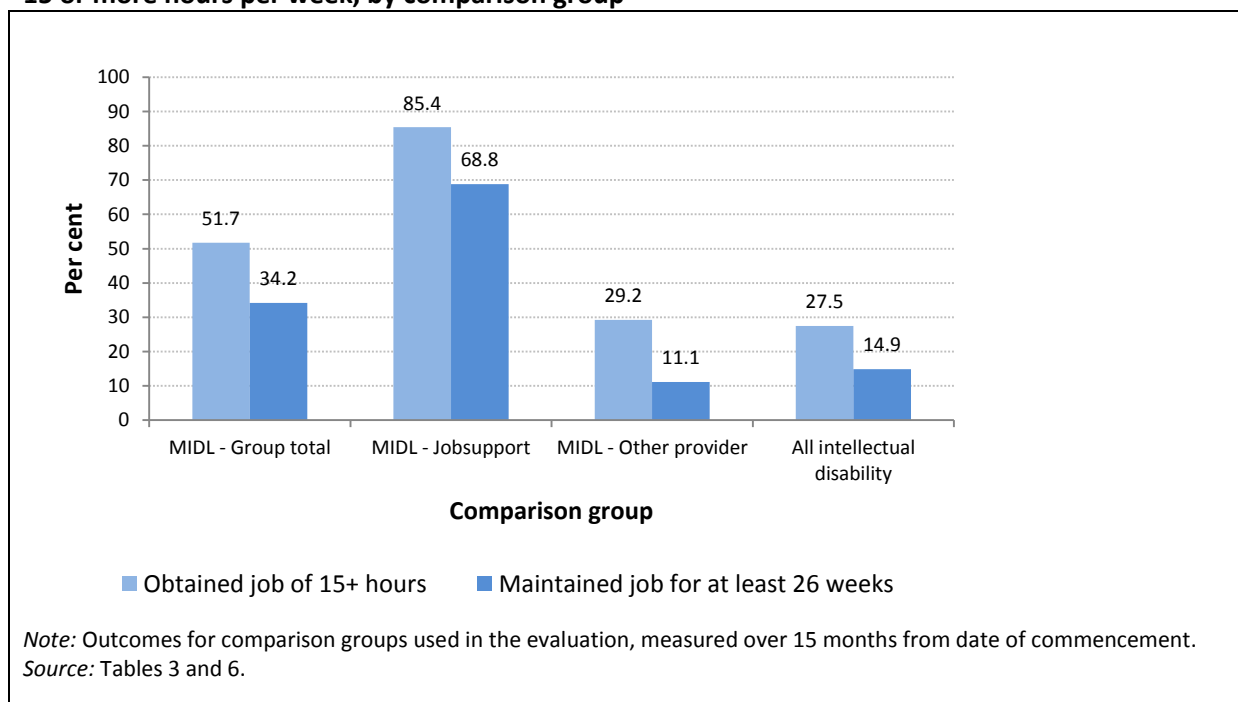
## Summary and recommendations

The Moderate Intellectual Disability Loading (MIDL) was announced in the 2010-11 Budget as a time limited trial of additional financial assistance targeted at Disability Employment Services participants with moderate to severe intellectual disability. Under the trial a 70 per cent loading was payable to DES providers on selected service fees and on job placement and outcome fees where an eligible participant achieves employment for at least 15 hours per week. Most participants with this severity of intellectual disability have an employment benchmark of the minimum eight hours per week. MIDL was designed to achieve more substantial employment for members of a target group with a history of extremely low labour force participation and high unemployment. The trial period ends on 3 March 2013.

This evaluation examined administrative data on 580 DES participants identified in the Employment Services System as people with moderate intellectual disability (data as at 31 December 2011). By the end of February 2012, 659 participants were flagged as eligible for MIDL. Comparisons of employment outcome rates are based on 150 MIDL participants who commenced in DES between April and September 2010, allowing a minimum 15 month period to measure outcomes achieved to 31 December 2011. Comparison groups were also tracked for 15 months.

MIDL participants recorded significantly higher outcome rates than DES participants with intellectual disability overall, despite having higher support needs. Within the DES Employment Support Service Funding Level 2, applicable to most MIDL participants, around 52 per cent of MIDL participants achieved a job of 15 or more hours and 34 per cent kept that job for at least six months. Outcomes were counted over a 15 month period and may be higher if measured over a longer timeframe. These results were strongly influenced by one provider, Jobsupport Incorporated, that operates in metropolitan Sydney (Figure 1). Jobsupport is the only DES provider that specialises in moderate intellectual disability.

**Figure 1: Outcomes for participants with intellectual disability in DES ESS Funding Level 2, jobs of 15 or more hours per week, by comparison group**



Under DES with MIDL, Jobsupport received an average of \$30,000 per participant in the first 15 months of service compared to \$20,000 under the previous Disability Employment Network (DEN) funding model. For Jobsupport, maintenance funding per client has fallen under the DES contract relative to the DEN contract and funding in the Employment Assistance and Post-Placement Support phases has risen under the DES contract with MIDL, relative to the DEN contract. In other words, MIDL has resulted in a redistribution of the fees payable for a participant with moderate intellectual disability towards the more resource intensive early months. Higher up-front payment represents value for money to government *if employment outcomes are achieved*.

At around \$40,000 per 26 Week Outcome, Jobsupport is more cost effective than other providers for DES participants with moderate intellectual disability who averaged around \$48,000 per 26 Week Outcome during the reference period. Amounts exclude fees that fell outside the 15 months from commencement for each participant. For this group of participants, Jobsupport achieved a higher outcome rate than under DEN for roughly the same program expenditure per 26 Week Outcome. Sustaining a high outcome rate will be the key to Jobsupport's continued cost effectiveness.

In conclusion, the Moderate Intellectual Disability Loading delivers improved outcomes where the provider has a demonstrated capacity to work effectively with job seekers with moderate to severe intellectual disability. The design of the loading—weighted towards outcome payments rather than service fees—manages the risk of under-delivery for the target group, which is high in the current field of DES providers. The Centre for Disability Studies finding that few DES providers have the necessary technical knowledge and expertise to work with this group suggests that Service Fee loadings paid on the basis of participant eligibility often do not buy the required level of specialist employment assistance. A balance needs to be found between the financial risk to providers for intensive service delivery in the Employment Assistance phase and the risk to government of paying for non-delivery where the capability does not exist. The loading on Service Fees does not consistently deliver value for money.

An independent expert review reported that selection of an Intelligence Quotient cut-off score of 60 (or range 55 to 65) for moderate intellectual disability is in line with the American Psychiatric Association classification, used internationally (American Psychiatric Association, 2000). The review by the Centre for Disability Studies recommended that Moderate Intellectual Disability Loading guidelines include additional information to assist providers in the interpretation of intelligence quotient score ranges and percentiles, which is a more common format than single scores. Informants to the review remarked on the administratively burdensome manual process for demonstrating eligibility, with some suggesting that the process be automated using information recorded in Centrelink (Department of Human Services) databases. Data quality problems encountered by this evaluation caution against assuming that administrative data recorded for other purposes could support the required level of program integrity.

The evaluation considered the appropriateness of such narrowly targeted assistance within the context of the case-based DES funding model. While the trial was instigated on the strength of empirical evidence, the evaluation searched for and found supporting evidence in the research literature. The employment support technology required for people with significant intellectual disability to succeed in open employment is well documented. One-on-one specialist instruction

based on applied behaviour analysis together with job customisation and on-the-job support is a resource intensive model. Data from the first 18 months of the trial have confirmed the success of the approach in the presence of an additional fee loading but it has not been possible within the time and resources available to determine if 70 per cent is the optimum loading level.

## Recommendations

1. Adopt into the DES funding model the additional loading on specified employment outcome fees for participants with moderate intellectual disability where employment is for 15 or more hours per week.
2. Remove the loading on the first two Service Fees to further strengthen the outcomes focus.
3. Retain the existing definition of moderate intellectual disability. Refine the guidelines around the Intelligence Quotient score criterion, consistent with expert advice from the Centre for Disability Studies on the need to better assist DES providers in the interpretation of scores reported in different formats, such as ranges and percentiles that contain the threshold score of 60 points.
4. Establish new arrangements to facilitate DES provider acquisition of specialist assessment services for determining moderate intellectual disability under the guidelines.
5. Retain the MIDL flag (or similar) in the Employment Services System as the primary mechanism for recording eligibility and enabling payment of the loading.
6. In line with the department's contract management framework and program assurance activities, monitor the documentary evidence held by providers to ensure participant eligibility for the loading.

## 1 Introduction

Intellectual disability is defined in terms of significantly below average intelligence and significant deficits in adaptive behaviour. The condition manifests in the developmental period, that is, before 18 years of age and is permanent (AAID 2010). A person with intellectual disability has difficulty acquiring and retaining knowledge and can require substantial support to adapt to new environments and situations. ‘Mild’, ‘moderate’ and ‘severe’, the terms used to describe the severity of an intellectual disability.

