



Reform of the Adult Migrant English Program (AMEP): Responses to commonly asked stakeholder questions

Please note that the responses below are intended to provide clarity on the proposed design of the future AMEP business model. The final design of the model will be informed by stakeholder feedback and the findings of the funding model comparison.

Outcomes model

Model design

How will the Department ensure that successful settlement remains the focus of the AMEP?

The AMEP plays a key role in helping eligible migrants learn English so they can settle into the Australian community and participate socially and economically with a level of independence and belonging.

The proposed future AMEP business model will make payments based on English language learning outputs and outcomes. This learning will be underpinned by the new national curriculum, the EAL Framework, which has a strong settlement focus.

The future AMEP business model includes a range of supports for AMEP teachers, including resources and professional development that will also support educators to guide students to achieve their settlement goals.

Students will also be supported to meet their educational and settlement goals through enhanced pathway guidance and continued engagement with volunteer tutors, who provide valuable links to the Australian community.

To prevent the AMEP becoming too assessment-focused, can settlement outcomes other than English language be included in the outcomes-based model? For example, employment, further education, student satisfaction and/or student confidence?

The primary objective of the AMEP is to help eligible migrants improve their English language skills. Other settlement objectives, including completion of further education, employment and access to services, have been determined to be secondary outcomes and may not be measurable or directly attributable to the program and therefore are not being considered for outcomes payments. These outcomes may be captured through other mechanisms, such as key performance indicators and client surveys.

The discussion paper states that outcomes-based payment models are quite common. Is there a reference program that the department used to design the AMEP outcomes-based model?

The Department undertook a detailed process of review and analysis to design the future AMEP business model, including the payment models of states and territories, many of which have transitioned to output-based payment models for their Registered Training Organisations (RTOs).

Both domestic and international examples of outcomes-based models were also considered, including the Family and Community Services early intervention program and the NSW Smart, Skilled and Hired youth employment program.

The proposed model will be a mix of payments that will support sustainable service delivery while encouraging the achievement of outcomes.

Payments

What are output and outcome payments?

An output payment covers the costs of delivering English tuition and is planned to be provided each time a student completes an accredited unit of competency. Under the proposed model output payments will be provided whether a student passes or fails. The proposed model also incorporates a percentage of the output payment being made when a student withdraws from an accredited unit of competency.

An outcome payment is an additional payment when students successfully achieve a pre-defined threshold, which in the proposed model has been set at Certificates 1-3 under the EAL Framework curriculum.

How will the base payments for outputs and outcomes determined?

The Department is considering options for output and outcome payments, including setting or tendering the rate. In determining the approach to these payments, the Department will also take into consideration the work of the National Skills Commission (NSC) on efficient pricing for the VET sector.

What is the basis for determining the length of time to complete a unit of competency?

The nominal hours have been used as the basis for determining the time to complete a unit of competency.

What if the NSC's efficient prices for VET delivery do not take into account the unique needs of AMEP students and their calculations do not correspond to the actual hours it takes AMEP students to complete units of competency?

The Department acknowledges that many AMEP students experience a range of issues that may mean they take long periods to complete units of competency.

The Department is working closely with the NSC to consider how to best align AMEP payments with the proposed efficient prices for the VET sector, while taking into consideration the needs of AMEP students.

The future business model includes a cohort adjustment on outcomes payments for AMEP students with less than 10 years of schooling.

Will there be outcome payments for the completion of coursework at the lower levels (for example pre-Certificate 1) under the EAL Framework?

In the proposed model only the achievement of Certificates 1 and above will incur outcome payments.

Could the outcomes-based model include a mix of input and output based payments?

The proposed model includes a mix of payments that will support sustainable service delivery while encouraging the achievement of outcomes. The mix of payments is split across:

- Initial payment – to reflect the administrative costs of enrolment
- Output payments – to cover the cost of service delivery (linked to completion of a unit of competency)
- Outcomes payments – to reward providers for students achieving a successful client outcome (linked to completion of a Certificate)

- Ancillary payments – to cover the costs of additional student support services (such as child care, pathway guidance and the volunteer tutor scheme).

Will service providers receive a payment if a student fails or withdraws from a unit of competency?

Service providers will receive output payments if a student fails or withdraws from a unit of competency.

The final settings for these payments are still being determined in line with this consultation process, however currently the Department is proposing that service providers may receive the same output payment whether a student is successful in completing a unit of competency or not. The payment for withdrawal is currently proposed to be set at 30% of the output payment.

How will the outcomes-based model support students who take longer to complete a unit?

It is expected that service providers will deliver language training in the style and frequency which they believe will lead to the best outcomes for each individual student.

Improved online learning materials, curriculum resources and professional development for teachers will support this flexible and tailored approach. Volunteer tutors may also support students to progress in their English language acquisition.

How will the model ensure service provider viability given that a number of students are part time?

The proposed model includes a mix of payments to support sustainable service delivery while encouraging the achievement of outcomes.

The settings for payments are being determined in line with this consultation process, including for students that are part-time.

How will the outcomes-based model work when clients move between service providers?

It is proposed that service providers receive a payment when a student withdraws and transfers to another service provider.

The Department is considering options for service providers receiving students on transfer when they re-enrol in the program.

