

Veterans' Entitlements, Treatment and Support (Simplification and Harmonisation) Bill 2024

Posthumous Permanent Impairment Claims – Factsheet

The Veterans' Entitlements, Treatment and Support (Simplification and Harmonisation) Bill 2024 introduces changes to the *Military Rehabilitation and Compensation Act 2004* (MRCA) which allow a legal personal representative to make a claim for Permanent Impairment (PI) compensation after a person's death and the ability to convert any weekly compensation resulting from the assessment to a lump sum.

To view the exposure draft of the Bill and supporting documents please visit <u>https://www.dva.gov.au/about/royal-commission/veterans-legislation-reform-exposure-draft-consultation</u>.

Under the *Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988* (DRCA), a personal representative can both lodge a claim and receive PI compensation on behalf of the veteran's estate following the death of the veteran. Any lifestyle components associated with the payment(s) are, however, withheld.

Under the proposed changes, the MRCA will be modified to allow permanent impairment compensation to be paid as a lump sum to the estate of the deceased veteran where an initial liability or permanent impairment claim has been lodged prior to the veteran's death (whether determined or undetermined). This payment will exclude lifestyle components.

How will this affect me?

This change will benefit the beneficiaries of your estate if you die before your MRCA claim is determined.

Who will benefit?

Beneficiaries of the estates of deceased veterans will now be able to receive permanent impairment lump sum compensation payments (excluding lifestyle components) provided an initial liability or permanent impairment claim has been lodged and is posthumously accepted.

Date of effect?

Ongoing from 1 July 2026.