

VETERANS' AFFAIRS

Allow maximum lump sum advances to all Department of Veterans' Affairs pensioners

Function: Social Security and Welfare

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
0.2	0.0	0.0	0.0

Explanation

This measure will provide access for all Veterans Affairs' pensioners (including disability pensioners) in receipt of more than \$40 per fortnight, to a maximum lump sum advance of \$500, and will streamline procedures for determining the amount of advance payable.

For those pensioners receiving less than \$40 per fortnight, the maximum amount of advance that can be accessed will be determined by a simple formula, i.e. pension paid multiplied by 13, provided that this formula does not exceed the maximum lump sum amount accessible of \$500. This formula will ensure easy recovery of the advance over the mandatory 13 fortnight recovery period.

This measure is intended to provide pensioners with more flexibility and choice in how they meet their consumption needs. This proposal also simplifies the administrative procedures for calculation of the advance payable.

Expected implementation date is January 1998.

It is estimated that each year approximately 760 veterans receiving disability pension only will benefit by having access to the advance, while 960 service pensioners would benefit from the increased lump sum amount available.

VETERANS' AFFAIRS

Indexation of the lump sum equivalent for the Disability Pension

Function: Social Security and Welfare

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-0.1	-0.3	-0.4	-0.6

Explanation

This measure corrects an administrative anomaly. Some veterans and war widows eligible to receive compensation under the *Veterans' Entitlements Act 1986* in the form of Disability Pension and War Widows Pension are also eligible to receive a lump sum of compensation for the same injury, disease or death from another source. At present, in order to avoid double compensation, a fortnightly equivalent of the compensation lump sum is calculated and deducted from the Disability Pension or War Widows Pension payable. This deduction is known as a limitation amount.

Because limitation amounts are not indexed and Disability and War Widows pensions are, there has been an increasing 'reality gap' between the limitation amount and the pension received. In effect, the real value put on the amount of the lump sum received has been undervalued due to the lack of indexation arrangements. As a consequence, the pensions paid have been higher than they should have been.

This proposal will remedy the situation by introducing the same adjustment factor to limitation amounts as currently applies to pension increases.

This measure will provide more equity in pension payments between the two groups of pensioners involved, namely, those subject to and those not subject to limitation amounts.

Expected implementation date is September 1997.

VETERANS' AFFAIRS

Addressing anomalies in entitlements for veterans deployed overseas

Function: Health, Social Security and Welfare, Housing and Community Amenities, Recreation and Culture

Financial Implications (\$m)

	1997-98	1998-99	1999-00	2000-01
Health and Family Services	-0.1	-0.2	-0.3	-0.4
Social Security	-0.3	-0.7	-1.1	-1.6
Veterans' Affairs	2.5	5.2	7.4	8.9
TOTAL	2.2	4.3	6.0	6.9

Explanation

In its election platform, *Veterans - for those who served*, the Government made a commitment to review significant anomalies in veterans' entitlements and particularly those which have been of longstanding concern to the veteran community. A joint review was undertaken by the Departments of Defence and Veterans' Affairs.

All recommendations extend eligibility for treatment and disability pension under the more generous 'reasonable hypothesis' standard of proof.

The following areas of overseas service will be accorded the status of operational service for the inclusive periods shown, but without attracting qualifying service eligibility for the service pension:

- service by members of the Permanent Forces with the British Commonwealth Occupation Force (BCOF) - Japan - 3 January 1949 to 30 June 1951;
- service in North East Thailand, including Ubon - 31 May 1962 to 31 August 1968;
- service in the demilitarised zone between North and South Korea - 19 April 1956 (ongoing);
- naval service in Vietnam on HMA ships *Vampire* and *Quickmatch* from 25 January 1962 to 29 January 1962;
- service in Singapore - 29 June 1950 to 31 August 1957; and

- seagoing Naval service with the Far East Strategic Reserve (FESR) - 2 July 1955 to 27 May 1963.

In addition, service in Vietnam from 12 January 1973 to 29 April 1975 inclusive will be declared warlike service, including qualifying service eligibility for the service pension.

United Nations (UN) activities will be declared as peacekeeping activities for military observers with the UN Commission on Korea from 1949 to 1950, the India-Pakistan Observation Mission from 1965 to 1966, the Interim Force in Lebanon from 1978, and UN border relief operations in Cambodia in 1989.