AMEP service providers and teachers are already doing everything they can to achieve student outcomes. How does an outcomes-based model take account for student behaviours that are beyond the control of the service provider?

The Department recognises that despite the best efforts of the service provider and teachers some AMEP students may leave the program for a range of reasons, including caring responsibilities, travel and employment. Payments for withdrawal and unsuccessful completion of units of competency have been incorporated in the output payments of the proposed model.

Cohort adjustments

Does the cohort adjustment apply only to the outcome payment, or to the enrolment fee and the output payment as well?

A cohort adjustment is a way of addressing differences in cohort characteristics to reimburse providers for the extra support that may be required for particular cohorts to achieve the outcome compared to other cohorts. In the proposed model, a cohort adjustment only applies to the outcome payment.

Has the Department considered other factors that might influence the time students take to complete units of competency, such as pre-migration trauma, disability, illiteracy in first language/s or linguistic distance from English?

The Department considered a range of factors to determine which cohort adjustment to apply, including the following:

- age when entering the program
- years of schooling when entering the program
- the linguistic distance of native language from English
- the initial level of English proficiency
- pre-migration trauma and
- proficiency in another language other than native language.

The analysis showed that the level of schooling prior to entering the AMEP had a statistically significant impact on student success rates, with those having less than 10 years schooling having lower success in improving English language outcomes than the overall average. It was on this basis that a cohort adjustment was proposed for outcome payments for students with less than 10 years of schooling.

While the Department recognises that pre-migration trauma has a significant impact on a person's ability to learn, data on student pre-migration trauma is not collected in the AMEP. The Department ran an analysis of student outcomes by visa cohort on the assumption that humanitarian entrants are more likely to have experienced pre-migration trauma. However the results did not show a significant difference in learning outcomes across the visa streams.

Funding model comparison

Will the Department be providing the funding comparison data to individual service providers?

The Department will publicly report the results of the funding model comparison using de-identified data in scenarios to protect commercial-in-confidence information.

Childcare

Will free childcare remain available for all eligible AMEP students under the outcomes-based model?

The Department recognises that free childcare is beneficial for parents, particularly women, to attend AMEP classes and is investigating a number of alternative funding models to deliver childcare in a cost-effective way.

Budget allocations for childcare placements are one option the Department is considering for the new childcare funding model. Under this funding model, it is possible that service providers may need to prioritise which students receive free childcare placements. Final options around childcare are still being considered by the Department.

Will free childcare be available for students studying online?

At this stage, childcare will only be made available for face-to-face students.

Will childcare funding be set by the Department or be subject to a competitive tender process?

It has not been determined whether childcare funding will be set or tendered under the new AMEP business model.

If service providers are allocated a certain amount of funding to manage childcare placement and this allocation is exceeded, are service providers able to charge students for childcare?

Budget allocations for childcare placements are one option the Department is considering for the new childcare funding model. Under this funding model, it is possible that service providers may need to prioritise which students receive free childcare placements. Final options around childcare are still being considered by the Department.

Distance Learning

Will service providers still receive an enrolment payment for students who choose to undertake a combination of tuition modes e.g. distance learning and face-to-face?

The Department is seeking feedback on the future of Distance Learning in the new business model. Further consideration of the payment of enrolment payments for students enrolled in more than one tuition mode will occur once the decision on the future of Distance Learning has been finalised.

Individual pathway guidance

Can the Department give us more information around how individual pathway guidance will be funded and what they would want to see to be included in that guidance?

It is currently proposed that the Department will provide a separate payment to service providers for the provision of up to six hours of individual pathway guidance for each student.

Currently, pathway guidance is provided to assist students move through pathways to employment, training and social participation. Under the future AMEP business model, pathway guidance officers may be required to broaden the support provided to consider student attendance and wellbeing, and ensure that the Individual Pathway Guide is adjusted in response to life factors as necessary.

Information Management System

Will the information management system (IMS) remain as ARMS or will the Department develop a new system?

A new IMS will be implemented to support the new business model.

If a student migrates from a regional area to a metropolitan area or vice versa, will the IMS capture the movement and resulting loading calculation?

It is anticipated that the new IMS will streamline data entry processes for AMEP service providers. The Department will consider the functionality to capture the movement of students and the calculation of loadings in the design phase.

Performance management

What steps will the Department take to prevent fraud in the program?

A comprehensive compliance framework will be implemented to assure against fraud in the new model.

This framework includes the engagement of a third party provider to support the compliance activities of the Department.

Can the Department explain how service provider performance will be measured in the future AMEP business model?

The Department is in the process of developing a robust performance and compliance framework to support the implementation of the new AMEP business model. The framework may include, but is not limited to:

- regular reporting by service providers to the Department;
- key performance indicators to monitor service provider performance throughout the contract period;
- compliance monitoring, through site visits, client file verifications, client interviews and desktop reviews;
- feedback from students and stakeholders;
- oversight by an independent auditor which will monitor fraud and compliance through targeted risk-based assessments, reviews and audits; and
- program evaluation.

The Department will assess and monitor service provider performance in terms of efficiency, effectiveness and quality of service delivery.

Providing responses to the Reform of the Adult Migrant English Program Discussion Paper

Can the online submission form allow sufficient space to provide detailed yet succinct responses in order to answer the questions fully?

There is no word limit in the online submission form for responses to questions in the discussion paper.