Just over 27 000 people who used Australian Government employment services in 2009-10 had a primary disability of intellectual disability, or around 23 per cent of the national caseload. In the form of Australian Disability Enterprises<sup>1</sup>, supported employment currently accounts for 55 per cent of service users with intellectual disability. Most of the remaining 45 per cent are in open employment services and the majority of these people have mild intellectual disability. Fewer than 5 per cent of DES participants with intellectual disability have moderate intellectual disability, representing a tiny fraction of the overall Disability Employment Services (DES) caseload.

In the lead up to DES some stakeholders were concerned that providers would be unable to achieve more than minimum eight-hour jobs for job seekers with more than mild intellectual disability. Evidence gathered over a number of years on the costs of servicing some 1000 job seekers with significant intellectual disability helped to inform a decision to trial an additional fee loading.

In 2010-11 the Australian Government announced a trial of increased assistance targeted at DES participants with higher levels of intellectual disability:

“An additional loading will also apply on selected fees available to help school leavers and other job seekers with moderate intellectual disability secure sustainable and substantive work in the open labour market” (Portfolio Budget Statements 2010-11: Program 4.3 Disability Employment Services, p. 116).

The 2010-11 Budget allocated \$7.42 million for a two year trial to test the impact of a fee loading on job placement and employment retention. The ‘Moderate Intellectual Disability Loading’ (MIDL) was introduced on 1 July 2010 under the administration of Department of Education, Employment and Workplace Relations.

MIDL allows DES providers who assist a participant with moderate intellectual disability to claim a 70 per cent loading on the first two quarterly Service Fees; Job Placement, 13 and 26 Week Full Employment Outcome Fees also attract the loading if employment is for at least 15 hours per week. Moderate intellectual disability is defined under the guidelines as:

- an assessed Intelligence Quotient (IQ) of 60 or less; or
- classified by a registered psychologist, using a recognised assessment tool, as having moderate intellectual disability<sup>2</sup>.

The IQ 60 criterion was chosen because this was understood to be a generally accepted and objective way of distinguishing between moderate and mild intellectual disability. DES providers are

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<sup>1</sup> Australian Disability Enterprises, or ADE, are administered by the Department of Families, Community Services, Housing and Indigenous Affairs.

<sup>2</sup> Moderate Intellectual Disability Loading Guidelines v1.3.

required to retain proof of eligibility for a participant who is flagged in the Employment Services IT system as having moderate (or severe) intellectual disability.

For a two-year trial period starting 1 July 2010 a 70 per cent loading would apply to selected DES fees for eligible participants who transitioned from the Disability Employment Network as well as new participants in DES, allowing time for the department to evaluate their employment outcomes<sup>3</sup>. The trial period was extended to end on 3 March 2013 in line with arrangements for the DES program announced in the 2011-12 Budget. This evaluation covers the first 18 months of the trial.

## 2 Design of a loading for moderate intellectual disability

The Moderate Intellectual Disability Loading (MIDL) was designed to address the specific needs of DES participants with moderate intellectual disability in pursuit of *substantial* employment. Narrow targeting based on a participant's IQ score (IQ≤60) or assessment by a registered psychologist as having moderate (or higher) intellectual disability directs the additional resources to the group claimed to be at risk under the DES funding model.

A 70 per cent loading on *selected* fees was designed to achieve two aims:

- to encourage providers to target this high needs group (or at least remove any disincentive to service), the loading is payable on the first two Service Fees
- to emphasise and reward outcomes above the minimum required for payment of a DES outcome claim, the loading is payable on Job Placement, 13 and 26 Week Full Employment Outcome Fees for jobs of *at least 15 hours per week*.

Most members of the target group for MIDL enter DES with an employment benchmark of 8 hours, which means that an 8 hour job that meets the conditions for payment will attract a Job Placement Fee. A critical design feature of MIDL is the incentive for providers to pursue more substantial employment for people with moderate intellectual disability. Typically, this means securing a job that is above the person's employment benchmark hours.

In pre-policy modelling the department estimated that around 540 new DES participants would be MIDL eligible during a two year period.

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<sup>3</sup> The loading is only payable on the first two Service Fees for eligible participants. Participants with moderate intellectual disability for whom the selected fees were claimed prior to 1 July 2010 would only attract the loading on remaining qualifying fees (i.e. fees not already claimed).

### **3 Evaluation objective**

An evaluation strategy was developed in consultation with key government and non-government stakeholders.

The evaluation was to determine whether historical levels of access and employment outcomes of 15 or more hours per week for the target group are maintained or bettered under the DES funding model with the Moderate Intellectual Disability Loading in place. Key questions:

- Have those providers that were achieving outcomes of 15 or more hours per week in DEN for participants with moderate intellectual disability maintained or improved the level of those outcomes?
- Do relatively the same or greater numbers of participants with moderate intellectual disability secure jobs of 15 or more hours per week under DES than was achieved in DEN?
- Do participants in jobs of 15 hours or more per week remain employed at that level for 26 weeks at the same or higher rate as before?

The evaluation was to seek expert advice on the appropriateness of guidelines for the trial, particularly in the area of substantiating moderate intellectual disability.

When the trial was extended the September 2011 data cut-off date specified in the evaluation strategy was extended to 31 December 2011. As this is a small target group with longer than average time to outcome a longer evaluation period produces more robust measures. The evaluation was completed before the end of the trial period to help inform future policy directions.

### **4 A profile of MIDL participants**

MIDL participants are identified in the DEEWR IT system by a data flag introduced on 3 September 2010 for the trial. DES providers can set the flag to indicate that a participant is MIDL eligible ( $IQ \leq 60$ ) when they hold the required documentary evidence. The number of MIDL participants fluctuated in 2011 as flags were set and subsequently validated by the department. In a first round of program assurance in the latter half of 2011 the department screened all MIDL flags and identified more than 250 cases for detailed audit. This resulted in the removal of 179 flags. Following the completion of this exercise, 580 participants were confirmed as MIDL eligible as at 31 December 2011, broadly in line with pre-policy estimates. Program assurance is ongoing.

Evaluation data were drawn from the December 2011 caseload described in Tables 1 and 2. It is important to note that participants with moderate intellectual disability may be eligible for the loading irrespective of whether intellectual disability is the primary or secondary disability.

MIDL participants are younger on average and have lower levels of educational attainment than the wider DES population with intellectual disability (Table 1). More than 80 per cent receive the Disability Support Pension (DSP); another 11 per cent do not receive government income support. Delivering specialist services to such a small participant population presents a significant challenge, particularly noting that fewer than 200 participants live in regional or remote areas throughout Australia.



**Table 1: Comparative profile of MIDL participants, 31 December 2011**

	MIDL <sup>(a)</sup>		All intellectual disability		DES active caseload	
	No.	Per cent	No.	Per cent	No.	Per cent
<b>Age group</b>						
<20	153	26.4	2,713	23.3	14,319	12.1
20–24	236	40.7	3,177	27.2	13,548	11.4
25–34	105	18.1	3,068	26.3	20,963	17.7
35–49	66	11.4	2,128	18.2	38,612	32.5
50+	20	3.4	581	5.0	31,324	26.4
<b>Total</b>	<b>580</b>	<b>100.0</b>	<b>11,667</b>	<b>100.0</b>	<b>118,766</b>	<b>100.0</b>
<b>Gender</b>						
Male	324	55.9	7,231	62.0	69,956	58.9
Female	256	44.1	4,435	38.0	48,808	41.1
<b>IQ&lt;55<sup>(b)</sup></b>	263	45.3	n.a.	n.a.	n.a.	n.a.
<b>Primary disability</b>						
Intellectual	500	86.2	8,304	71.2	8,304	7.0
Learning	53	9.1	1,848	15.8	13,933	11.7
Other <sup>(c)</sup>	27	4.7	1,356	11.6	86,186	72.6
Unknown	—	—	159	1.4	10,343	8.7
<b>Remoteness<sup>(d)</sup></b>						
Major City	405	69.8	6,982	59.8	72,910	61.4
Inner Regional	85	14.7	2,525	21.6	27,379	23.1
Outer Regional	66	11.4	1,801	15.4	15,562	13.1
Remote/Very Remote	24	4.1	355	3.0	2,850	2.4
<b>Educational attainment</b>						
Less than Year 10	265	45.7	3,109	26.6	19,040	16.0
Year 10	74	12.8	2,455	21.0	32,232	27.1
Year 12	64	11.0	1,296	11.1	15,982	13.5
Certificate or degree	56	9.7	1,397	12.0	36,491	30.7
Unknown	121	20.9	3,410	29.2	15,021	12.6
<b>Income support type</b>						
Disability Support Pension	472	81.4	7,612	65.2	28,509	24.0
Newstart Allowance or Youth Allowance(other/student)	40	6.9	1,847	15.8	60,635	51.1
Parenting Payment	n.p.	n.p.	59	0.5	5,077	4.3
Other benefit	n.p.	n.p.	42	0.4	1,096	0.9
Not on benefit	65	11.2	2,107	18.1	23,449	19.7

n.p. Cell size less than 5.

n.a. Not available (unreliable data).

