



Media Release

The Hon Warren Snowdon MP

Minister for Veterans' Affairs

Minister for Defence Science and Personnel

Minister for Indigenous Health

Minister Assisting the Prime Minister on the Centenary of Anzac

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VA055

BILL DELIVERS IMPROVED MILITARY COMPENSATION ARRANGEMENTS

A Bill outlining improved military compensation arrangements passed through Parliament today delivering increased support to the veteran and defence communities and their families.

Minister for Veterans' Affairs Warren Snowdon welcomed the passing of the Veterans' Affairs Legislation Amendment (Military Compensation Review and Other Measures) Bill 2013 outlining changes to legislation flowing from the Review of Military Compensation Arrangements.

"This Bill outlines increased compensation, expanded eligibility criteria and improvements to existing military compensation arrangements from 1 July 2013, benefiting many Australian Defence Force members and their families," Mr Snowdon said.

The Government allocated \$17.4 million over four years to implement 96 of the 108 recommendations accepted from the Review of Military Compensation Arrangements completed in 2011. A further \$14.6m was allocated in the 2013-14 Budget in response to recommendation 25.1(a) regarding non-liability health care.

The recommendations implemented by this Bill will deliver: increased permanent impairment compensation; White Repatriation Health Care Cards to certain former members with conditions accepted under *Safety, Rehabilitation and Compensation Act 1988*; improvements to compensation for dependants; increased compensation for financial advice; expanded eligibility criteria for specific pensions, and a host of other improvements to the delivery of benefits and services. A full list of initiatives is attached. More than half of the recommendations will be implemented by 1 July 2013.

Consultation is currently underway regarding two recommendations involving investigating an enhanced advocacy model and a single appeals pathway for MRCA claims. Discussion papers outlining options to address these matters are available for comment until 30 September 2013.

Mr Snowdon said the Bill demonstrates the Government's ongoing commitment to continually reviewing support and services to ensure they are meeting the evolving needs of the veteran and defence communities and their families.

"I sincerely thank all those who contributed to the Review and in doing so, ensured that veterans, ADF members and their families receive the best support now and into the future," he said.

For more information on the Review of Military Compensation Arrangements, details of the Bill or to access the discussion papers visit the 'MRCA Review' tab on the DVA website www.dva.gov.au

Media inquiries: Minister Snowdon: Marcus Butler 02 6277 7820 or 0417 917 796
Department of Veterans' Affairs Media: 02 6289 6203

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SUMMARY OF IMPROVEMENTS TO MILITARY COMPENSATION ARRANGEMENTS

Permanent Impairment

- Improved provisions which will allow earlier payment of compensation for permanent impairment for some claimants with more than one accepted condition under the *Military Rehabilitation and Compensation Act 2004* (MRCA).
- DVA will make greater use of the payment of interim permanent impairment compensation and will include a payment for an imputed lifestyle effect when determining the level of interim MRCA compensation payable.
- A new method for calculating transitional permanent impairment compensation for clients under the MRCA who have been compensated previously under the *Veterans' Entitlements Act 1986* (VEA) and/or *Safety, Rehabilitation and Compensation Act 1988* (SRCA). Additionally DVA will undertake a reassessment of transitional cases determined between 1 July 2004 and 30 June 2013. These reviews will be undertaken from 1 January 2014.

White Card for SRCA Veterans

- Certain former ADF members with long term health conditions accepted under the SRCA will receive a White Repatriation Health Care Card from 10 December 2013 for specific conditions and a supplementary pharmaceuticals payment (if not already in receipt).

Compensation for Dependents

- Dependent children of deceased members will receive increased periodic compensation payments, aligning payments under the MRCA with similar payments made under the SRCA.
- Future wholly dependent partners (widows or widowers) will have greater flexibility in the way they receive compensation following the death of an ADF member or former member.

Financial advice

- Eligible persons will be able to receive compensation for legal advice and increased compensation for financial advice from financial advisers and lawyers in relation to decisions on selected compensation options.

Expanded eligibility criteria

- Eligibility criteria for the Special Rate Disability Pension (SRDP) will be expanded. This will affect clients who have either redeemed small amounts of incapacity payments or who have had their incapacity payments fully offset by their Commonwealth funded superannuation payments. Clients who are SRDP eligible will be automatically accepted as permanently incapacitated for work for the purpose of Invalidity Service Pension.

General improvements to the delivery of benefits and services

- The claims process for a person with an accepted condition under the VEA, which has been aggravated by service on or after 1 July 2004, will be simplified.
- Current and former members, including reservists, will benefit from improved consistency and flexibility in accessing rehabilitation and transition services.
- Education of rehabilitation providers, clients and their representatives will be increased to ensure that they are well informed about DVA entitlements in the event of injury or death. Information products on rehabilitation and transition from the ADF will also be improved.
- A range of initiatives designed to improve the quality and timeliness of claims processing, including keeping clients informed of their claim's progress, and improved reporting to assist the Military Rehabilitation and Compensation Commission to fulfill its functions.