



Australian Government

Department of Veterans' Affairs

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

Creating a simpler, easier to use system for the  
veteran community

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# Royal Commission into Defence and Veteran Suicide Interim Report

**Recommendation 1:** Government should implement legislation to **simplify and harmonise** the framework for veterans' compensation, rehabilitation and other entitlements.

- On 26 September 2022, the Government accepted Recommendation 1.
- We previously consulted on reforming legislation (late 2022) and on a proposed model to move from a three Act system to a **single Act system** (early 2023).
- This consultation process focuses on the draft legislation to implement the single Act model.



# Why we're here today

- **We have heard your feedback on the proposed Pathway**
  - *A single Act model going forward is supported*
- **We have drafted legislation to implement a single Act model**
  - *The draft includes some additional proposals that respond to your feedback*
- **We are seeking your views on the draft legislation**
  - *Your views are critical to ensure we get this right*

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

**No. , 2024**

*(Veterans' Affairs)*

**A Bill for an Act to amend the law relating to veterans' affairs and military rehabilitation and compensation, and for related purposes**

# When would the new model commence?

- It is proposed that the new model commences on 1 July 2026
- Drafting the legislation is the first step
- Following the consultation process, amendments will be made if required, before the Bill is introduced to Parliament
- This allows sufficient time to inform the veteran community on what the changes mean
- We want veterans to have time to determine whether claims should be made under the current arrangements or the new model
- It is also important to allow sufficient time to train advocates and delegates

# What is the purpose of the Bill?

The Bill would implement the single Act model proposed in the Veterans' Legislation Reform Consultation Pathway, shaped by the feedback provided in 2023

The core elements are:

- all new claims for compensation and rehabilitation will be considered under an improved MRCA
- closing the VEA and DRCA to most new compensation related claims
- VEA and DRCA compensation payments being received at the commencement date would be grandfathered

# MRCA Improvements

There are a number of improvements to the MRCA:

- introduction of the Additional Disablement Amount to the MRCA, similar to the VEA's Extreme Disablement Adjustment
- higher travel reimbursement amount when using a private vehicle to travel for treatment
- coverage for medical event while on duty
- accept claims for certain specified conditions on a presumptive basis under the MRCA
- date of effect for permanent impairment payments
- merging the Military Rehabilitation and Compensation Commission with the Repatriation Commission
- posthumous conversion of permanent impairment periodic payments

A full list of changes is available at [www.dva.gov.au/legislationreform](http://www.dva.gov.au/legislationreform)

# Current VEA Veterans and Families

- Incapacity compensation payments.
- Partners of deceased veterans whose death is due to service would have choice to receive compensation as an aged-based lump sum and receive increased compensation.
- Increased funeral allowance of \$3,000 for previous automatic grant categories under the VEA.
- Reimbursement for funeral expenses of up to \$14,062 for all service related deaths.
- Uniform provisions for household and attendant care.
- Cessation date for Disability Compensation Payment to date of death.

# Current DRCA Veterans and Families

- Special Rate Disability Pension
- Gold Cards
- Education Scheme
- Single Review Pathway

Note: “MRCA Threshold Test” and impact on Whole of Person Impairment



# Schedules of the Bill

## 1 Single ongoing Act main amendments

Gives effect to the key Bill objective – to simplify and harmonise the legislation through adapting the MRCA as the single ongoing Act

Closes VEA and DRCA to new liability & compensation claims from 1 July 2026

Opens the MRCA to claims arising from service prior to 1 July 2004

Standardises various provisions which had operated differently across the three Acts. For eg a standard approach for rehabilitation, irrespective of when a veteran served

## 2 Single ongoing Act enhancements

This would enhance the MRCA. It would provide a single set of eligibility provisions for various entitlements

Introduces a presumptive liability mechanism and a new Additional Disablement Amount



# Schedules of the Bill

<b>3 Review Pathway</b>	<p>Standardises the review pathway for compensation decisions across the 3 Acts</p> <p>Part 1 would commence 60 days after Royal Assent (prior to remaining single ongoing Act reforms)</p> <p>Part 2 would commence on 1 July 2026</p>
<b>4 Merging Commissions</b>	<p>Consolidate the powers and functions of the Repatriation Commission and the Military Rehabilitation and Compensation Commission</p> <p>The Repatriation Commission would continue in existence</p>
<b>5 Repatriation Medical Authority and Specialist Medical Review Council</b>	<p>Transfer the provisions governing the RMA and SMRC into the MRCA. There would be no change to the functions or powers of either body</p>

# Schedules of the Bill

<b>6</b>	<b>Disability compensation cessation date</b>	<p>Alters the final date of payment of disability compensation payment under the VEA</p> <p>Currently, when a veteran in receipt of disability compensation payment dies, the payment and associated allowances are retroactively ceased at the end of the fortnight pay period preceding the date of death</p> <p>This would harmonise the cessation date for disability compensation payment and associated allowances with the cessation date of comparable payments. The cessation date would be extended to the veteran's date of death</p>
<b>7</b>	<b>Application and transitional provisions</b>	<p>Deals with interaction between the law as it currently stands, and the law as it will be once the reforms commence. For eg. how to handle claims which may be undetermined on the day of commencement</p>
<b>8</b>	<b>Consequential amendments</b>	<p>Deals with changes which need to be made to other Acts as a result of the reforms being made to veteran's legislation</p>