(a) Participants with MIDL flag who were participating in DES on 31 December 2011 (excluding suspensions).

(b) 'Intellectual Disability' recorded as a medical condition in a Centrelink customer's Job Capacity Assessment report displayed as 'IQ is less than 55' in Centrelink's system even if the customer's IQ score was 55 or higher. The issue was resolved in the June 2010 Release for any JCA reports accepted after 20 June 2010. No change was made to existing customer records where a condition of 'IQ is less than 55' had been incorrectly displayed on the Medical Conditions screen. IQ<55 data for DEN participants and participants registered in the first four months of DES are unreliable.

(c) Includes Physical, Psychiatric, and Sensory disabilities.

(d) Excludes missing values.

Just under half of MIDL participants enter DES via direct registration (Table 2). Most are registered in the Employment Support Service (ESS) at Funding Level 2. If a MIDL participant achieves a 26 Week Outcome they are very likely to go on to receive Ongoing Support from their DES provider. As at 31 December 2011, over 70 per cent of MIDL participants were in the Employment Assistance or Post-Placement Support phase of their period of service. Of those in Ongoing Support, 65 per cent were in High Ongoing Support, demonstrating the high and ongoing support needs of this group.

Employment benchmarks are clustered in the 8–14 hours per week bandwidth. Less than 10 per cent of MIDL participants have an employment benchmark of 15 or more hours, compared with almost 20 per cent of all participants with intellectual disability and over 70 per cent of all DES participants.

**Table 2: Program characteristics of MIDL participants, 31 December 2011**

	MIDL <sup>(a)</sup>		All intellectual disability <sup>(b)</sup>		DES active caseload	
	No.	Per cent	No.	Per cent	No.	Per cent
<b>Referral pathway</b>						
Referred participant	322	55.5	7,892	67.6	97,340	82.0
Direct registration	258	44.5	3,775	32.4	21,426	18.0
<b>Total</b>	<b>580</b>	<b>100.0</b>	<b>11,667</b>	<b>100.0</b>	<b>118,766</b>	<b>100.0</b>
<b>Program/Funding Level</b>						
DMS	n.p.	n.p.	536	4.6	53,890	45.4
ESS FL 1	51	8.8	1,554	13.3	28,508	24.0
ESS FL 2	366	63.1	5,849	50.1	23,396	19.7
Flexible Ongoing Support	10	1.7	777	6.7	3,956	3.3
Moderate Ongoing Support	46	7.9	1,618	13.9	5,598	4.7
High Ongoing Support	104	17.9	1,272	10.9	2,603	2.2
Job in Jeopardy	n.p.	n.p.	61	0.5	815	0.7
<b>DES Eligible School Leaver</b>						
Full-time student	59	10.2	1,035	8.9	6,666	5.6
12 months post-school	12	2.1	119	1.0	656	0.6
Transition to Work	42	7.2	155	1.3	468	0.4
<i>Total</i>	<i>113</i>	<i>19.5</i>	<i>1,309</i>	<i>11.2</i>	<i>7,790</i>	<i>6.6</i>
<b>Employment benchmark hours</b>						
0–7	7	1.2	106	0.9	340	0.3
8–14	522	90.0	9,369	80.3	41,987	35.4
15–29	38	6.6	1,425	12.2	47,075	39.6
30+	13	2.2	767	6.6	29,364	24.7
<b>Provider type</b>						
Generalist	315	54.3	7,246	62.1	89,919	75.7
Specialist Intellectual Disability	142	24.5	481	4.1	556	0.5
Specialist Autism and Asperger's	—	—	19	0.2	188	0.2
Specialist Acquired Brain Injury	—	—	—	—	42	<0.1
Other Specialist	123	21.2	3,921	33.6	28,061	23.6

n.p. Cell size less than 5.

(a) Participants with MIDL flag who were participating in DES on 31 December 2011 (excluding suspensions).

(b) Primary or other disability of intellectual disability.

Five DES providers specialise in intellectual disability, including Jobsupport Incorporated, the one provider that specialises in employment assistance for people with IQ 60 or lower. MIDL participants were more likely than DES participants with intellectual disability in general to be with a specialist provider but 54 per cent of those in the trial period were registered with generalist providers. Any comparison of MIDL outcomes by provider type is essentially a comparison of Jobsupport with ‘the rest’.

## 5 Effectiveness of MIDL

The evaluation objective expresses effectiveness in terms of improved levels of substantial employment—15 or more hours per week—and requires a comparison of the outcomes achieved by MIDL participants with outcomes for a comparable group under the DEN funding model.

### Effectiveness is measured using comparison groups

An evaluation of the effectiveness of MIDL relies on the construction of valid comparison groups for comparing the outcomes of people with moderate intellectual disability under different funding models. In an ideal world the evaluation would have access to data on participants with moderate intellectual disability who attracted the fee loading and a group with a similar disability profile who did not attract the loading in DES at around the same time, that is, other things being equal. MIDL was not designed to facilitate evaluation in this way and the only option was to design an evaluation around the use of historical comparison groups in the previous Disability Employment Network (DEN).

An added complication is that the indicator of moderate intellectual disability as defined in MIDL did not exist in DEN. The closest indicator of  $IQ \leq 60$  in historical data is ‘Low IQ’, recorded in the system by Centrelink (or, now, the Department of Human Services) when a Job Capacity Report shows that a person has an IQ score of less than 55. At the outset it was assumed that this subset of MIDL eligible participants would provide the evaluation with a historical comparison group but it turned out that prior to June 2010 the Low IQ data item was incorrectly populated from Job Capacity Assessment reports. This removed the only remaining option for valid program-level comparisons.

Effectiveness evaluation has therefore had to rely on essentially non-comparable group comparisons at the program level, plus provider level comparisons:

- MIDL participants were compared with all DES participants with intellectual disability (any severity)
- Jobsupport MIDL participants were compared with MIDL participants serviced by other providers
- Jobsupport participants under the DES funding model with MIDL were compared with Jobsupport participants under DEN.

When measuring outcomes for people with high support needs it is important to take account of the long periods that they spend in employment assistance prior to getting a job. Short periods of observation may fail to count outcomes that are ultimately achieved, giving a falsely pessimistic reading on effectiveness. This is particularly important when studying people with very high support needs who can take much longer to achieve an outcome, such as MIDL participants. On the other hand, waiting long enough to count all outcomes ever achieved can unacceptably prolong the study.

The compromise used here was to select groups of participants who commenced in service at around the same time of year and follow these 'commencement cohorts' prospectively for 15 months to measure the outcomes achieved. This is similar to the method used in the interim evaluation of Disability Employment Services (DEEWR 2012). Not all current MIDL participants could be included in the analysis because those with later commencement dates were not observable for a full 15 months and to include them could bias the comparison.

Comparisons were made between commencement cohorts of MIDL participants and DEN and DES participants with intellectual disability:

- 150 MIDL participants, including 50 Jobsupport clients, who commenced between 1 April<sup>4</sup> and 30 September 2010 (around 25 per cent of MIDL caseload at the time);
- 1410 DEN participants with intellectual disability, including 21 Jobsupport clients, who commenced with a service between 1 April and 30 September 2008 (DEN-1); and 1611 DEN participants with intellectual disability, including 38 Jobsupport clients, who commenced between 1 April and 30 September 2009 (DEN-2);
- 2368 DES participants with intellectual disability of any severity who commenced between 1 April and 30 September 2010 (DES ID).

The first Service Fee for a participant who commenced in DES in April 2010 fell due in July 2010, allowing participants who started in April, May or June 2010 to be included in the evaluation (MIDL started on 1 July 2010). The evaluation counts numbers of participants who get outcomes, that is, the data are person counts not counts of MIDL claims.

The reference period for measuring outcomes is a minimum 15 months from commencement. For example, the DEN-1 cohort is observed up to and including 31 December 2009. Similarly, the MIDL and DES groups are observed up to and including 31 December 2011. All in-scope participants are observed for at least 15 months; participants who commenced before September in the respective year are observed for slightly longer than those who commenced at the end of the six month commencement window.

These groups may achieve higher outcome rates than those reported here, if observed over a longer period of time. For this reason the results presented below should be taken in a comparative rather than absolute sense.

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<sup>4</sup> April to June 2010 commencements are included on the basis that existing DES participants as at 1 July 2010 who meet the MIDL criteria are eligible; the first and second quarterly service fees for participants who commenced in April, May or June 2010 would have been due between July and September 2010 and therefore eligible for the 70 per cent loading.

## Outcome rates

**MIDL participants exceeded the job placement and outcome rates of all participants with intellectual disability, in both DEN and DES, measured over the same length of time.**

Looking first at the overall picture, 69 per cent of the MIDL group achieved a job placement (8 or more hours per week) and 43 per cent achieved a 26 Week Outcome within the reference period (Table 3). MIDL outcome rates are reasonably consistent across funding levels, with the ESS Funding Level 1 group performing slightly better on job placements and the ESS Funding Level 2 group slightly better on 26 Week Outcomes. However, with only 26 ESS Funding Level 1 participants in the comparison group it is difficult to say whether differences between the two funding levels in ESS are meaningful because a single outcome could make a difference of 4 percentage points in a between-groups comparison.

