

Senate Community Affairs Legislation Committee

BUDGET ESTIMATES – 3 JUNE 2015 ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Disability Support Pension – Medical Reviews for People Under 35

Question reference number: HS 49

Senator: Cameron

Type of question: Written

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Number of pages: 9

Question:

- a) Since 1 July 2014, how many DSP recipients have had their eligibility reviewed under the Budget measure affecting certain people under 35 who qualified between 2008 and 2011? Provide a breakdown under this measure by: main disability (including mental health conditions); age; gender; state and territory; with/without earnings; location (e.g. remote, capital cities, regional); marital status; receiving Rent Assistance; home-owners; country of birth.
- b) What is the cost to the Department to undertake these reviews?
- c) How many people have been reviewed?
- d) How many people, after the review, have been found ineligible for DSP?
- e) Provide a breakdown of the reason for the cancellation of the DSP?
- f) How many people who have had their DSP cancelled under this new measure have appealed the cancellation of the payment? Provide details of review outcomes by level of appeal. Also provide a breakdown of this data by Indigenous, non-Indigenous status.
- g) Provide data on DSP cancellations under this measure by age; state; and Indigenous/non-Indigenous status.
- h) How many people found ineligible for DSP after review are now accessing alternative social security payments? Please list by number and payment type.
- i) How many people are not receiving any income support payments?
- j) What savings have been made under this measure? How are the savings calculated?
- k) Have any people who have lost their DSP since 1 July 2014 under this measure have found employment?
- l) Provide details of the type of employment secured and the duration of this employment.
- m) Describe the “service offer” that is provided to people whose payments are cancelled under this measure?

- n) Does the Department keep a track on whether people who are moved to a lower payment (i.e. Newstart or Youth Allowance) can afford their accommodation or their medications? Does the Department follow up to see if the person becomes homeless after being pushed onto a lower social security payment?
- o) How many people on the Newstart Allowance have a disability? Provide this data for each year over the past decade?
- p) How many people on Newstart have a partial capacity to work? Provide this data for each year over the past decade?
- q) Overall, what is the current rejection rate of people claiming the DSP? How many people have lodged a claim for the DSP since 1 July 2014? How many have been successful? Provide a breakdown of successful claims over this time frame, by main medical condition? (Number and percentages). How many claims have been rejected over this time frame (with reason for rejection), over the same time-frame?

Answer:

- a) From 1 July 2014 to 19 June 2015 the department completed 9,095 reviews under this measure. A further 11,614 reviews were in progress on 19 June 2015.

The following tables provide further demographic data on the completed reviews. Note:

- The breakdown by main disability, age, gender, state and territory and location is based on a lower number of completed reviews (8,006 reviews). This is because all reviews completed are not recorded in the system as finalised for 43 days to allow for a 42 day grace period which follows cancellation for those recipients no longer eligible for payment.
- The data relating to earnings, marital status, Rent Assistance receipt, home-ownership or country of birth can only be sourced by extracting and analysing each individual customer record. This information has not been provided due to the resources required to complete this work.

Main Disability

Primary Medical Condition	Number of Reviews
Other Psychiatric Condition	1,076
Schizophrenia	1,007
Intellectual Disabilities	558
Asperger's Syndrome	532
Bi Polar Affective Disorder (Manic Depression)	346
Depression	264
Traumatic Brain Injury	185
Other Spinal Disorder	177
Attention Deficit Hyperactivity Disorder	137
Anxiety	118
Cerebral Palsy	117
Learning Disabilities	112
Total	4,629

Note: this table lists those primary conditions attracting 100 or more reviews during the period. The remaining 3,377 reviews were attributed to primary medical conditions attracting less than 100 reviews during the period.

