NATIONAL WELFARE RIGHTS NETWORK

7 November 2016

Committee Secretary
Joint Committee of Public Accounts and Audit
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Parliament House
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By email: jcpaa@aph.gov.au

Dear Committee Secretary

Commonwealth Risk Management – Inquiry based on Auditor General's report 18 (2015-16)

Thank you for the opportunity to make a submission to this important inquiry.

The National Welfare Rights Network (**NWRN**) is the peak community organisation in the area of social security and family assistance law, policy and administration. Our members and associate members are community legal centres and organisations across the country which provide free and independent legal assistance to current and former social security and family assistance recipients. The NWRN draws on the experience and expertise of its members in developing its submissions and policy positions.

A significant part of the work of our members involves providing legal assistance to people concerning eligibility for disability support pension (**DSP**). This means that our members have a unique level of experience with the day to day administration of the DSP, the concern of the Auditor-General's Report No. 18 (2015-16) *Qualifying for the Disability Support Pension* (**the Auditor-General's report**).

The DSP program, along with the National Disability Insurance Scheme (**NDIS**) once fully rolled out, is the core program to support Australians with a disability who are unable to support themselves through work. Its fairness, adequacy and effectiveness are a key measure of whether we, as a community, provide appropriate support for people who are unable to support themselves because of a disability.

This program has been the subject of sustained interest and concern from both major parties for some years now, especially in relation to perceived concerns about the increasing number of recipients and cost of the program. Frustratingly, much of this concern has paid little regard to basic facts about the Australian social security system and the DSP program in particular.[1] For example:

- the total number of income support recipients is close to its lowest in the last two decades

[1] For an overview see Peter Whiteford, *Can we afford the welfare system?* (18 November 2015), accessible at https://crawford.anu.edu.au/news-events/news/6760/can-we-afford-welfare-system.

- the main drivers of growth in the number of DSP recipients are the ageing of the baby boomer generation and the raising of the age pension age for women and their impact will decline over coming decades, making further significant increases in DSP recipient numbers over the medium to long term doubtful (absent a significant deterioration in the economic climate)

- despite the demographic pressure on DSP recipient numbers, data for the last few years strongly suggests that size of the DSP cohort is declining in both absolute terms and as a proportion of the working age population as a result of legislative changes to eligibility requirements, and

- data for the last few years raises a reasonable inference that many people who once would have qualified for the DSP are instead spending long periods in receipt of the much lower newstart allowance and not exiting the social security system into work.

Given the centrality of the DSP program to the fairness of our system of income support, it is critical that it be carefully evaluated in terms of its fairness, efficiency and effectiveness. This includes:

- the adequacy of the support it provides to recipients

- whether eligibility requirements are appropriate, so that people with a significant and long term disability which limits their prospects of self-support through work long term have access to it

- whether administrative processes for assessing eligibility are fair and accurate, especially for the most vulnerable people with a disability who may have most difficulty navigating it.

In recent years, there have been significant changes to the legislative requirements for eligibility for the DSP aimed at reducing the growth in the number of DSP recipients. These changes in fact appear to have led to a significant decline in the number of DSP recipients and in the size of this cohort as a proportion of the working age population. More recently, there have also been significant changes to the processes for administering the DSP, especially for assessing the medical eligibility of new claimants. A comprehensive evaluation of the DSP program requires attention to both legislative rules and administrative processes.

As such, the Auditor-General's report and this Committee's attention to it are welcome and timely.

Overview of the Auditor-General's report

The Auditor-General's Report reported on an audit of the administration of the DSP program by the Department of Social Services (**DSS**) and the Department of Human Services/Centrelink (**DHS**). General policy and program responsibility lies with DSS, while DHS is responsible for the day to day administration of the DSP.

The audit focussed on four key areas:[2]

- Assessment of disability support pension claims by DHS and, in particular, assessment of claimants against the core medical criteria for the DSP

[2] Auditor-General, ANAO Report No. 18 2015-16 Performance Audi, *Qualifying for the Disability Support Pension – Department of Social Services, Department of Human Services*, at 8/[5], accessible at https://www.anao.gov.au/work/performance-audit/qualifying-disability-support-pension.

