



The Hon De-Anne Kelly BE MP
Federal Member for Dawson
Minister for Veterans' Affairs, Minister Assisting the Minister for Defence

BUDGET DELIVERS ON VETERANS' SERVICES

Strengthened veterans' health care, support to assist older veterans in paying their utilities bills and renewed funding for services to veterans and defence force members in regional areas feature in the Australian Government's 2005-06 Federal Budget.

The Minister for Veterans' Affairs, De-Anne Kelly, said the Government had increased funding for the care of the veteran and defence force communities to more than \$10.8 billion in 2005-06, an increase of \$278 million on 2004-05.

"Veterans' Affairs funding has risen under this Government from \$6.5 billion in 1996 to more than \$10.8 billion in this Budget – an average annual increase of 5.8 per cent," Mrs Kelly said.

"Over a decade, the Government has committed more than \$86 billion in recognition of the special needs of our veterans and war widows."

Mrs Kelly said the 2005-06 Veterans' Affairs Budget included \$4.6 billion for health care, an increase of \$203 million on 2004-05, and \$6.1 billion for compensation and income support, up from \$6 billion last year.

"This is a Government that listens to the concerns of our veterans. We have taken further steps to secure medical services under the Gold Card, provided new financial support for older veterans with a Gold Card and renewed our commitment to ensuring veterans and defence force families have access to the same information in regional areas as they do in our cities.

"These Budget measures are in addition to \$325 million already committed to strengthen Local Medical Officer and specialist medical services, as well as our election commitments to assist pensioners and retirees in meeting utility costs and to pay a fitting tribute to our veteran community in this 60th anniversary year of the end of World War II.

"This Budget builds on the strong support provided to the veteran and defence force communities, including last year's commencement of the new Military Rehabilitation and Compensation Scheme and the Government's response to the Clarke Review of Veterans' Entitlements," Mrs Kelly said.

Veterans' health care

The Government will strengthen medical services available to eligible Gold and White Card holders, with increases in fees paid to anaesthetists, Local Dental Officers and a range of allied health professionals.

Budget 2005-2006
Department of Veterans' Affairs

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Fees for anaesthetists providing services to eligible veteran patients will increase by 20 per cent from 1 July 2005. Mrs Kelly said the initiative, at a cost of \$30.4 million over four years, would extend to anaesthetists the same fee increase for procedures provided to other specialists. The Government will also introduce a single claim system for anaesthetists to claim fees from the Department of Veterans' Affairs, reducing red tape and administration costs.

The Government will provide \$30.5 million over four years to deliver annual fee increases for Local Dental Officers who provide dental services to eligible Gold and White Card holders. Commencing on 1 July 2005, the fee increase will be phased in each year with a total increase of 13.6 per cent by 2008-09. This will be in addition to normal indexation.

The Government will almost triple the annual monetary limit for high cost items from \$749 to \$2000 a year, reducing the amount veteran patients will have to contribute for high cost dental services such as crowns.

Fees for allied health professionals will also increase over the next four years, at a total cost of \$18.2 million. Over four years, the initiative will provide a total average increase of 8 per cent for chiropractors, osteopaths, dieticians, occupational therapists and physiotherapists and 30 per cent for psychologists, social workers and speech pathologists. Mrs Kelly said the increases varied by profession, reflecting the relativity of current fees to average industry rates.

"These initiatives add to the Government's measures to secure general and specialist medical services for the veteran community," she said.

"They provide further assurance that quality medical services will continue to be available under the veterans' health system."

Mrs Kelly said the Government had listened to health professionals, who had put together a constructive case for a fee increase.

Support for older veterans

Mrs Kelly said the Government had broadened its support for older members of the veteran community, with a commitment of \$27.7 million over four years to extend the seniors concession allowance to more than 44 000 Gold Card holders who are over veteran pension age and who do not already receive the seniors concession allowance or the twice yearly utilities allowance.

The allowance was introduced as an election commitment to assist Commonwealth Seniors Health Card holders with the cost of energy, rates, water and sewerage and motor vehicle registration. The non-taxable allowance of \$200 is paid in two instalments of \$100 in June and December. The annual rate of the allowance is indexed twice yearly.