As the overwhelming majority of the MIDL group were in DES ESS (146 out of 150 participants) we focus now on the ESS and DEN comparison groups.

Of the 146 member MIDL group in ESS, 71 (49 per cent) achieved a job of 15 or more hours and 47 (32 per cent) achieved a 26 Week Outcome for a job of 15 or more hours within the reference period (Table 4). Payment of a 26 Week Outcome means that the job has lasted for six months. Potentially more of these participants would go on to achieve a 26 Week Outcome—outcomes that occurred within the reference period are relevant only for this inter-group comparison. Corresponding outcome rates for the MIDL group in ESS Funding Level 2 were: 52 per cent (job of 15+ hours) and 34 per cent (26 Week Outcome for job of 15+ hours).

Around 70 per cent of placements achieved by MIDL participants in ESS were jobs of 15 or more hours per week, significantly higher than 51 per cent of placements for the DES intellectual disability comparison group and around 50 per cent in the DEN groups (Table 3). MIDL participants in ESS Funding Level 2 appear to do better at achieving jobs of higher hours than their Funding Level 1 counterparts but with only 26 participants the Funding Level 1 group is too small to give weight to this result.

MIDL outcomes need to be considered in the context of outcomes achieved by participants with intellectual disability more generally. For these comparison groups:

- DES ESS 26 Week Outcome rates for intellectual disability are one to two percentage points higher than in DEN 2008 (Table 3).
- The proportion of jobs that were jobs of 15 or more hours is slightly higher in DES ESS (51 per cent) than in DEN 2008 (48 per cent; Table 4).

Substantially higher outcome rates for MIDL compared with DEN, some 10 to 15 percentage points higher, outstrip the modest improvements in DES over DEN for intellectual disability overall. It is reasonable to conclude that MIDL, not DES, is the driver behind improved outcomes. As we will see below there is a strong provider effect in the MIDL results which prevents any generalisation about the effect of the loading.

**Table 3: Job placements and employment outcomes achieved within a minimum 15 months from commencement<sup>(a)</sup>**

Comparison group	Group size	Job Placement <sup>(b)</sup>		13 Week Outcome <sup>(c)</sup>		26 Week Outcome <sup>(c)</sup>	
		No.	Per cent	No.	Per cent	No.	Per cent
MIDL	150	104	69.3	86	57.3	64	42.7
MIDL ESS Funding Lvl 1	26	19	73.1	15	57.7	10	38.5
MIDL ESS Funding Lvl 2	120	82	68.3	68	56.7	52	43.3
MIDL Other	4	3	75.0	3	75.0	2	50.0
DES ID	2,368	1,286	54.3	1,037	43.8	706	29.8
DES ID DMS	136	63	46.3	49	36.0	30	22.1
DES ID ESS Funding Lvl 1	633	342	54.0	290	45.8	200	31.6
DES ID ESS Funding Lvl 2	1,569	859	54.7	676	43.1	455	29.0
DES ID Other	30	22	73.3	22	73.3	21	70.0
DEN ID-1 (2008)	1,410	771	54.7	531	37.7	400	28.4
DEN ID-2 (2009)	1,611	864	53.6	583	36.2	367	22.8

(a) Includes job placements and outcomes irrespective of weekly hours worked. Placements and outcomes achieved by MIDL participants are counted irrespective of whether the MIDL loading was claimed/paid, i.e. data are based on MIDL flag only.

(b) Job Placement figures for DEN are measured by counting participants who have one or both of a DEN 4 Week Outcome or a recorded employment history during the relevant period.

(c) Includes full and pathway/intermediate outcomes.

*Notes:*

1. MIDL=Moderate Intellectual Disability Loading; MIDL Other includes MIDL participants in DMS and Job in Jeopardy programs; DES ID Other includes Job in Jeopardy and participants whose funding level could not be determined from the administrative data.
2. ESS=DES Employment Support Service (broadly equivalent to DEN); DMS=DES Disability Management Service.
3. ID=Intellectual disability of any severity.
4. Each comparison group includes newly commenced participants who commenced between 1 April and 30 September of the reference year.
5. Outcome numbers include outcomes (Job Placements, 13 and 26 Week Outcomes) achieved by 31 December of the year following the reference year, e.g. for commencements between 1 April and 30 September 2010 outcomes claimed by 31 December 2011 are counted.
6. Both full and pathway/intermediate outcomes are counted, however most of the outcomes are full outcomes.

Source: DEEWR administrative data.

**Table 4: DES ESS and DEN comparison groups, employment outcomes within 15 months from commencement, by weekly hours worked**

	Job Placement <sup>(a)</sup>					26 Week Outcome <sup>(b)</sup>				
	<8 hours	8 hours	15+ hours	NS	Total	<8 hours	8 hours	15+ hours	NS	Total
	Number									
MIDL ESS Funding Lvl 1 <sup>(c)</sup>	—	8	9	2	19	—	3	6	1	10
MIDL ESS Funding Lvl 2 <sup>(c)</sup>	—	16	62	4	82	—	9	41	2	52
<b>MIDL ESS Total<sup>(c)</sup></b>	—	<b>24</b>	<b>71</b>	<b>6</b>	<b>101</b>	—	<b>12</b>	<b>47</b>	<b>3</b>	<b>62</b>
DES ESS ID Funding Lvl 1	—	137	184	21	342	—	80	108	12	200
DES ESS ID Funding Lvl 2	—	367	431	61	859	—	181	234	40	455
<b>DES ESS ID Total</b>	—	<b>504</b>	<b>615</b>	<b>82</b>	<b>1201</b>	—	<b>261</b>	<b>342</b>	<b>52</b>	<b>655</b>
DEN ID-1 (2008)	91	280	368	32	771	34	138	222	6	400
DEN ID-2 (2009)	313	256	293	2	864	75	131	161	0	367
	Per cent									
MIDL ESS Funding Lvl 1	—	42.1	47.4	10.5	100.0	—	30.0	60.0	10.0	100.0
MIDL ESS Funding Lvl 2	—	19.5	75.6	4.9	100.0	—	17.3	78.8	3.8	100.0
<b>MIDL ESS Total</b>	—	<b>23.8</b>	<b>70.3</b>	<b>5.9</b>	<b>100.0</b>	—	<b>19.4</b>	<b>75.8</b>	<b>4.8</b>	<b>100.0</b>
DES ESS ID Funding Lvl 1	—	40.1	53.8	6.1	100.0	—	40.0	54.0	6.0	100.0
DES ESS ID Funding Lvl 2	—	42.7	50.2	7.1	100.0	—	39.8	51.4	8.8	100.0
<b>DES ESS ID Total</b>	—	<b>42.0</b>	<b>51.2</b>	<b>6.8</b>	<b>100.0</b>	—	<b>39.8</b>	<b>52.2</b>	<b>7.9</b>	<b>100.0</b>
DEN ID-1 (2008)	11.8	36.3	47.7	4.2	100.0	8.5	34.5	55.5	1.5	100.0
DEN ID-2 (2009)	36.2	29.6	33.9	0.2	100.0	20.4	35.7	43.9	0.0	100.0

NS: Hours worked not specified.

(a) Job Placement figures for DEN are measured as DEN 4 Week Outcomes.

(b) Includes full and pathway/intermediate outcomes.

(c) Placements and outcomes achieved by MIDL participants are counted irrespective of whether the MIDL loading was claimed/paid, i.e. data are based on MIDL flag only.

*Notes:*

1. MIDL=Moderate Intellectual Disability Loading; MIDL Other includes MIDL participants in DMS and Job in Jeopardy programs; DES ID Other includes Job in Jeopardy and participants whose funding level could not be determined from the administrative data.
2. ESS=DES Employment Support Service (broadly equivalent to DEN); DMS=DES Disability Management Service.
3. ID=Intellectual disability of any severity.
4. Each comparison group includes newly commenced participants who commenced between 1 April and 30 September of the reference year.
5. Outcome numbers include outcomes (Job Placements, 13 and 26 Week Outcomes) achieved by 31 December of the year following the reference year, e.g. for commencements between 1 April and 30 September 2010 outcomes claimed by 31 December 2011 are counted.
6. Both full and pathway/intermediate outcomes are counted, however most of the outcomes are full outcomes.

Source: DEEWR administrative data.