- Appeals processes
- Reviews of the eligibility of current DSP recipients, and
- General performance and assessment processes.

The report made four specific recommendations for improvement in relation to each of these areas, which were agreed to by DHS and DSS.[3]

The terms of reference for this inquiry extend to "any items, matters or circumstances connected with" the Auditor-General's report. In this submission, we address matters connected with each of the four areas covered by the audit in turn.

Assessment of DSP claims

Assessing a DSP claim is a very complex administrative decision because of a range of factors, including:

- the complexity of the legislative requirements and the fine judgments concerning eligibility they require, and
- the difficulties claimants face in understanding those requirements and providing relevant and sufficient medical evidence.

As a result, it is particularly important that DHS' assessment process is sound and, to the greatest extent possible, assists people to understand the requirements and provide sufficient evidence to enable a reliable determination to be made.

Athough the complexity of the process inevitably means there will always be a substantial level of appeals, the aims of the system overall should include resolving as many DSP claims as accurately as possible at the lowest level of decision-making.

The Auditor-General's Report considered DHS' processes prior to 1 July 2015. There is a useful summary of those processes in the second chapter. It noted that there were changes to that process being implemented with full effect from 1 July 2015, namely the introduction of a second medical assessment called a Disability Medical Assessment (**DMA**).[4]

It is very important for the Committee to recognise that there have in fact been two significant changes to the process audited by the Auditor-General. One is the introduction of the DMA process. But there is also a second significant change, the discontinuation by DHS of its DSP treating doctor's report for new claims.

Although it is still too early to reach definitive conclusions, the NWRN is very concerned that these two changes have undermined the quality of the DHS assessment process. In our view, the Committee should recommend that there be an independent, public evaluation of these changes.

Below we describe these changes and then summarise the concerns we have about them, arising from our experience assisting DSP claimants over the last 12 months or so.

[3] Note 1 at 11-12/[20].
[4] Note 1, Appendix 3.

Recent changes to the process for assessing DSP claims

There have been two significant changes to the assessment process from the one considered by the Auditor-General.

1. Discontinuation of the treating doctor's report.

A person claiming the DSP must provide information about their medical condition(s) and capacity to work as part of the claim process. Previously, the main process for obtaining this information was via DHS' treating doctor's report. It had 14 questions designed to elicit information relevant to assessing the claim against the legislative requirements for the DSP.

When a person claimed the DSP, DHS would issue this report to them to take to their treating doctor, often the general practitioner responsible for co-ordinating and managing their overall care and treatment. They were also able to include or attach other medical evidence they thought relevant to their claim. Medical practitioners were able to claim the time taken to complete the form as a Medicare item, when the form was completed as part of a consultation.

The treating doctor's report usually formed the core of the medical evidence DHS considered when determining whether the person met the DSP medical requirements.

The treating doctor's report form has now been discontinued for new claims. This was implemented from 1 January 2015,[5] with full implementation for all new claims from 1 July 2015. Instead, a person making a disability support pension claim is issued with an information leaflet advising them to provide primary medical evidence, and giving some suggested examples of the types of relevant evidence (scans, reports etc).

2. Additional "disability medical assessment".

In a minority of cases, the claimant's medical evidence may demonstrate that they are "manifestly" eligible for the DSP, that is, it apparent that the claimant meets the legislative requirements.[6]

However, for most claims determined to meet the other non-medical criteria for the DSP (such as residence), the next step is referral for a job capacity assessment (**JCA**). At a JCA, a DHS assessor determines whether the person meets the medical eligibility requirements for the DSP through an interview, normally face to face, and consideration of the medical evidence.[7] This includes, for example, determining the appropriate impairment rating for their medical condition(s). Assessors are health or allied health professionals employed by DHS.

Under the previous process the JCA was followed by final determination of the claim. Strictly speaking the assessor was not the decision-maker, but in practice their opinion was followed by the final decision-maker in almost all cases.