Breakdown by Age

Age	Number of Reviews	Age	Number of Reviews	Age	Number of Reviews
18	283	24	293	30	252
19	1,077	25	237	31	224
20	955	26	206	32	651
21	388	27	197	33	872
22	496	28	193	34	1,152
23	293	29	237	Total	8,006

Breakdown by Gender

Female	3,223
Male	4,783
Total	8,006

Breakdown by State and Territory

State or Territory	Number of Reviews
ACT	101
NSW	3,051
NT	69
QLD	1,801
SA	600
TAS	270
VIC	1,613
WA	501
Total	8,006

Breakdown by Location

Location	Number of Reviews
Major City	4,891
Inner Regional	2,122
Outer Regional	822
Remote	116
Very Remote	55
Total	8,006

b) Departmental funding for this measure is:

	2013–14 (\$ million)	2014–15 (\$ million)	2015–16 (\$ million)
Departmental Expenses	0.4	12.6	8.5

c) From 1 July 2014 to 19 June 2015, the department completed 9,095 reviews. A further 11,614 reviews were in progress on 19 June 2015.

d) As of 19 June 2015, there were 1,082 recipients found to be no longer eligible for Disability Support Pension (DSP) following a review.

- e) Of the 1,082 recipients who were found to be ineligible for DSP, 616 recipients had their payment cancelled as at 19 June 2015. The remaining 466 recipients have payments continuing either because the recipient is in the six week grace period provided for those people whose payment is cancelled following a medical review, or because the recipient is eligible for Payment Pending Review while an appeal of the decision is in progress.

Reason for Cancellation	Number of Recipients
Disability is short term	93
Failed to undergo a job capacity assessment	1
Less than 20 points Impairment Rating	519
Work capacity of 15+ hours per week	3
Total	616

- f) For the period 1 July 2014 to 19 June 2015, the number of appeals by those people who were found to be ineligible for DSP following a review were:
- Internal Reviews – 760 reviews of decision;
 - Social Security Appeals Tribunal – 273 appeals; and
 - Administrative Appeals Tribunal – 17 appeals.

The following table provides a breakdown of appeal types and outcomes for recipients who have been found ineligible following review, by indigenous status, as at 19 June 2015. Unknown indicates where the recipient has not identified as Indigenous or the department has not recorded a status.

Appeal Status – 1 July 2014 to 19 June 2015

Internal Reviews	Total	Indigenous	Non-Indigenous	Unknown
No. Unchanged decisions	614	34	558	22
No. Changed decisions	60	3	55	2
No. Withdrawn	11	0	10	1
Yet to be decided	75	7	62	6
Total Internal Reviews lodged	760	44	685	31
Social Security Appeals Tribunal	Total	Indigenous	Non-Indigenous	Unknown
No. Unchanged decisions	93	4	87	2
No. Changed decisions	21	0	21	0
No. Withdrawn	11	0	11	0
Yet to be decided	148	2	140	6
Total SSAT Appeals lodged	273	6	259	8
Administrative Appeals Tribunal	Total	Indigenous	Non-Indigenous	Unknown
No. Unchanged decisions	0	0	0	0
No. Changed decisions	0	0	0	0
No. Withdrawn	1	0	1	0
Yet to be decided	16	0	16	0
Total AAT Appeals lodged	17	0	17	0

Note: The data source for Appeals Status, includes data by Indigenous status.

- g) The following tables provides a breakdown of the 616 DSP cancellations by age and by state and territory from 1 July 2014 to 19 June 2015. Note the data source for breakdown by age and by state does not include data by Indigenous status. This can only be sourced by extracting and analysing each individual customer record. This information has not been provided due to the resources required to complete this work.

Breakdown by Age as at 1 July 2014

Age	Number of Cancellations	Age	Number of Cancellations	Age	Number of Cancellations
18	18	24	11	30	9
19	69	25	8	31	10
20	60	26	4	32	72
21	8	27	7	33	108
22	13	28	14	34	189
23	9	29	7	Total	616

Breakdown by State and Territory

State and Territory	Number of Cancellations
ACT	7
NSW	190
NT	21
QLD	111
SA	44
TAS	17
VIC	173
WA	53
Total	616

- h) As of 19 June 2015, there were 616 recipients who had their DSP cancelled. Of these, there were 425 in receipt of an alternate income support payment as of 19 June 2015.

Payment Transfer to:	Number of Recipients
Austudy	9
Newstart	253
Parenting Payment Partnered	31
Parenting Payment Single	27
Youth Allowance Jobseekers	89
Youth Allowance Students	16
Total	425

- i) As of 19 June 2015, 191 customers whose DSP was cancelled following a review were not receiving an income support payment.
- j) Questions related to savings from the measure should be directed to the Department of Social Services.
- k) The Department of Human Services does not collect this data.
- l) The Department of Human Services does not collect this data.