"This Government previously extended the Gold Card to include veterans aged 70 or over with qualifying service from any conflict, in recognition of their increased health needs as they grow older," Mrs Kelly said.

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"This initiative recognises the special needs of Gold Card holders over veteran pension age and ensures they receive support in meeting their utilities bills."

The Minister said the Budget also included \$8.5 million over four years for the Government's election commitment to exempt aged care accommodation bonds from the DVA and social security assets test.

The exemption will apply from 1 July 2005 to all lump sum bonds, until the bond is refunded to the person or their estate when they leave aged care, regardless of when the bond was paid.

DVA will work with other departments on research into new strategies to prevent incorrect amounts of income support payments being made to recipients as a result of their changed circumstances or incorrect recording of changes in circumstances.

The Minister said the Department would also work with the Department of Family and Community Services to enable the automatic cross-checking of departmental identity registers. This would prevent people from unintentionally or fraudulently claiming payments to which they are not entitled.

Veterans' services

Mrs Kelly said the needs of veterans and defence force families in rural and remote areas remained a priority, with approximately one-third of the veteran community living outside major metropolitan areas.

"In recent years, the Government has built business partnerships with other Commonwealth, State and local agencies to enable veterans to access information and services in areas across the country," she said.

"There are currently 135 contracted agencies operating in regional areas and they have received strong support from the veterans using them as a convenient location to make claims for benefits and seek information about their entitlements.

"The Government has allocated \$2.1 million to continue these agency arrangements for the next four years, a small investment that provides a significant return in assisting those living in regional areas to access DVA services."

The Minister said the Government was also continuing its commitment to improving the efficiency of veterans' service delivery through the innovative use of information technologies.

The Government has approved the Department of Veterans' Affairs proceeding with an IT application development framework that will allow DVA to integrate its existing service delivery systems with IT systems developed in the future.

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"The framework will enable DVA to continue to be responsive in implementing Government initiatives, to ensure that its systems are reliable and cost effective and to extend the provision of services over the Internet, further improving service delivery to the veteran and defence force communities," the Minister said.

Other measures

Over the next four years from 1 January 2006, the safety net threshold for concessional patients under the Pharmaceutical Benefits Scheme, which also applies to the Repatriation Pharmaceutical Benefits Scheme, will be increased by two prescriptions each calendar year, from the current 52 per year to 60 prescriptions in 2009. For general patients under the PBS, the safety net threshold will increase from the current level of \$874.90 by the dollar equivalent of two prescriptions each year until 1 January 2009.

"This measure will encourage the appropriate and safe use of medicines and continues the Government's approach of an appropriate balance of patient and taxpayer contributions to the increasing cost of pharmaceuticals and helps to maintain the sustainability of the PBS," the Minister said.

"Eligible veterans will continue to benefit from concessional rates on prescription medicines and the payment of the DVA pharmaceutical allowance."

The veteran community would benefit from funding to continue initiatives including the Quality Use of Medicines programme and GP involvement in Home Medicines Reviews, which support veterans and other patients in using their prescription medicines safely and effectively.

Mrs Kelly welcomed continued funding for initiatives promoting better outcomes in mental health care, asthma management and cervical cancer screening.

"Veterans' Affairs works closely with the Health and Ageing portfolio on a number of health programmes of benefit to both veterans and the wider community. I am pleased to see funding continue for these important initiatives."

The Minister said the 2005-06 Federal Budget continued the Government's strong track record in working to meet the needs of those who serve in the defence of Australia.

"Through our commitment to working with the ex-service and defence communities to identify and address key priorities, the Government has delivered a repatriation system that continues to be highly regarded around the world," Mrs Kelly said.

"And with the new Military Rehabilitation and Compensation Scheme firmly established, the repatriation system is well-placed to continue its work over coming decades.

"The 2005-06 Budget builds on our hard work, to ensure that our veterans, whether they served in the world wars or in more recent deployments, will receive the care they need and the support the community expects for this important group of Australians."

More information about the 2005-06 Veterans' Affairs Budget is available at www.dva.gov.au.