Under the current process there is an additional step in the assessment process. Again this change was implemented from 1 January 2015,[8] with full implementation from 1 July 2015. Under this new process, if a person is assessed at a JCA and the assessor's opinion is that they meet the medical

[5] Initially it applied only to claimants who were under 35 and living in a capital city.
[6] Guidance in relation to this question is provided by a list of defined circumstances or conditions, such as terminal illness or a need for nursing home level care.
[7] A JCA also considers other matters such as appropriate referrals or exemptions from the activity test if the person is not granted the DSP.
[8] Initially it was applied to claimants who were aged 35 and under, lived in a capital city and claimed after 1 January 2015.

requirements for the DSP, they are now referred for a further assessment called a "disability medical assessment" (**DMA**) conducted by a "government-contracted doctor" (**GCD**), a registered medical practitioner or clinical psychologist. This generally involves a further interview with the claimant, normally face to face, and a review of the JCA report and medical evidence. The GCD may also seek further medical evidence from the claimant's treating medical practitioner, although it is unclear how often this happens. Currently, GCDs are provided by Medibank Health Solutions under contract with the Commonwealth.

Our experience so far is that in practice the ultimate decision is normally determined by the GCD's opinion, including in the event of a conflict between it and the JCA report.

Concerns with the new assessment process

Our experience with both aspects of the new assessment process has raised a number of significant concerns.

We are very concerned that the discontinuation of the treating doctor's report has made it much more difficult for claimants and their doctors to understand what information to provide to support their DSP claim. The treating doctor's report provided a significant and important level of guidance to claimants and their doctors about the kind of information that DHS decision-makers needed to make an accurate decision about their patient's eligibility for the DSP.

In our experience, we think it is unlikely that advising claimants to provide raw medical evidence is sufficient. Raw medical evidence prepared for another purpose (generally the purpose of providing medical care and treatment) is unlikely to contain sufficient information to address the complex and unique legislative requirements for the DSP, such as addressing key legislative questions like the anticipated outcome of any future planned treatment and the functional impact of medical conditions.

It is worth noting that DHS continues to use a similar report for the other medically complex payment type, which is carer payment. It is unclear whether there is a sound rationale for differing approaches between the two payments.

If the new process undermines the quality of information before DHS decision-makers, it may lead to an increase in rejection of new claims or increased delay in processing DSP claims, while further evidence is sought. There is a risk that this may include claims by people who are eligible for the DSP, but have failed to provide sufficient information concerning their medical conditions. This reflects the default position in the administration of social security payments such as the DSP which is that the onus is in practice on the applicant to establish their eligibility. This is reflected in DSS policy in relation to DSP assessment which states that "[i]t is generally the person's responsibility to provide all relevant medical evidence in support of their claim".[9] Although DHS assessors and GCDs have a range of options for supplementing evidence from the claimant (such as contacting DHS' internal Health Professional Advisory Unit or the treating doctor directly), there is no public data about how often this happens and our experience is that it is uncommon.[10]

We are also concerned at the impact of the new DMA process on the timeliness and efficiency of processing DSP claims. The timeliness of DSP assessments was a matter canvassed in the Auditor-General's Report.[11] Our experience so far is that the addition of the DMA process is causing very

[9] Department of Social Services, *Guide to Social Security Law*, 3.6.2.10 ("Medical & Other Evidence for DSP").
[10] There is some data about use of the HPAU reported in the Auditor-General's Report, note 1, at 32.
[11] Note 1, at 54-5.

long delays in processing DSP claims in some cases. The main cause of delay appears to be after the JCA, due to delay in getting an appointment for the DMA. In one recent case, a client was still waiting for an appointment four months after claiming. In another, the client had a JCA about two months after claiming, but waited close to a further four months for the government contracted doctor appointment, with payment granted about six months after claim.

Delay in processing DSP claims may have a range of adverse consequences for the claimant. It can lead to inappropriately long periods trying to subsist on the newstart allowance. It can prevent timely access to State/Territory support services which may make eligibility depending on receipt of the DSP. It causes considerable stress and anxiety. It may also disadvantage the claimant who may be unaware of a deficiency in the information they have provided or of the need for a supporting report (such as one from a clinical psychologist or psychiatrist) until a determination has been made on their claim, delaying them taking steps to address the issue.

The stressful nature of this process is compounded by the fact that our experience is that DHS staff are unable to give claimants any sense of when their appointment for a DMA might be, as it seems that they are unable to obtain any information from Medibank Health Solutions for claimants.

