

Quantifying the movement of people between Australia's 10 income and benefit support systems to identify how to improve work and health outcomes for people with an injury, illness or disability.

May 2022

- In 2018 we undertook the Cross-Sector Systems project that identified ten major benefit and income support systems available to Australians whose temporary or permanent injury, illness or mental health condition completely or partially affects their ability to work.
- It is unknown how and why people transition between the systems and the impact this has on their work and health outcomes.
- We know that people are most vulnerable as they transition between systems.
- This study was undertaken to understand the movement of people between systems and how work and health outcomes can be improved.

The research involved a survey of 790 individuals who had interacted with one or more income support systems and 10 in-depth interviews to better understand personal experiences of income supports and transitions between the systems. A system dynamics data model was developed to describe inter-relationships between the systems.

The research was commissioned by the Collaborative Partnership to Improve Work Participation, led by the Department of Social Services and undertaken by Monash University.

For more information and the full research report visit the Collaborative Partnership website.



REPORT SUMMARY AND HIGHLIGHTS

System interaction

People interact with different systems concurrently or back and forth until 'landing' in their current system of income support. There are no defining characteristics to indicate if a person is more likely to travel in a particular direction or engage with a particular pattern of income support.

Interactions with systems are highly individualised and non-linear. People start with the first system they come across and then, once that is financially exhausted, they began to look for an alternative source of income.

Movement between systems is best described as using a pinball analogy, where people bounce, rebound and utilise multiple systems simultaneously. There are no clear 'pathways' of transition. It appears that movement between systems may also be based on **social factors** such as the cost of health care, the individual's specific needs and their family and economic situation.

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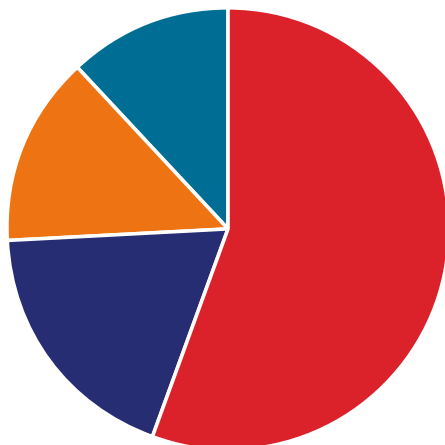
The most common number of systems a person accessed

30%

Engaged with two systems

40.9%

Attempted to return to work at any time



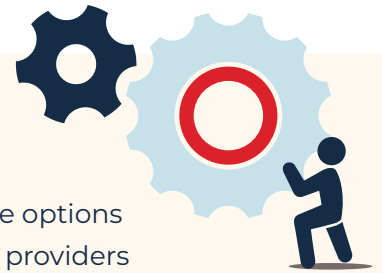
The survey found:

- Centrelink is the **most commonly used income support system (85.6%)**
- Early superannuation withdrawals **(28.6%)**
- Workers' compensation **(21.3%)**
- Life insurance **(18.2%)**

A single transition between systems can take months, is highly stressful and often involves long periods of no income.



REPORT SUMMARY AND HIGHLIGHTS



Challenges individuals face

Transitioning between systems

- Lack of support
- Difficulty with paperwork
- Difficulty adjusting to changes in life circumstances
- Lack of communication
- Occurs when people are not operating at full physical and mental capacity

Within a system

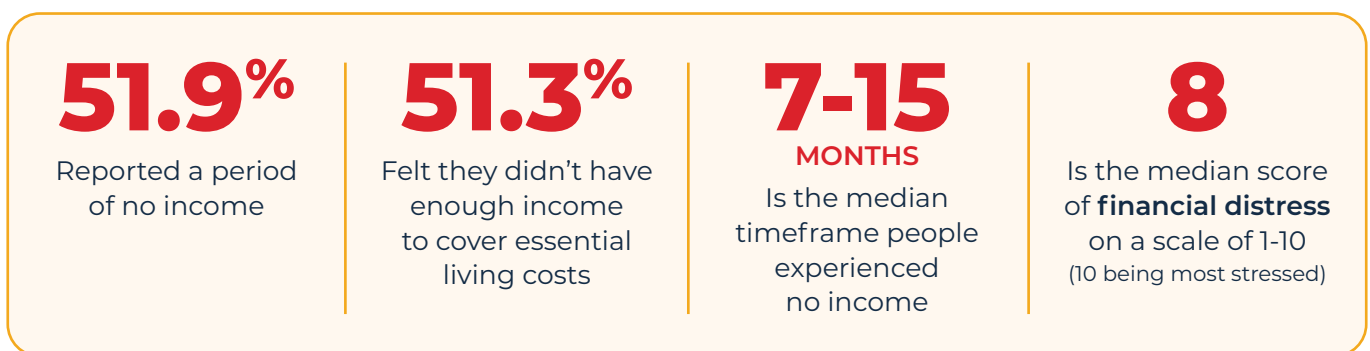
- Unaware of available options
- Difficulties with job providers
- Difficulties returning to work
- Inability to plan for the future
- Physical burden
- Psychological burden
- Reliance on informal supports
- A need to self-advocate

Participants consistently reported a lack of support when not receiving advice on what pathway to take and guidance during the application process. The administrative requirements to move into and remain within a system resulted in recurrent challenges of time and energy.

Supports

- **Family members** are the most useful support when entering Income Protection OR Centrelink
- **Lawyers** are the most useful support when entering Motor Vehicle Accident OR Total and Permanent Disability
- **Employers** are the most useful support when entering Workers Compensation (for 1/5 of participants)
- Informal supports are the most common source of support

Financial distress



Waiting to receive benefits is the most common reason for reporting no income.

When a person is receiving no income, they rely on: **personal savings, family members, selling assets or they go without.**

Harm of the system

There is an unintended harm arising from engagement with the systems of income support. As people progress through the systems, the physical and psychological burden they experience increases while their capacity to cope with system and administrative requirements decreases.

OPPORTUNITIES TO IMPROVE THE EXPERIENCE



Education and Awareness

Public awareness on the different income supports available and better education on how to access them as soon as health impacts a person's ability to work



Common use of language

Common language across all systems to better support individuals to understand their entitlements and complete the required documentation



Administrative handover between systems

Individuals are provided their personal file of relevant information upon exiting the system



System design

Systems to streamline application processes to reduce physical and psychological burden. More frequent touch points with individuals are required to communicate the progress of the application



Future planning

Systems to provide better education and upfront planning to assist individuals to identify where their best outcome is likely to be



Extend case management function

Individuals would benefit from case managers having a more holistic view of the various systems of income support and how they operate. Ensuring individuals are accessing the most appropriate service of income support available to them

The best opportunity to intervene is early and in upstream systems (e.g. employer entitlements, workers compensation)

Employers need better support to help people stay at and return to work and to reduce the flow of people into downstream systems (e.g. social security)