- m) Where a recipient is found to be no longer eligible for DSP a range of support services are offered to the customer to support them transition off the payment.

Prior to the customer being contacted regarding the outcome of the review, the department's social work team undertake an assessment of the customer circumstances to determine the level of support best suited to the individual circumstances.

The recipient is contacted by telephone to advise them of the outcome of their review and:

- Provided information about, or referrals to, government and community support services, including a referral to a social worker as appropriate.
- The department works with the recipient to determine if there is another appropriate income support payment and will streamline the transition to this payment if appropriate.
- Provided information about their rights to ask for a review of decision. If a recipient requests a review of the decision, they may be entitled to continue receiving DSP while awaiting the outcome of the review. This occurs when the grace period has lapsed, the review of the decision to cancel is requested within 13 weeks, and the recipient is not receiving another income support payment.

Information regarding the outcome of the review and rights to ask for a review of decision are also provided in a letter.

- n) The Department of Human Services does not collect this data.

Anyone experiencing difficulty can contact the department for assistance. This includes social work assistance, financial counselling, weekly, advance or urgent payments; and Centrepay to help manage finances.

Further, social workers proactively make telephone contact with distressed customers, or those with identified risk factors (including becoming homeless), to ensure vulnerable people are provided with a quality and timely intervention. Social workers also provide professional support and case consultation to other staff working with these customers.

- o) The Department of Human Services does not collect this data.

- p) The table below shows the number of recipients of Newstart Allowance with a partial capacity to work (that is, recipients who, due to a medical condition, are prevented from working at least 30 hours per week at or above the relevant minimum wage independently of a program of support within the next 2 years). Data is only available from December 2010 onwards.

Date	Number of Newstart Recipients With a Partial Capacity to Work
30 June 2011	88,514
30 June 2012	99,884
30 June 2013	123,449
30 June 2014	144,136

- q) The following table provides a breakdown of the number and percentage of grants and rejections for DSP claimants, in 2014–15 as at 19 June 2015.

DSP claimants	Number	Per cent
Granted	41,119	36.9
Rejected	70,241	63.1
Total	111,360	100

The following table provides a breakdown of DSP claims granted in 2014–15, as at 19 June 2015, by main medical condition. Note the table lists those primary conditions attracting 50 or more grants during the period. The remaining grants 1,552 (3.8 per cent) were attributed to primary medical conditions containing less than 50 grants during the period.

1 July 2014 to 19 June 2015 - Grants by Primary Medical Condition		
Medical Condition	Number	Proportion of Claims Granted
Terminally Ill	4,298	10.4%
Psychological/Psychiatric Disorder - Other	4,016	9.7%
Intellectual Disability	3,504	8.5%
Spinal Disorder - Other	3,180	7.7%
Depression	2,077	5.0%
Schizophrenia	1,623	3.9%
Brain Injury - Traumatic	1,115	2.7%
Bi Polar Affective (Manic Depression)	1,037	2.5%
Osteoarthritis	978	2.4%
Circulatory System - Other (e.g Vasculitis)	841	2.0%
Nursing Home Care	814	2.0%
Post Traumatic Stress Disorder	795	1.9%
Autistic Disorder	775	1.9%
Ischaemic Heart Disease	589	1.4%
Lower Limb Deficiencies	564	1.4%
Chronic Pain	519	1.3%
Chronic Obstructive Airways Disease	492	1.2%
Neck Disorder	447	1.1%
Permanently Blind	417	1.0%
Rheumatoid Arthritis	411	1.0%
Alcohol Dependence	409	1.0%
Anxiety	405	1.0%
Multiple Sclerosis	402	1.0%
Kidney Disorders	396	1.0%
Cancer/Tumour - Other	370	0.9%
Asperger's Disorder	366	0.9%
Musculoskeletal Disorder - Other	342	0.8%
Respiratory Disorder - Other	326	0.8%
Diabetes - Insulin Dependent	325	0.8%
Arthritis - Other	319	0.8%
Shoulder and Upper Arm Disorder	319	0.8%
Fibromyalgia	311	0.8%
InterVertebral Disc Disorder	283	0.7%
Parkinson's Disease	272	0.7%
Liver Disorder i.e. Cirrhosis but not Hep	245	0.6%
Neurodegenerative Disorder - Other	233	0.6%
Personality Disorder	233	0.6%
Drug Dependence	231	0.6%
Emphysema	213	0.5%
Chronic Fatigue Syndrome	205	0.5%
Nervous System - Other	194	0.5%
Alzheimer's Disease	186	0.5%