We also think there are important questions to ask about the efficiency and effectiveness of the new DMA process. In one case we are aware of, the claimant waited months for the DMA only to be told by the GCD on arrival at the appointment that it was obvious from the paperwork that they were eligible. The appointment lasted a matter of minutes.

This type of issue is a consequence of the policy setting that <u>all</u> non-manifest cases in which a JCA indicates potential eligibility for the DSP are referred for a DMA assessment. Inevitably this means that some cases which are not manifest, but very severe and about which there is no real doubt, are referred for a DMA. More broadly, our experience is that it is very difficult to satisfy an assessor at a JCA that a claimant is eligible for the DSP and they tend to grant only if they see it as clear cut (rejecting claims where there is uncertainty about eligibility). We think it likely, therefore that the majority of referrals to a DMA make no difference to the ultimate decision, as the DHS assessor has already set a high bar and the GCD is likely to agree with their view.

In short, there are real questions about the targeting and effectiveness of the new DMA process and whether it is delivering value for money for the taxpayer. This is especially so when DHS already has a range of internal quality control mechanisms, detailed in the Auditor-General's report.[12] There is a need to evaluate the value of this new process. This should include considering whether, if it has led to any improvements, those improvements could be achieved at less cost to the taxpayer through existing DHS internal processes.

Any evaluation should also extend to assessing the operation of the new process for vulnerable groups and in regional, rural and remote communities and whether an equitable level of service is being provided. In one case, one of our members' clients in a regional area with complex mental health problems was only offered a DMA appointment by phone, even though her JCA was by video link using facilities at her local DHS office. She was advised it was not possible to use the DHS facilities for the DMA appointment.

Finally, if the DMA process is to be retained we would like to see it expand to cover some cases where the DHS assessor is uncertain or the information they have is insufficient to make a positive determination that a claimant is eligible for the DSP. This could see the process used in a more

[12] Note 1, at 30-34.

positive way, targeted at assisting claimants with medically complex cases or who are disadvantaged in their ability to participate in the process (eg Indigenous Australians residing in remote communities with limited access to health services).

In summary:

1. There should be an independent and public evaluation of the new assessment process, covering at least:

- The impact of the new process on the adequacy of the information provided to DHS decision-makers
- The impact of the new process on the timeliness and efficiency of the assessment process
- The efficiency and effectiveness of the new DMA process, including rate of referrals, number of cases where the GCD takes a different view from the DHS assessor and the reasons why this occurs
- Whether an equitable level of service is being provided under the new process to regional, rural and remote communities.

2. Consideration should be given to using the DMA process to assist in assessing claims by vulnerable and disadvantaged claimants, rather than limiting it to double checking favourable DHS assessments.

Appeals processes

We continue to see long delays with internal DHS appeals (to DHS authorised review officers), consistent with the delays reported in the Auditor-General's report.[13]

Delays have a range of adverse impacts on claimants and the administrative process, including:

- Creating pressure on DHS authorised review officers to resolve review within a very short timeframe, which undermines the quality of the review
- Undermining the quality of the written reasons of authorised review officers, because of the time pressure on them to finalise reviews, which in turn affects the important role their reasons can have in explaining DHS's decision to claimants, so they can make an informed decision about whether to appeal or any other steps they need to take (such as obtainining a specialist review of their medical conditions), and
- Undermining the fairness of the process, as it is often through the authorised review officer decision and reasons that a claimant becomes aware of a significant issue for their claim or the evidence supporting it (such as the need for a specialist assessment), so that delay in resolving their internal appeal can delay them taking steps to address the issue.

[13] Note 1, at 36.

This seems to largely reflect the fact that DHS simply do not have sufficient staffing and resources to meet demand in high volume areas, including the increased level of DSP appeals following the tightening of eligibility requirements in 2012 (with the revision of the impairment tables).

Reviews of eligibility of current recipients

Since 1 July 2014, DHS has been reviewing DSP recipients aged under 35 who were granted the DSP between 2008 and 2011. By the end of October 2015, about 24,500 reviews had been completed or were underway.[14] From 1 July 2016, there will be an additional 30,000 reviews per year for 3 years. Due to the decision not to grandfather existing recipients, these reviews are conducted against the revised impairment tables in effect since 2012, even if the recipient was originally granted the DSP under previous legislative requirements.