These changes will take effect from the date when amendments to the *Veterans' Entitlement Act* are announced. Eligible veterans can apply for entitlements as of 13 May 1997.

Veterans will also be eligible for benefits provided under Defence Service Homes legislation.

VETERANS' AFFAIRS

Extend the five year Refurbishment Programme for the Australian War Graves

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
0.4	0.5	0.2	0.0

Explanation

This measure will enable the refurbishment, reconstruction and relocation of Office of Australian War Graves (OAWG) assets.

The OAWG maintains over 74 war cemeteries and war grave plots in Australia, Papua New Guinea and the Solomon Islands on behalf of the Commonwealth War Graves Commission. In addition, over 200,000 official memorials are maintained in general cemeteries and Gardens of Remembrance across Australia.

The OAWG's five year Refurbishment, Reconstruction and Relocation Programme has successfully arrested much of the deterioration in assets originally identified as requiring substantial repair or replacement. The programme needs to be extended as many more assets and individual memorials require significant restorative action, or replacement, to maintain the standard of official commemoration expected by the Australian public and the Commonwealth War Graves Commission.

Improvements are required at most OAWG depots and war cemeteries in order to comply with recently introduced Occupational Health and Safety regulations.

These activities will ensure the integrity and durability of assets maintained on behalf of the Commonwealth War Graves Commission and will better enable the Government to fulfil its obligation to commemorate Australia's veterans.

The proposed works will also limit the increasing costs of ongoing maintenance into the future.

VETERANS' AFFAIRS

Security and structural works and management at Papua New Guinea War Cemeteries

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
0.4	0.7	0.6	0.2

Explanation

This measure will improve the safety, structural integrity and management of the three war cemeteries in Papua New Guinea.

Restorative work will be undertaken at the three war cemeteries in Papua New Guinea to ensure the durability and presentation of the memorials and structures. A drainage system will be installed at Bomana War Cemetery to protect the headstone beams from the extremes of soil movements caused by the seasonal waterlogging and drying out of the cemetery.

More positive and comprehensive security measures will be provided to better safeguard visitors from assault at the three cemeteries.

Visitors to the three war cemeteries will enjoy safer conditions, structural assets will be repaired to prevent further serious damage and staff and resources will be better managed.

VETERANS' AFFAIRS

Link treatment benefit eligibility to pension rate

Function: Health

Financial Implications (\$m)

	1997-98	1998-99	1999-00	2000-01
Health and Family Services	0.0	-0.1	-0.1	-0.1
Veterans' Affairs	0.0	0.2	0.2	0.2
TOTAL	0.0	0.1	0.1	0.1

Explanation

This measure will link the eligibility for treatment benefits under the income and assets tests to the same rate of pension, aligning the assets test treatment limit to the higher income test limit.

The eligibility process for treatment benefits will be standardised, by using the same rate of pension to determine eligibility for treatment benefits regardless of whether a service pensioner has qualified under the income or assets test.

The proposal simplifies eligibility criteria and provides equity in the application of the income and assets test by:

- providing the same pension rate for the income and assets test treatment benefits cut-out point; and
- removing the anomaly where a person can receive a pension increase but at the same time lose entitlement to treatment benefits.

The implementation date has been scheduled for 20 September 1998.

It is estimated that approximately 100 assets tested veterans will become eligible for treatment with the introduction of this proposal.

VETERANS' AFFAIRS

Medication management and treatment awareness

Function: Health

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-0.8	-6.5	-6.5	-6.5

Explanation

This measure involves:

- identifying veterans who would benefit from improved treatment and management of their conditions;
- making available to the medical profession information about best practice management of the conditions most prevalent in veterans;
- identifying and providing interventions which can influence the course of these diseases;
- introducing easy to use, easily checked compliance packaging for veterans who are identified by their doctors as having problems with the regular medication pack, e.g. vision problems, confusion and memory problems; and
- making available information for veterans (in printed form and by telephone) to improve medication use.

Programmes, including personalised information, letters, reminders, education programmes and brochures, which improve treatment of veteran conditions will be offered to veterans and their doctors. These programmes of best practice guidelines will provide resources which build on the structure provided by the Repatriation Comprehensive Care Scheme and will be developed with the assistance of the professions.