# What is available to help you understand how the Bill would operate?

- DVA's website has a dedicated webpage for this consultation process – [www.dva.gov.au/legislationreform](http://www.dva.gov.au/legislationreform) or scan the QR code
- In addition to the draft legislation, resources include:
  - a marked up version of the MRCA, DRCA and VEA
  - a draft Explanatory Memorandum
  - information booklet
  - scenarios
  - frequently asked questions



# Scenarios These scenarios are only illustrative and are not definitive outcomes.



## Matthew, 68

- Receives \$304 f/n 50% Disability Compensation Payments
- Receives \$200 f/n Commonwealth funded superannuation

### Lodges claim for worsening conditions

Matthew's new assessment is 70 impairment points with a lifestyle rating of 6

#### Current VEA

**\$933** f/n VEA  
Extreme Disablement Adjustment DCP



#### Under MRCA

**\$813** f/n\* MRCA OR **\$368** f/n\* MRCA + **\$149,056** lump sum



\*Includes grandparented DCP of \$304 and Additional Disablement Amount (ADA) of \$64. The new ADA is reduced by DCP, PI and 60% of Commonwealth funded superannuation.



## Bruce, 68

- Receives \$244.74 f/n 40% Disability Compensation Payments

### Lodges claim for worsening conditions

#### Current VEA

**\$363** f/n VEA  
60% Disability Compensation Payments

#### Under MRCA

**\$370** f/n\* MRCA OR **\$244** f/n\* MRCA + **\$42,083** lump sum



\*Includes grandparented DCP \$240



# Scenarios These scenarios are only illustrative and are not definitive outcomes.



## Charlie, 69

- Receives \$1,729.20 f/n TPI Disability Compensation Payment
- Receives \$826.70 f/n max rate partnered Service Pension

No changes in circumstances and is wondering how the change affects him

**Current**

**\$1,729** f/n TPI

**\$826** f/n SP

life ✓ 


✓ Veterans Home Care

✓ Automatic grant of War Widow(er)'s Pension

**Future**

**\$1,729** f/n grandparented TPI

**\$826** f/n SP

life ✓ 

✓ Veterans Home Care

✓ Automatic grant of War Widow(er)'s Pension

✓ Household services



## Gabby, 47

- Full-time service (prior to 1 July 2004)
- Stops work due to service-related conditions


Lodges claim for incapacity payment for lost wages (based on rank and pay)

**Current DRCA**

**\$2,008** f/n DRCA

**5%** notional super contribution deducted

**Under MRCA**

 **\$2,962** f/n MRCA

**\$366** f/n MRCA

✓ Includes Remuneration Allowance

~~**5%** notional super contribution deducted~~

# Scenarios

*These scenarios are only illustrative and are not definitive outcomes.*



## Greg, 60 (deceased)

- Passes away from service-related condition
- Leaves behind partner and 16-year-old child

### Greg's partner lodges a claim

#### Current VEA

GREG'S PARTNER		GREG'S CHILD 16YO	
<b>\$1,116</b> f/n VEA War Widow(er)'s Pension	life ✓	<b>\$399</b> f/n VEA education allowance	✓  while in full time education
		<b>\$2,000</b> Funeral Benefit	

#### Under MRCA

GREG'S PARTNER		GREG'S CHILD 16YO	
<b>\$1,116</b> f/n MRCA OR <b>\$664,986</b> Wholly Dependent Partner Aged-based lump sum	life ✓	<b>\$104,291</b> lump sum	<b>\$399</b> f/n MRCA education allowance
<b>\$152,908</b> Additional Death Benefit		<b>\$346</b> f/n MRCA compensation payment	✓ while in full time education
		Funeral Benefit up to <b>\$14,062</b>	



## Scenarios *These scenarios are only illustrative and are not definitive outcomes.*



### Erin, 62

- Previously received \$321,000 PI payment for service-related conditions
- Erin's service is DRCA only

#### Lodges new claim for shoulder injury

##### Current DRCA



**\$43,067**  
lump sum

##### Under MRCA

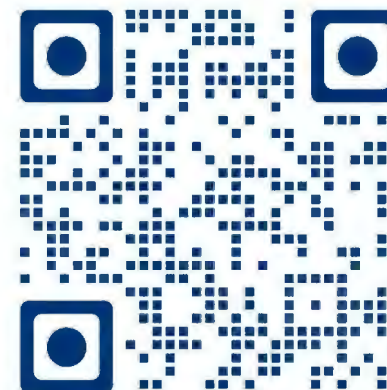
**\$48**<sup>f/n</sup>  
MRCA

OR

**\$21,270**  
Aged-based lump sum



life



Further scenarios are available at  
[www.dva.gov.au/legislationreform](http://www.dva.gov.au/legislationreform)  
or scan the QR code





# Thank you

We are keen to hear from you about the proposed legislation  
Submissions may be made anonymously and will not be published without  
your permission. **Submissions close on 28 April 2024**

## Website

Scan the QR code or visit  
[www.dva.gov.au/legislationreform](http://www.dva.gov.au/legislationreform)

## Email

[legislation.reform@dva.gov.au](mailto:legislation.reform@dva.gov.au)

## Post

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