Table 5 separates participants into those registered with Jobsupport and those with other providers, revealing a stark contrast in outcomes, especially 26 Week Outcomes. Jobsupport achieved two to three times the outcome rate of other providers with MIDL participants. Other providers include generalists and specialists, not necessarily specialists in intellectual disability. The 26 Week Outcome rate for the MIDL group with specialist providers (23 participants) other than Jobsupport averaged 35 per cent, compared with 23 per cent for the generalists (77 participants). With such small numbers it is hard to draw firm conclusions other than to note Jobsupport's unique position in the specialist field. Generalist providers recorded a higher MIDL placement rate (61 per cent) than other specialists (48 per cent) but relatively fewer conversions to a 26 Week Outcome possibly reflecting the specialist providers' greater sensitivity to the need for customised employment. We can only speculate on the observed differences in outcomes because the evaluation did not examine the service models operated by these providers.

Jobsupport outcome rates have improved under DES with MIDL while outcome rates for other providers are relatively unchanged. The contrast is even more pronounced in outcomes for jobs of at least 15 hours per week (Table 6).

Jobsupport clients accounted for 50 of the 150 participants (33 per cent) in the MIDL group, 59 per cent of the jobs of 15 or more hours and 72 per cent of corresponding 26 Week Outcomes obtained by this group.

Over 90 per cent of jobs obtained by MIDL participants with Jobsupport were jobs of 15 or more hours per week and 80 per cent of these achieved a 26 Week Outcome within the reference period. In contrast, half of the jobs achieved by MIDL participants with other providers were jobs of 15 or more hours per week and less than half of these went on to achieve a 26 Week Outcome within the reference period.

By 31 December 2011, 68 per cent of the MIDL group with Jobsupport had achieved a 26 Week Outcome in a job of 15 hours or more per week, compared with 13 per cent of MIDL participants with other providers. These figures indicate that the outcomes picture for MIDL participants is strongly influenced by the Jobsupport results. Take Jobsupport out and a quite different picture of MIDL emerges.

Outcome rates were similar between DEN and DES, except for Jobsupport. For jobs of 15 hours or more per week, 26 Week Outcome rates for all other providers were:

- 15 and 9 per cent for intellectual disability in 2008 and 2009 (DEN), respectively<sup>5</sup>
- 14 per cent for intellectual disability in DES
- 13 per cent for the DES MIDL group.

In contrast, Jobsupport demonstrated substantially improved participant outcomes under DES with MIDL. 26 Week Outcome rates for jobs of 15 hours or more were:

- 67 per cent for intellectual disability and 68 for the MIDL group, compared with
- 52 per cent (in 2008) and 47 per cent (in 2009) for Jobsupport under DEN.

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5. Substantially lower outcome across the board in 2009 may have been related to the planned transition to DES in March 2010.



Similar results for the Jobsupport intellectual disability and MIDL groups is because most Jobsupport clients are MIDL participants.

**Table 5: MIDL, DES and DEN comparison groups, outcomes by Jobsupport or other provider**

Comparison group	Group size	Job Placement <sup>(a)</sup>		13 Week Outcome <sup>(b)</sup>		26 Week Outcome <sup>(b)</sup>		
		No.	Per cent	No.	Per cent	No.	Per cent	
MIDL <sup>(a)</sup>	Jobsupport	50	46	92.0	43	86.0	38	76.0
	Other provider	100	58	58.0	43	43.0	26	26.0
MIDL ESS Funding Level 2 <sup>(a)</sup>	Jobsupport	48	44	91.7	41	85.4	36	75.0
	Other provider	72	38	52.8	27	37.5	16	22.2
DES ID	Jobsupport	54	50	92.6	47	87.0	42	77.8
	Other provider	2,314	1,236	53.4	990	42.8	664	28.7
DES ID ESS Funding Level 2	Jobsupport	51	47	92.2	44	86.3	39	76.5
	Other provider	1,518	812	53.5	632	41.6	416	27.4
DEN ID-1 (2008)	Jobsupport <sup>(c)</sup>	21	16	76.2	12	57.1	11	52.4
	Other provider	1,389	755	54.4	519	37.4	389	28.0
DEN ID-2 (2009)	Jobsupport <sup>(c)</sup>	38	34	89.5	30	78.9	26	68.4
	Other provider	1,573	830	52.8	553	35.2	341	21.7

(a) Placements and outcomes achieved by MIDL participants are counted irrespective of whether the MIDL loading was claimed/paid, i.e. data are based on MIDL flag only.

(b) Includes full and pathway/intermediate outcomes.

(c) Jobsupport calculated slightly different figures from its own database. DEN ID-1: Group size=21; 17 Job Placements (81.0%); 14 13-Week Outcomes (66.7%); 13 26-Week Outcomes (61.9%). DEN ID-2: Group size=39; 35 Job Placements (89.7%); 31 13-Week Outcomes (79.5%); 31 26-Week Outcomes (79.5%).

*Notes:*

1. MIDL=Moderate Intellectual Disability Loading.
2. ESS=DES Employment Support Service (broadly equivalent to DEN).
3. ID=Intellectual disability of any severity.
4. Each comparison group includes newly commenced participants who commenced between 1 April and 30 September of the reference year.
5. Outcome numbers include outcomes (Job Placements, 13 and 26 Week Outcomes) achieved by 31 December of the year following the reference year, e.g. for commencements between 1 April and 30 September 2010 outcomes claimed by 31 December 2011 are counted.
6. Both full and pathway/intermediate outcomes are counted, however most of the outcomes are full outcomes.

Source: DEEWR administrative data.

**Table 6: MIDL, DES and DEN comparison groups, outcomes from jobs of 15 hours or more per week by Jobsupport or other provider**

Comparison group		Group size	Jobs of 15+ hours per week			26 week outcomes for jobs of 15+ hours <sup>(b)</sup>		
			No.	% of jobs	% of group	No.	% of all 26 WO	% of group
<b>MIDL<sup>(a)</sup></b>	Jobsupport	50	42	91.3	84.0	34	89.5	68.0
	Other provider	100	29	50.0	29.0	13	50.0	13.0
<b>MIDL ESS Funding Level 2<sup>(a)</sup></b>	Jobsupport	48	41	93.2	85.4	33	91.7	68.8
	Other provider	72	21	55.3	29.2	8	50.0	11.1
<b>DES ID</b>	Jobsupport	54	44	88.0	81.5	36	85.7	66.7
	Other provider	2,314	603	48.8	26.1	322	48.5	13.9
<b>DES ID ESS Funding Level 2</b>	Jobsupport	51	43	91.5	84.3	35	89.7	68.6
	Other provider	1,518	388	47.8	25.6	199	47.8	13.1
<b>DEN ID-1 (2008)</b>	Jobsupport <sup>(c)</sup>	21	15	93.8	71.4	11	100.0	52.4
	Other provider	1,389	353	46.8	25.4	211	54.2	15.2
<b>DEN ID-2 (2009)</b>	Jobsupport <sup>(c)</sup>	38	20	58.8	52.6	18	69.2	47.4
	Other provider	1,573	273	32.9	17.4	143	41.9	9.1

(a) Placements and outcomes achieved by MIDL participants are counted irrespective of whether the MIDL loading was claimed/paid, i.e. data are based on MIDL flag only.

(b) Both full and pathway/intermediate outcomes are counted, however most of the outcomes are full outcomes.

(c) Jobsupport calculated slightly different figures from its own database. DEN ID-1: Group size=21; 16 Job Placements (76.2%); 14 13-Week Outcomes (66.7%); 13 26-Week Outcomes (61.9%). DEN ID-2: Group size=39; 33 Job Placements (84.6%); 25 13-Week Outcomes (64.1%); 25 26-Week Outcomes (64.1%).

*Notes:*

1. MIDL=Moderate Intellectual Disability Loading.
2. ESS=DES Employment Support Service (broadly equivalent to DEN).
3. ID=Intellectual disability of any severity.
4. Each comparison group includes newly commenced participants who commenced between 1 April and 30 September of the reference year.
5. Outcome numbers include outcomes (Job Placements, 13 and 26 Week Outcomes) achieved by 31 December of the year following the reference year, e.g. for commencements between 1 April and 30 September 2010 outcomes claimed by 31 December 2011 are counted.

Source: DEEWR administrative data.

Turning to the evaluation questions about jobs of 15 or more hours:

1. Have those providers that were achieving outcomes of 15 or more hours per week in DEN for participants with moderate intellectual disability maintained or improved the level of those outcomes?

This question can only be answered in relation to Jobsupport because in the case of other providers participants with moderate intellectual disability cannot be identified in DEN administrative data. Jobsupport has bettered outcomes of 15 or more hours per week under DES with MIDL:

- **68 per cent** of the observed group of MIDL participants in Jobsupport achieved a **26 Week Outcome** for a job of 15 or more hours, compared with 52 per cent of the DEN 2008 and 47 per cent of the DEN 2009 Jobsupport comparison groups.

Results for Jobsupport should not be used to infer improved outcomes for people with moderate intellectual disability who are with other providers because of the specialist nature of the Jobsupport service.

2. Do relatively the same or greater numbers of participants with moderate intellectual disability secure jobs of 15 or more hours per week under DES than was achieved in DEN?

Similarly, this question can only be answered in relation to Jobsupport. Under DES with MIDL Jobsupport has well exceeded its DEN placement rate for jobs of 15 hours or more per week.