Arrangements will be made with pharmacists for them to provide medication in compliance packs, for identified veterans, at an agreed small charge and at an agreed frequency. Veterans and their families will have increased confidence in the safe administration of medicines because they will be able to check if medications have been taken.

Savings will be generated by a reduction in the overall cost to the Department of Veterans' Affairs of wastage and stockpiling of medications, and from reduced hospital costs and doctor visits.

The expected implementation date is 1 July 1997.

VETERANS' AFFAIRS

Improvement in services in rural and remote areas

Function: Social Security and Welfare, Health

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
0.1	-0.0	-0.1	-0.1

Explanation

This measure will provide the veteran community in rural and remote areas with access to services that are equivalent to those available in metropolitan areas and that promote self-help and independence. Savings in the outyears are expected to flow from a reduced requirement to use mainstream hospital and medical services.

This measure has five elements:

Extend the Rural and Remote Pilot on Home Safety and Security Assessment to Other Regions - This will involve projects on home safety and security, with risk factors in the home being identified in order to reduce the incidence of falls by veterans in their own homes.

Improved Information to Veterans in Rural and Remote Areas by Linking with Other Agencies - Links will be established with the Australian Country Information Service, other government agencies and community organisations to provide and deliver Department of Veterans' Affairs information and services.

Regular Telephone Contact Pilots - This proposal will provide regular telephone contact to veterans and war widow(er)s who are alone and are at risk of accident or sudden health deterioration.

Veterans' Local Support Group Scheme - Establishment of up to fifteen Veterans' Local Support Groups, mainly in rural and remote areas, will promote self-help and independence amongst veterans through social and recreational activities, pre-vocational skills training, educational and therapeutic programmes and referral.

Remote Area Allowance for Occupational Therapists - Improvements in the health and well-being of the veteran community in rural and remote areas will be achieved by paying occupational therapists a Remote Area Allowance to undertake home assessments.

The five elements will be progressively implemented from July 1997 to January 1998.

VETERANS' AFFAIRS

Introduce panel diagnosis for certain conditions

Function: Social Security and Welfare

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
-0.5	-2.9	-5.0	-7.1

Explanation

This proposal will allow:

- the Repatriation Medical Authority to approve diagnostic criteria, to be followed by all decision makers, that will require diagnoses to be made consistently; and
- for the establishment of panels of medical practitioners that will provide a system of peer review of diagnoses to enable the Repatriation Commission to be properly satisfied as to the cause of death, or the diagnosis or existence of a disease or injury in veterans.

Diagnoses of certain conditions will now be subject to adjudication by eminent specialists in independent panels.

In most cases the accuracy of a diagnosis is not in contention as there are objective radiological, pathological or other tests to demonstrate the existence of a disease. However, the use of panels will address the longstanding difficulty in establishing diagnoses where objective tests do not exist. Psychiatric conditions and back pain are two areas where diagnosis is difficult, and the more sophisticated approach proposed will minimise the risk of incorrect diagnosis, which in turn will avoid inappropriate treatment and compensation.

The expected implementation date is November 1997.

VETERANS' AFFAIRS

Supplementation in lieu of an entrance fee for the Australian War Memorial

Function: Recreation and Culture

Financial Implications (\$m)

1997-98	1998-99	1999-00	2000-01
0.7	0.7	0.7	0.7

Explanation

This measure will provide funding to the Australian War Memorial in lieu of the previously proposed entrance fee.

A 1994 KPMG Review of the Australian War Memorial budgetary arrangements identified an inadequate funding base to continue with its role and functions. The intention of the Memorial's budgetary strategy was to supplement its administrative base funding to an appropriate level by increasing revenue through, for example, a

proposed entrance fee, and decreasing administrative expenses. The Review argued that the projected revenue from fees would be critical in helping address perceived funding shortfalls at the Memorial.

Public concern about the proposed fee led to an election commitment by the Coalition that an entrance fee would not be introduced. This commitment received considerable support from the public and ex-service organisations.

This measure provides supplementation to the Memorial's base funding to make up for the revenue forgone by not introducing the entrance fee.