

Fact Sheet 8: High performing services are value for money

A comparison of open employment service performance

The DES Evaluation found that high performing disability employment providers for people with intellectual disability offered better value for money.

The evaluation report provided a comparison of the cost per participant, and the cost per 26-week employment outcome, between a high performing provider (i.e. Jobsupport) for people with intellectual disability and other DES providers.

“At both funding levels of ESS, Jobsupport outcomes were less expensive than outcomes achieved by other providers for participants with intellectual disability overall and for moderate intellectual disability in particular.”³⁸

High support clients attract higher funding. A low performing provider for this population will have a high cost per participant and a high cost per 26-week outcome, and is relatively poor value for money. In comparison, a high performing service will also have a high cost per participant but a lower cost per outcome, and returns better value for money due to a greater number of outcomes.

Table 12: Participants with intellectual disability and cost per 26 week outcome

DES Evaluation	Provider	Cost per participant	Cost Per 26 Wk Outcome
Moderate Intellectual Disability	Jobsupport	\$30,111	\$39,620
	Other	\$12,359	\$47,534
Moderate Intellectual Disability Funding Level 1	Jobsupport	\$19,252	\$19,252
	Other	\$9,459	\$28,377
Moderate Intellectual Disability Funding Level 2	Jobsupport	\$30,564	\$40,752
	Other	\$13,697	\$61,637
ESS Intellectual Disability Funding Level 1	Jobsupport	\$19,252	\$19,252
	Other	\$7,619	\$24,282
ESS Intellectual Disability Funding Level 2	Jobsupport	\$30,239	\$39,543
	Other	\$12,450	\$45,430

A comparison of high performing open employment service with alternative adult programs

High performing open employment services are cheaper to fund than alternative adult programs such as ADEs and day programs. The Centre for International Economics found

³⁸ Department of Social Services. Evaluation of Disability Employment Services 2010-2013. Final Report.

that the annual cost to the taxpayer (after pension offsets for wages) for Jobsupport was \$4,206 per annum and that this was far cheaper than alternate ADE (\$12,908) and state government programs (\$17,667 - \$23,884) for this population.³⁹

Table 13: Comparative Funding of Adult Programs

	Jobsupport	Australian Disability Enterprise (ADE)	NSW (Community Participation) Program	Victorian (Individual Support Package) Program
Weekly Wage¹	\$318	\$108	n/a	n/a
Cost (before pension offset)²	\$10,498	\$13,740	\$23,844	\$17,667
Cost (after pension offset)³	\$4,206	\$12,908	\$23,844	\$17,667

1. Most recent wages available for ADE are for 30/6/2008. Wage indexed to 30/6/2013 using minimum wage movements. 2. CBF funding and wage subsidy for 2012/13 year divided by the number of DES-ESS clients on 30/6/2013. 3. Pension offsets based on the March-June 2013 means test of \$0.50 per dollar of earnings above \$76 per week.

These findings are consistent with international research which also demonstrates that open employment for people with intellectual disability offers greater economic benefits to the individual and the government than alternative adult programs.⁴⁰

³⁹ The Centre for International Economics. (2014). Transition-to-work concurrence. 6 March 2013.

⁴⁰ Robert E. Cimera. (2010). National Cost Efficiency of Supported Employees with Intellectual Disabilities: 2002 to 2007. *American Journal of Intellectual and Developmental Disabilities, 115, 1, 19-29*
 — Robert E. Cimera. (2010). The national cost-efficiency of supported employees with intellectual disabilities: The worker’s perspective. *Journal of Vocational Rehabilitation, 33, 123-131*.