- **84 per cent** of the observed group of MIDL participants in Jobsupport **achieved a job of 15 or more hours**, compared with 71 per cent of the DEN 2008 and 53 per cent of the DEN 2009 Jobsupport comparison groups.
- Numerically more people with moderate intellectual disability are registering with Jobsupport; more jobs of 15 or more hours are being achieved in absolute as well as relative terms. MIDL may be playing a part in higher registrations.

Considering all participants with intellectual disability, the rate of 15+ hour job placements achieved by all other providers combined has been maintained but not improved between DEN and DES ESS.

3. Do participants in jobs of 15 hours or more per week remain employed at that level for 26 weeks at the same or higher rate as before?

The question is about the percentage of jobs of 15 hours or more that produce a 26 Week Outcome, that is, the rate of conversion of placements to 26 Week Outcomes. Table 7 compares conversion rates for MIDL and all intellectual disability in ESS and DEN in 2008 and 2009. Conversion is measured only up to the end of the respective 15 month reference period. These measures are constructed to enable a fair comparison of MIDL, which began in July 2010, with other groups. It is important to note that potentially more of these jobs have already converted or will convert over a longer timeframe, producing higher conversion than reported here.

**Around two-thirds (66 per cent) of 15+ hour jobs achieved by MIDL participants are maintained for at least six months** compared with 55 per cent for the DES intellectual disability comparison group and between 55 and 60 per cent for the DEN comparison groups (Table 7). Again, Jobsupport is a

stand-out performer —over 80 per cent of Jobsupport’s MIDL participants who achieved a job of 15 or more hours kept that job for at least six months. This is within the range of conversion to 26 Week Outcome that Jobsupport achieved under DEN. Jobsupport’s result is strongly reflected in the overall MIDL group conversion rate of 66 per cent.

**Table 7: Number of participants with intellectual who achieved and maintained employment of at least 15 hours per week, by comparison group**

<b>Comparison group</b>	<b>15+ hour job (no.)</b>	<b>15+ hour jobs for at least 6 months (no.)</b>	<b>Percentage of jobs that last at least 6 months (per cent)</b>
MIDL <sup>(a)</sup>	71	47	66.2
MIDL—Jobsupport <sup>(a)</sup>	42	34	81.0
MIDL—other provider <sup>(a)</sup>	29	13	44.8
DES ID	647	358	55.3
DES ID—Jobsupport	44	36	81.8
DES ID—other provider	603	322	53.4
DES ID ESS Funding Level 2	431	234	54.3
DES ID ESS Funding Level 2—Jobsupport	43	35	81.4
DES ID ESS Funding Level 2—other provider	388	199	51.3
DEN ID-1 (2008)	368	222	60.3
DEN ID-1 (2008)—Jobsupport	15	11	73.3
DEN ID-1 (2008)—Other provider	353	211	59.8
DEN ID-2 (2009)	293	161	54.9
DEN ID-2 (2009)—Jobsupport	20	18	90.0
DEN ID-2 (2009)—Other provider	273	143	52.4

(a) Placements and outcomes achieved by MIDL participants are counted irrespective of whether the MIDL loading was claimed/paid, i.e. data are based on MIDL flag only.

*Notes:*

1. MIDL=Moderate Intellectual Disability Loading.
2. ESS=DES Employment Support Service.
3. ID=Intellectual disability of any severity.
4. Each comparison group includes newly commenced participants who commenced between 1 April and 30 September of the reference year.
5. Outcome numbers include outcomes (Job Placements, 13 and 26 Week Outcomes) achieved by 31 December of the year following the reference year, e.g. for commencements between 1 April and 30 September 2010 outcomes claimed by 31 December 2011 are counted. The percentage of jobs that last for six months is measured over the same period.
6. Both full and pathway/intermediate outcomes are counted, however most of the outcomes are full outcomes.

Source: Table 6.

## Cost effectiveness

**The outcomes picture for MIDL is dominated by one specialist provider, Jobsupport Inc. Jobsupport delivers improved outcomes at higher program expenditure per participant but lower expenditure per outcome, compared with other providers servicing MIDL participants.**

So far the analysis has focussed on outcomes but the amount spent to achieve these outcomes is also relevant. Fundamentally, the MIDL trial is about a level of resourcing to achieve better than minimum outcomes for a particular group of participants with high support needs.

Table 8 summarises program expenditure including expenditure on service, outcome fees, loadings and other claims for each comparison group, per participant and per 26 Week Outcome. The amounts are fees paid for claims lodged and approved in respect of participants in the comparison groups used for evaluation, measured over 15 months from each participant's commencement date. They do not include fees for these participants that fell outside the evaluation reference period, such as Ongoing Support or Maintenance fees (most of these participants were in the Employment Assistance or Post Placement Support phase of their period of service). Fees paid for other participants on the providers' caseloads at the same time who were not selected into the evaluation cohorts were also excluded.

Expenditure per participant in the first 15 months of service was higher for Jobsupport than for other providers. A Jobsupport client in DEN attracted roughly double the amount of expenditure per participant, compared with other DEN providers for participants with intellectual disability (for example, around \$20,000 per participant compared with \$10,000 for other providers in the DEN 2008 group). Under DES with MIDL, Jobsupport's specialist service costs government around \$29,000 per participant in the first 15 months of service compared with \$11,000 per participant with intellectual disability serviced by other providers. For Jobsupport, maintenance funding per client has fallen under the DES contract relative to the DEN contract and funding in the Employment Assistance and Post-Placement Support phases has risen under the DES contract with MIDL, relative to the DEN contract. In other words, the loading together with the DES funding model has redistributed payments towards the front end of a period of service. On a per participant basis, Jobsupport looks an expensive service for intellectual disability but the picture is quite different on a per outcome basis.

For the selected group of MIDL participants in the evaluation reference period, government paid Jobsupport an average of \$40,000 per 26 Week Outcome, exclusive of any additional fees paid later for these participants. For other providers the figure was closer to \$48,000. The fact that most of Jobsupport's 26 Week Outcomes are for jobs of 15 hours or more per week— 90 per cent compared with 50 per cent for other providers—adds an extra dimension to the relative cost effectiveness of Jobsupport for the MIDL target group.

For DES participants with intellectual disability more generally, Jobsupport and other providers appear to be equally cost effective on a per outcome basis (\$37,000 to \$38,000) though it is important to remember that almost all of Jobsupport clients are people with moderate intellectual disability, whereas 95 per cent of participants with intellectual disability registered with other providers have mild intellectual disability. In other words, comparing Jobsupport and other providers' expenditure per outcome across all participants with intellectual disability is not a fair

comparison. DEN comparison groups suffer the same difficulty, since Jobsupport has always focussed on participants with higher levels of intellectual disability and this is compounded by the small groups of 21 and 38 participants in 2008 and 2009 for the comparison method used here.

Since Jobsupport's client base provides the only consistently composed group of participants with moderate intellectual disability, any attempt to draw conclusions about the cost effectiveness of the MIDL trial is necessarily restricted to an examination of expenditure per outcome for Jobsupport clients before and during the trial period. The value of this comparison is limited by the small sizes of the Jobsupport DEN commencement cohorts. The 2008 group faced difficult labour market conditions in the immediate aftermath of the global financial crisis, which is a further factor to be considered when making comparisons. The 2009 DEN group recorded a 90 per cent job placement rate, which is comparable to Jobsupport's MIDL placement rate of 92 per cent (i.e. similar outcome potential in the DEN and MIDL groups being compared). We base the comparative analysis of MIDL expenditure on the DEN data in 2009, the larger and arguably more representative of long-term trends of the two Jobsupport DEN cohorts.

Under DES with the 70 per cent loading, \$40,000 per 26 Week Outcome for Jobsupport is about 18 per cent higher than in DEN (\$34,000). Allowing for inflation the price of a 26 Week Outcome is higher now but not 70 per cent higher. Factor in the much higher rate of substantial employment achieved by Jobsupport clients under DES with MIDL and this rate of price increase over a four year period is perhaps reasonable.

A comparison of expenditure per outcome under MIDL with historical (DEN) comparison groups is central to the evaluation objective. For this purpose expenditure towards a 26 Week Outcome calculated over 15 months of service is a useful measure. It is important to understand, however, that some fee payments fall after the first 15 months; therefore, the evaluation estimates may not have captured all the costs incurred by every participant over their entire period of service. Moreover, different methods for calculating cost per outcome can produce different estimates. Costs vary according to the sample that is selected—the composition of a group of participants used in a costing study—and whether expenditure is calculated from longitudinal data (following each participant over time) or cross-sectional data (calculated across a sample of participants regardless of where each person is up to).

For example, cross-sectional data on an Innovation Fund Project covering the period 1 March 2010 to 6 January 2012 suggests a national average cost per 26 Week Full Outcome for intellectual disability of \$56,904 (GST inclusive). By comparison, Jobsupport's cost per 26 Week Full Outcome over the same period, calculated the same way, was \$35,143. While the amounts differ from evaluation estimates the superior cost effectiveness of a specialist service for moderate intellectual disability is evident in both sets of figures.