We are currently receiving many inquiries from existing DSP recipients stressed and anxious about whether their eligibility will be reviewed and fearful of the impact of ending up on the much lower newstart allowance.

There have been media reports of inappropriate reviews of severely disabled recipients. This largely seems to reflect legacy issues with recordkeeping for long term recipients. However, it does raise the issue of how DHS will target and select DSP recipients for review. In our view, the criteria for this should be transparent and publicly available.

With this heightened review activity, we are also especially concerned about appropriate processes for the most vulnerable recipients, such as those with severe mental illness, illiteracy, from non-English speaking backgrounds or living in remote communities. Our experience is that being advised of a review is very stressful and distressing for recipients, who are already struggling with severe medical conditions. Many find it very hard to meet short timeframes for providing further evidence, due to the need to make appointments to see doctors and specialists to get up to date medical information. Some panic and delay responding to DHS. Some don't really understand the significance of the process and its potential consequences for them.

There is a risk that some recipients will have their DSP cancelled because they fail to provide up to date information or engage in the review process. In our view, it is very important that there be appropriate processes for vulnerable recipients. These should include follow up attempts to make phone contact or have the person attend a Centrelink office to discuss the process for recipients at risk of failing to participate adequately in the review process, such as Indigenous Australians in remote communities who may face language, literacy and other barriers such as limited access to health services, and recipients with mental health problems.

[14] Senate Community Affairs Legislation Committee, Supplementary Budget Estimates – 22 October 2015, Answer to Question on Notice, Department of Human Services, Question Reference number: HS 88, accessible at http://www.aph.gov.au/Parliamentary_Business/Senate_Estimates/clacctte/estimates/sup1516/DHS/index.

General evaluation of the DSP program

The need for improved collection and publication of data about the DSP program

One of the key recommendations in the Auditor-General's report was for DSS and DHS to develop a more comprehensive set of external and internal performance measures and consistent approach to collecting and publishing data concerning the DSP program.[15]

We agree with this recommendation.

One of the difficulties in understanding and evaluating the DSP program and its administration is the lack of regular, comprehensive publicly available data about it. DSS used to publish a comprehensive report series on the DSP program and recipients, but this ceased in 2013. There is little data in DSS or DHS annual reports. The recent introduction of DSS Payment Trends and Profile Reports, including one for the DSP, is a good start and there is a range of important data there about DSP recipients and the program[16], but much more comprehensive data should be regularly available.

This is especially so, given the sustained attention on the program from Government and the many basic factual mistakes often present in public discussion about the social security system and DSP program.

There is an excellent model for this, the Department of Employment's quarterly data about the operation of the compliance framework for job seekers under social security law.[17] This provides a detailed and comprehensive picture of an aspect of the system which is similarly of great interest to the Government and the subject of much ill-informed public comment.

An example of this issue is data about grant rates for the DSP. The grant rate is the ratio of successful DSP claims to the total number of claims in a given period. This is a key measure for assessing the impact of changes to legislation or the assessment process, but has not been regularly reported on since the DSS report series about DSP recipients ceased in 2013.[18]

The introduction of revised "impairment tables" for assessing level of functional impairment from a medical condition from 1 January 2012 corresponds to not just a slowing of the rate of growth in the number of DSP recipients in recent years, but an absolute drop in the number of recipients and the ratio of DSP recipients to the working age population.[19]

It also corresponds to a significant drop in the "grant rate" for the DSP. In 2010-2011 the grant rate was just under 60% of claims. This has trended down since then, with a significant drop in the 2011-

[15] Note 1, Recommendation 3 at 11.
[16] Accessible at https://data.gov.au/dataset/dss-payment-trends-and-profile-reports.
[17] Accessible at https://www.employment.gov.au/job-seeker-compliance-data.
[18] This information was in the Department of Social Services report series *Characteristics of Disability Support Pension Recipients* but this ceased in 2013. The series up to 2013 is accessible at https://www.dss.gov.au/our-responsibilities/disability-and-carers/publications-articles/policy-research/characteristics-of-disability-support-pension-recipients.
[19] Australian Government, Department of Social Services, *Annual Report 2015-16*, at 47, accessible at https://dss.gov.au/about-the-department/publications-articles/corporate-publications/annual-reports/dss-annual-report-2015-16.