1 July 2014 to 19 June 2015 - Grants by Primary Medical Condition		
Medical Condition	Number	Proportion of Claims Granted
Cancer/Tumour - Brain	162	0.4%
Coronary Artery Disease	152	0.4%
Learning Disability	148	0.4%
Gastroenterological Condition	145	0.4%
Epilepsy - Grand Mal (Tonic-Clonic)	138	0.3%
Spondylosis	138	0.3%
Morbid Obesity	136	0.3%
Attention Deficit/Hyperactivity Disorder	127	0.3%
Cancer/Tumour - Breast	124	0.3%
Cerebral Palsy	119	0.3%
Crohns Disease	115	0.3%
Lupus	115	0.3%
Psychotic	115	0.3%
Cancer/Tumour - Bowel	113	0.3%
Congenital Abnormality - Other	109	0.3%
Hearing Loss- Partial	106	0.3%
Immunodeficiency	100	0.2%
Myopathy - Other	100	0.2%
Visual Loss - Unspecified	100	0.2%
Cancer/Tumour - Lung	99	0.2%
Fractures and Crush Injuries	98	0.2%
Migraine	98	0.2%
Diabetes - Non Insulin Dependent	96	0.2%
Chronic Pulmonary Heart Disease	93	0.2%
Cancer/Tumour - Prostate	93	0.2%
Brain Injury - Toxic (e.g. Alcohol)	86	0.2%
Obsessive Compulsive Disorder	83	0.2%
Renal Tract Disorders	82	0.2%
Hodgkin's/Non Hodgkin's Disease	80	0.2%
Urinary Incontinence	79	0.2%
Paraplegia (Paralysis)	77	0.2%
Hearing Loss- Complete	74	0.2%
Epilepsy - Complex Seizure	73	0.2%
Skin Disorder - Other	73	0.2%
Hepatitis C	69	0.2%
Cancer - Leukaemia (Chronic)	68	0.2%
Totally and Permanently Incapacitated	66	0.2%
Senile Dementia	65	0.2%
Myocardial Infarction (Heart Attack)	64	0.2%
IQ is Less Than 55	63	0.2%
Peripheral Vascular Disease	61	0.1%
Ulcerative Colitis	58	0.1%
Low Vision - Both Eyes	57	0.1%
Regional Pain Syndrome	57	0.1%
Huntington's Chorea	56	0.1%
Asthma	54	0.1%

1 July 2014 to 19 June 2015 - Grants by Primary Medical Condition		
Medical Condition	Number	Proportion of Claims Granted
Motor Neurone Disease	53	0.1%
Vertigo	53	0.1%
Total	39,567	

From 1 July 2014 to 19 June 2015, the department rejected 70,241 claims for DSP. The following table provides a breakdown of these claims by rejection reason.

Disability Support Pension Rejection Reason	Number of Rejections 1 July 2014 to 19 June 2015
<20 Points Impairment rating	23,914
Not Fully Diagnosed Treated & Stabilised	20,824
Failed to Reply to Correspondence	9,754
Manifest – Temporary ¹	4,788
Program of Support requirements not met	3,184
Failed to Undergo Job Capacity Assessment	1,659
Excess Income/Assets (including not attending a Job Capacity Assessment)	1,402
Residency/Portability	992
Manifest – not sufficient impairment ²	803
Disability is short-term	691
Compensation preclusion period/Precluded due to compensation payments	557
Failed international agreement specific rules	492
Manifest – Diagnosis Criteria not met	139
Withdrawn/Voluntary Surrender	122
Other ³	920
TOTAL	70,241

¹ Medical condition is clearly temporary and the functional impacts are clearly expected to resolve within the next 2 years, for example, the medical evidence states the recipient has a fracture of the hand.

² Diagnosis requirements in the relevant Impairment Tables have clearly not been met or no Job capacity Assessment undertaken.

³ In the above table, 'Other' includes rejections for where no relevant rejection code exists, as well as rejection codes that attracted less than 100 rejections during the period.