At both Funding Levels of ESS, Jobsupport outcomes are less expensive than outcomes achieved by other providers for participants with intellectual disability overall and for moderate intellectual disability in particular. DES with MIDL shifts funding to the Employment Assistance and Post Placement Support phases to better reflect the intensive up-front service delivery needed for people with moderate intellectual disability to achieve substantial employment. Higher expenditure in the first 15 months of service appears to be buying more outcomes than the DEN funding model for Jobsupport clients. The timing of the evaluation made it difficult to ascertain if 70 per cent is the

'right' level of loading, taking into account the funding implications of the new Ongoing Support model for the target group.

**Table 8: Program expenditure (\$) per participant and per outcome, by comparison group**

Comparison group		Employment Assistance/ Post placement support	Ongoing Support <sup>(a)</sup>	Total	Per participant	Per 26 Week Outcome
<b>MIDL</b>	Jobsupport	1,205,202	300,360	1,505,562	30,111	39,620
	Other provider	1,202,533	33,344	1,235,876	12,359	47,534
<b>MIDL ESS Funding Level 1</b>	Jobsupport	23,600	14,905	38,505	19,252	19,252
	Other provider	219,099	7,920	227,019	9,459	28,377
<b>MIDL ESS Funding Level 2</b>	Jobsupport	1,181,601	285,455	1,467,057	30,564	40,752
	Other provider	960,772	25,424	986,196	13,697	61,637
<b>DES ID</b>	Jobsupport	1,268,572	323,714	1,592,286	29,487	37,912
	Other provider	23,528,012	1,355,900	24,883,912	10,754	37,476
<b>DES ID ESS Funding Level 1</b>	Jobsupport	23,600	14,905	38,505	19,252	19,252
	Other provider	4,354,929	452,829	4,807,758	7,619	24,282
<b>DES ID ESS Funding Level 2</b>	Jobsupport	1,239,471	302,717	1,542,188	30,239	39,543
	Other provider	18,057,616	841,304	18,898,920	12,450	45,430
<b>DEN ID-1 (2008)</b>	Jobsupport	327,528	83,655	411,183	19,580	37,380
	Other provider	12,009,195	1,216,102	13,225,297	9,521	33,998
<b>DEN ID-2 (2009)</b>	Jobsupport	689,208	185,468	874,676	23,018	33,641
	Other provider	14,575,802	889,521	15,465,323	9,832	45,353

(a) Or Maintenance phase in DEN.

## 6 Appropriateness of MIDL

This part of the evaluation is concerned with the appropriateness of targeting a group for special assistance, and the targeting mechanism. A trial of this nature operating within a program built on a needs-based funding model inevitably raises the question: why moderate intellectual disability? Analogies can certainly be found in other sectors, most notably in education where an explicit link is made between the level of resourcing and severity of intellectual disability in the form of recommended minimum student-teacher ratios<sup>6</sup>. However, to address the question in the present context we need to examine issues related specifically to employment.

The disparity in labour force outcomes between people with disability and other Australians is particularly stark for those with intellectual disability. Unemployment of around 16 per cent is double the unemployment rate of people with disability in general and only 41 per cent of people with intellectual disability in 2009 participated in the labour force (Australian Bureau of Statistics 2012). Just 1 in 5 has completed Year 12 or equivalent education and those who do gain employment tend to have short working lives, with retirement commonly occurring by the age of 35 (Australian Institute of Health and Welfare, 2008). Part of this is historical legacy: prior to the 1980s people with more than mild intellectual disability were routinely institutionalised and deemed uneducable and unemployable. For people with mild intellectual disability employment often meant a sheltered workshop; more than mild intellectual disability meant total exclusion.

Deinstitutionalisation in the late twentieth century brought hopes of participation in education and employment for people with disability hitherto excluded from community life. Access to formal education began to open up in the 1970s and the 1980s saw the opening of special classes in Australian secondary schools. In 1975 the University of Washington in Seattle established the Employment Training Program, one of the first demonstrations worldwide of a 'place and train' model of employment assistance for adults with intellectual disability. Around that time a philosophy of presumptive employability, a strengths-based approach which presumes that the person with disability is employable given the right supports, took hold. Specialist employment support models were evolving, particularly in the United States (see for example, Marc Gold & Associates 2004; Wehman et al. 1999).

Here in Australia the *Disability Services Act 1986* laid the foundations for a specialist service system to support access to the open labour market for people along the disability spectrum. Demonstration projects of open employment services for people with significant intellectual disability were established in 1986. By 1998 some 56 per cent of people using employment services delivered under the *Disability Services Act* had a primary disability of intellectual disability (Department of Family and Community Services 1999). Today, open, or competitive, employment is now far more common for people with intellectual disability but supported employment remains the predominant model for people with *significant* intellectual disability.

As well as enabling legislation and policy initiatives, employment support technology has played a central role in advancement. Wehman et al (1999) outlined eight strategies necessary for people with significant intellectual disability to succeed in open employment:

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6. For example, recommended maximum supported class sizes in New South Wales schools are 18 for mild intellectual disability, 9 for moderate intellectual disability, and 6 for severe intellectual disability (NSW Special Education Handbook for Schools, January 1998).



- specialist job coach
- instructional strategies specifically designed for people with intellectual disability, for example, prompt sequences, positive reinforcement, task analysis and modification
- compensatory strategies
- natural employer workplace supports
- assistive technology
- workplace modifications
- long term support
- community supports.

Despite advances in recent decades, few people with significant intellectual disability are in open employment. Ironically, this lack of positive outcomes has prompted some commentators to ask if the goal posts might be set too low. Three elements are said to characterise high quality services for this group: high expectations, person-centred goals, and collaboration between service providers (Grigal *et al.*, 2011). Along with specialist practical supports there must be a strong conviction that people with significant intellectual disability can succeed in open employment.

The importance of job customisation is also emphasised because people with more severe intellectual disability are rarely able to fill advertised vacancies:

“This approach is designed to result in employment where job tasks are carved from an existing job, or created to match the skills and accommodation needs of the job seeker so that the employer’s operation is helped in a specific way. Thus, the individual has a ‘customised’ job description that did not exist prior to the negotiation process, along with other negotiated conditions of work, such as productivity expectations or work schedules.” (Luecking 2011: 262)

Job customisation requires a much deeper level of interaction between disability employment initiatives and employers. This is employer engagement at a local, often personal, level.

“Employers cited the value of competent disability employment professionals who helped identify operational improvements as a key reason for hiring and retaining employees with intellectual disability and multiple disabilities, in spite of the fact that their employment was contingent on significant customization of job duties and conditions of work...Continuing campaigns to ‘raise employer awareness’ will have limited effect on actual employer hiring behaviour without simultaneous improvements in connecting employers to actual applicants with intellectual disability.” (Luecking 2011: 265)

The notion of becoming ‘work ready’ through a period of employment assistance does not translate as easily for this group as for other job seekers. A person with significant intellectual disability can, with considerable intervention, become ready to perform a specific set of tasks in a given workplace but their lack of adaptive behaviours means that readiness for one job does not confer readiness for similar jobs and work environments.

There is no doubt that this is a group of job seekers with exceptionally high needs, who face considerable odds in the open labour market. What appears to set them apart is the body of evidence of their potential to succeed given the *right type of service*. From the available literature it is clear that money alone is no guarantee of outcomes—outcomes are driven by positive conviction and specialist know-how. However, the literature does give a strong sense that this is at the very high cost end of servicing and confirms that, in spite of a poor overall track record of employment

for people with significant intellectual disability, the technology to achieve much better outcomes for this group does exist.

### **The MIDL guidelines in practice**

The evaluation commissioned the Centre for Disability Studies, University of Sydney, for expert advice on the appropriateness of the MIDL documentary evidence guidelines. The advice received is based on the consultant's professional judgement, a review of the research literature and consultations with key informants, including selected DES providers, industry and consumer peak organisations. Interviews were held between April and June 2011 and the consultancy concluded in July 2011. Subsequent work by the department and Centrelink addressed some of the issues raised during consultations. This included a program assurance exercise—file reviews—in the second half of 2011. The consultant's key findings are summarised below (report available on request).

The Centre for Disability Studies advised that the use of a cut-off score of IQ 60 is appropriate for targeting people with moderate or higher intellectual disability, recommending that the guidelines be expanded to take account of the different ways that IQ scores are reported. Use of adaptive behaviour or support needs assessment in conjunction with IQ range was supported, especially for situations where an IQ score may be queried. Therefore, the current guideline that allows a person to be classified by a registered psychologist using a recognised assessment tool, as an alternative to IQ  $\leq 60$ , is supported.

It is best practice to report IQ as a range, not a single score, and this is usually how the information is presented to DES providers. The most common range in use is that of five approximation points either side of the full scale IQ score gained on the particular instrument used. This means that an individual with an IQ score of 55 falls in the range of IQ 50–60. There are differences in ranges reported depending upon which classification system is used but the most commonly used ranges in practice are those cited by the American Psychiatric Association, APA (2000). Selection of a cut-off score IQ 60 (range 55–65) for moderate intellectual disability is in line with the APA (2000) ranges.