2012 year (during which the revised impairment tables came into effect) to 49.3% of claims.[20] It has continued to fall and in 2014-15 was at 37%.[21]

Although these figures may be affected by a range of factors, it is reasonable to infer that the main factor was the impact of the revision of the impairment tables on new claims, resulting in significantly lower rate of successful claims due to the increased difficulty of achieving a rating of 20 or more points under those tables.

The figure is not publicly available for the 2015-16 year. This means that one key measure of the impact of changes to the DSP assessment process discussed above is not publicly available. For instance, if the grant rate has not changed, this may raise questions about the cost of the new DMA process and contractual arrangements with Medibank Health Solutions. Alternatively, if the grant rate has fallen significantly, this raises a further set of questions about the impact of recent changes to the assessment process.

In short, this is basic information about the operation of the system that should be regularly published.

Other important data that should be regularly published includes:

- consistent, regularly published data about claim processing timeframes, including data broken down by reference to the two current stages (the JCA stage and the DMA stage)

- consistent, regularly published data about the new DMA process, including proportion of claims referred for a DMA, outcomes of the DMA process and proportion of DMA determinations which differ from the JCA process, and

- information about use of interpreters, face to face assessment versus assessment by phone, video link or on the papers and other measures of service delivery relevant to assessing the process' quality for particular groups such as residents in remote communities, non-English speaking claimants and so forth.

Evaluation of legislative changes to the DSP criteria

We also support the Auditor-General's recommendation that there be an evaluation of the revised impairment tables.[22]

As noted above, the revised impairment tables appear to have had a very significant impact on the number of recipients and the grant rate for new claims. In our experience, this is mainly because in many cases the revised tables require a significantly higher level of disability to achieve a rating level, meaning that fewer people achieve the required 20 points to qualify for the DSP.

This needs comprehensive evaluation. There should be a broad correspondence between qualification for the DSP and long term inability to work in the open labour market due to disability. Otherwise the only outcome which is likely to be achieved is that more people with limited capacity

[20] Australian Government, Department of Social Services, *Characteristics of Disability Support Pension Recipients*, June 2013, at 35, accessible at https://www.dss.gov.au/our-responsibilities/disability-and-carers/publications-articles/policy-research/characteristics-of-disability-support-pension-recipients/characteristics-of-disability-support-pension-customers-june-2013.
[21] Senate Community Affairs Legislation Committee, Supplementary Budget Estimates – 22 October 2015, Answer to Question on Notice, Question reference number: HS 180, [INSER WEB LINK]
[22] Note 1, Recommendation 4 at 12.

to find and keep work due to a disability will have to subsist on the newstart allowance. Significant increases in recent years in the proportion of newstart allowance recipients assessed as having a "partial capacity to work" due to a disability, and the proportion of newstart allowance recipients on income support for more than one year, may indicate that many people who would previously have qualified for the DSP are not exiting the social security system into the labour market but instead spending long periods in receipt of newstart allowance.[23]

In addition, we think there should also be an inquiry into the program of support rules introduced at around the same time as the revised impairment tables.[24]

These rules impose an additional requirement which is that the person has actively participated in a "program of support" designed to help them find and keep work. In practice, this means participating in the employment services system while in receipt of a working age income support payment for job seekers, mainly newstart allowance. The general requirement is 18 months participation. There are limited exceptions under which a shorter period of participation may be accepted, but in practice this is rare and only applicable if the person is already participating in employment services when they lodge their DSP claim. [25]

What evidence there is suggests the program of support rules have been the primary reason for rejecting a person's claim in a minority of cases.[26] This reinforces the conclusion that it is the revised impairment tables which are primarily responsible for the falling grant rate since 2011-12.

However, these rules are still affecting a significant number of claims and have the potential to operate arbitrarily and unfairly.