Most of the informants had encountered difficulties in accessing supporting evidence for the IQ  $\leq 60$  criterion. Problems have involved reports from all sources including psychologists, Centrelink offices, and education authorities. Older reports are often difficult to access and most reports have not provided a single IQ score but have used descriptors, ranges of scores (for example, IQ 57–64) that may or may not align with guidelines or, in some cases, percentiles. Some informants suggested that DEEWR should automatically accept the Centrelink data item for IQ  $< 55$  as sufficient evidence of moderate intellectual disability; however, as this evaluation discovered, poor data quality is a significant issue.

The consultant recommended a refinement of the MIDL guidelines to assist providers to correctly interpret IQ scores expressed in different formats.

Informants acknowledged the need for staff working with people with intellectual disability to have special competencies. Most of the providers interviewed said that they use a “place and train” model and while most identified that they use a range of strategies considered good practice, only one provider had a systematic staff training program that ensures competencies in job carving, job matching and on the job training and support. Peak organisations recognise that few DES providers have the specialist skill sets and competencies required to support MIDL participants and the

consultations highlighted a need for specialist services or units to better support these job seekers to obtain substantial employment.

After receiving the consultant's advice the evaluation team visited Jobsupport in Sydney to gain an understanding of what this higher level of specialisation involves. Jobsupport is a highly structured program of job search, task analysis and specialist instruction, job customisation and written employer support agreements (see box, below). Specialist training for staff and staff mentoring are the backbone of the service for people with higher levels of intellectual disability. At least one other provider in the consultations is looking to adopt a systematic training process similar to the one used by Jobsupport.

The importance of specialisation, reflected in the outcome rates reported above and emphasised in the consultant's report, is further underscored in participant feedback. A 2011 survey of DES participants with intellectual or learning disability found that being employed is the most significant driver of participant satisfaction with services<sup>7</sup>. Specialist sites with higher proportions of participants in employment register higher levels of participant satisfaction. Employed participants at specialist sites were much more likely (85 per cent) than employed participants at generalist sites (62 per cent) to say that their DES provider was instrumental in securing their employment. However, high satisfaction is not universal across specialist sites, suggesting that something more than specialisation in intellectual disability or learning disability *per se* produces better outcomes at certain sites. While the survey could not discern aspects of service delivery that lead to better outcomes and higher participant satisfaction, the visit to Jobsupport and the Centre for Disability Studies report help to explain the survey results by describing the distinguishing features of a specialist service for moderate intellectual disability.

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<sup>7</sup> Conducted by Evolution Research under contract to the department.

## Jobsupport service for people with IQ less than 60

People with moderate intellectual disability are the traditional client group of Jobsupport, a specialist DES provider with sites throughout the Sydney metropolitan area. Jobsupport began as a demonstration project in 1986. Jobsupport's approach to training people with an intellectual disability is based on an applied behaviour analysis model developed in the United States. The early demonstration set out to show that with the right type of supports people with higher levels of intellectual disability could succeed in the open labour market. Jobsupport's contemporary service is specifically designed for people with moderate or higher intellectual disability who require structured task analysis and instruction and an individually customised job.

### Key elements of the Jobsupport program

1. Structured job search—it is rarely if ever possible to place a person with moderate intellectual disability through an advertised vacancy. Jobsupport targets larger employers with sufficient volume of routine work to customise, or create, a job specifically for the person with moderate intellectual disability. The other side of job creation, or 'job carving', is building and selling a compelling business case to the employer. Structured job search draws on Jobsupport's extensive employer database built up over many years; 70 per cent of placements are achieved through initial telephone qualifying, 30 per cent through repeat business.
2. Job analysis—the consultant spends somewhere between a day and a week at the employer's site to establish the employer's needs and work out how to customise a job: tasks to be performed; standards to be met for every task; and to determine supervision and occupational health and safety requirements. The resulting 'Support Structure' is a written document that outlines the training and supports necessary for success on the job, as agreed by the job seeker, employer and Jobsupport.
3. Training—employment consultants complete a Postgraduate Certificate in applied behaviour analysis and are mentored by Jobsupport managers with experience in practical application of the method. The training of people with a moderate intellectual disability is delivered at the work site, i.e. the so-called 'place and train' model of support. On average the initial assessment, job analysis and job customisation to achieve a good job/worker match takes 140 hours. On average the onsite training over the first six months in a job takes 260 hours.
4. Ongoing support—even slight changes in the work environment (e.g. staff, equipment, or process changes) are a real threat to employment because the person with moderate intellectual disability lacks the ability to adapt. Ongoing support involves regular contact with the employer/supervisor and employee and from time to time, onsite retraining.

*Source:* Site visit November 2011.

## 7 Conclusion

As at 29 February 2012, 659 participants were flagged as eligible for MIDL. A total of \$1,872,574 (GST excluded) had been expended on MIDL since 1 July 2010, just 25 per cent of the budgeted \$7.42 million over two years. Expenditure on the loading for existing caseload is expected to fall outside the two year trial period because of the time lag to employment outcomes. The 70 per cent loading on Service Fees accounted for around one-third of total expenditure to 29 February 2012.

The MIDL group studied here is perhaps too small to extrapolate findings to the wider MIDL population or potential future groups of participants with moderate intellectual disability. However, we conclude that MIDL has benefited and will continue to benefit Jobsupport clients and clients of any other provider that can offer this level of specialist support. Jobsupport's exceptional results of 92 per cent of MIDL participants achieving a job within 15 months of commencement and 76 per cent maintaining employment for at least six months, most in jobs of 15 hours or more per week, highlight the degree of success that is possible from a specialist service for moderate intellectual disability. The data also highlight a very uneven existing field of service delivery for job seekers with moderate intellectual disability. There is little evidence from this evaluation that an additional fee loading benefits participants with providers that do not have the technical capability and commitment to work effectively with this group of DES participants.

Under DES with MIDL, government pays Jobsupport around \$40,000 per 26 Week Outcome, averaged over the first 15 months of service. This is higher but not 70 per cent higher than in DEN (around \$2,000 higher than in DEN 2008 and \$6,000 higher than DEN 2009). On average, each participant in Jobsupport costs government about \$30,000 over 15 months, compared with around \$20,000 under DEN. In other words, the 70 per cent premium is more apparent on a per participant basis than on a per outcome basis. Relative to Jobsupport in DEN, MIDL is cost effective for Jobsupport as long as the significantly higher outcome rate (than under DEN) is maintained. Higher outcomes drive down expenditure per outcome. Other providers servicing MIDL participants are achieving 26 Week Outcomes at an average expenditure of \$48,000 per outcome, measured over 15 months of service, which is much higher than their 'price' per 26 Week Outcome under DEN. All outcomes were measured over a 15 month period, which may or may not reflect outcome rates and costs of MIDL participants over the longer term.

In the absence of specialisation in moderate intellectual disability the additional loading has not demonstrated any improvement in outcomes, which is why other providers servicing MIDL participants look relatively expensive on a per outcome basis. That other providers are doing about as well for their clients with moderate intellectual disability as for intellectual disability overall could be judged a success, given the relatively high needs of this group. But it is not possible to say whether their MIDL 26 Week Outcome rate of around 13 per cent for jobs of 15 hours or more is an improvement over DEN because we cannot identify their participants with moderate intellectual disability in DEN.

An obvious solution to the risk of paying for under-delivery would be to limit the loading to providers that specialise in moderate intellectual disability. This carries another type of risk, given the small size and dispersed distribution of the target group. The design of MIDL strikes a good balance by weighting the additional funding to outcome payments and in this way manages the financial risk associated with non-delivery.

While cost effectiveness has been demonstrated *where the required level of service is delivered*, and 70 per cent is evidently sufficient to produce the desired improvement in substantial employment for the target group, the evaluation cannot say whether a lower level of loading might produce similar results.

A number of informants to the consultations argued that the additional fee loading should be extended to minimum eight hour jobs achieved by participants with moderate intellectual disability. This is inconsistent with both the policy intent of MIDL and all the research that says if we raise expectations outcomes will follow, given the right type of support. That one provider can assist 68 per cent of its MIDL participants into lasting jobs of 15 hours per week suggests that government should not lower the benchmark for the additional loading. The DES funding model already pays for outcomes at employment benchmark hours; MIDL pays for a higher quality of service to achieve a higher quality outcome.

Under the right conditions the 70 per cent loading achieves the primary objective of improved employment outcomes for participants with moderate intellectual disability. The  $IQ \leq 60$  eligibility criterion is an appropriate method of targeting people with more than mild intellectual disability but an update to the guidelines to aid the interpretation of IQ scores presented in different formats is required.

Findings from this trial are specific to the trial's target group at the time of the trial. Findings cannot be generalised to other groups of DES participants or to the same target group serviced by a different field of employment service providers.

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