In particular, the primary exception to the rules is for people with a single significant impairment assessed under one table as severe. However, there is no rational basis for treating a person differently merely by reason of the fact that they have a single impairment, as the impact of multiple impairments can be just as severe. We have cases where a person has impairment ratings of 30 points or more due to multiple significant disabilities, but must never the less seek to meet the program of support requirements before being eligible for the DSP.

The second main problem is that no matter how severe the impact of a person's multiple disabilities, they must at least commence a program of support before claiming the DSP to have access to the exceptions to the general requirement of 18 months participation. This can arbitrarily exclude some people from qualifying for the DSP immediately after leaving the labour market due to disability, as they often do not have a past history in employment services programs. This is despite the fact that

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[23] See the data on these two trends in Department of Social Services, DSS Payment Trends and Profile Reports, Newstart Allowance, at https://data.gov.au/dataset/dss-payment-trends-and-profile-reports/resource/25f0ca2e-25a7-4a76-a952-41f8c3b67b16.

[24] Affecting new claims from 3 September 2011.

[25] The requirements, including exceptions, are specified in the *Social Security (Active Participation for Disability Support Pension) Determination 2014*, a legislative instrument made under the *Social Security Act 1991* (Cth).

[26] For example, in the period 1 July 2014 to 19 June 2015, there were 70,241 claim rejections but only 3,184 were because program of support requirements were not met, or about 4.5% of claims (Senate Community Affairs Legislation Committee, Budget Estimates – 3 June 2015, Answer to Question on Notice, Question reference number: HS 49, accessible at http://www.aph.gov.au/Parliamentary_Business/Senate_Estimates/clacctte/estimates/bud1516/DHS/index). This does not mean that the claimant would have meet the program of support requirements. It more reflects the fact that generally assessors and authorised review officers consider impairment rating first, and do not necessarily go onto consider program of support requirements if the requisite impairment rating is not obtained.

on any reasonable assessment their level of disability is such that participation in an employment service program will not improve their prospects of re-entering the labour market.

DHS service delivery in remote Indigenous communities

Finally, in our view, there is a need for a comprehensive assessment of DHS service delivery to Indigenous people residing in remote communities.

We continue to see cases which raise significant concerns about DHS delivery of the DSP program to remote communities. In our view, there needs to be a distinctive and more proactive service delivery model for these communities to ensure that there is equitable access to the DSP program. Many residents of these communities face multiple barriers to accessing DHS services and support, including language and literacy, but also limited health and support services in their communities and the limited footprint of DHS in these communities.

There needs to be greater funding for DHS to expand important service delivery initiatives such as its remote servicing teams. This also needs to be supported by policy settings and processes which support DHS decision-makers to take a more proactive and investigatory approach to DSP claims in these circumstances.

Summary of recommendations

In summary, the NWRN recommends:

1. There should be an independent and public evaluation of the new DSP assessment process, covering at least:

- The impact of the new process on the adequacy of the information provided to DHS decision-makers
- The impact of the new process on the timeliness and efficiency of the assessment process
- The efficiency and effectiveness of the new DMA process, including rate of referrals, number of cases where the GCD takes a different view from the DHS assessor and the reasons why this occurs
- Whether an equitable level of service is being provided under the new process to regional, rural and remote communities, and

2. If retained, the DMA process should be extended to assist in assessing claims by vulnerable and disadvantaged claimants, rather than limiting it to double checking favourable DHS assessments.

3. The criteria according to which current DSP recipients are identified for review should be publicly available.

4. There should be separate processes to support the most vulnerable DSP recipients through the DSP eligibility review process.

5. DSS and DHS should regularly publish comprehensive data about the DSP program, including:

- consistent, regularly published data about claim numbers, grant rate and claim processing timeframes, including data broken down by reference to the two current stages (the JCA stage and the DMA stage)

- consistent, regularly published data about the new DMA process, including proportion of claims referred for a DMA, outcomes of the DMA process and proportion of DMA determinations which differ from the JCA process, and

- information about use of interpreters, face to face assessment versus assessment by phone, video link or on the papers and other measures of service delivery relevant to assessing the process' quality for particular groups such as residents in remote communities, non-English speaking claimants and so forth.

6. There should be a public and independent evaluation of:

- the revised impairment tables

- the program of support rules, and

- delivery of the DSP program in remote Indigenous communities.