

Senate Foreign Affairs, Defence and Trade Legislation Committee

ADDITIONAL ESTIMATES 2002—2003; February 2003

Answers to questions on notice from Department of Veterans' Affairs

Question 24

Outcome 1 (Compensation)

Topic: Sun Herald story on veterans' compensation.

Written question on notice.

Senator Mark Bishop asked:

Will the Repatriation Commission provide a rebuttal to any part of the content of the Sunday Herald Sun story on veterans' compensation dated 5 January 2003, and identify any action it has taken in response to that article in order to restore the credibility of the scheme?

Answer:

The Sunday Herald Sun story of 5 January 2003 was based on the opinion of an unnamed doctor. In these circumstances it is not possible to examine the particular claims made in the article. However, there is no evidence of widespread fraud occurring within the Veterans' Affairs disability compensation system.

Veterans are entitled to claim disability compensation for any disability that they believe is related to their service. The determining system currently in place to assess such claims requires a medical report diagnosing the claimed condition, and the determining authority must then decide whether or not the circumstances of the veteran's service contributed to the condition. The determining system is certainly not "tick and flick" as claimed in the newspaper report.

Where the Department receives an allegation that certain individuals are inappropriately receiving disability pensions, the allegation is investigated and, if appropriate, re-assessment of pension is undertaken. Where evidence of possible fraud against the Commonwealth is found, the Department refers these cases to the Director of Public Prosecutions. It can be difficult to progress action on claims of fraud where individuals are not prepared to be identified and give submissible evidence in the support of their claims.

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Question 28

Outcome 1 (Compensation)

Topic: Doctors and specialists

Hansard page 93.

Senator Mark Bishop asked:

How many doctors and specialists have been counselled in the last few years on the quality of their diagnosis—any, none?

Answer:

The Department has issued guidelines for medico-legal reports that it seeks in relation to claims for psychiatric illness. These were developed in the late 1990's in conjunction with the Royal Australian and New Zealand College of Psychiatrists (RANZCP), the Australian Medical Association (AMA), the Australian Centre for War-caused Trauma, and the veteran community. These were supplemented with a series of seminars held around Australia for psychiatric practitioners.

The Department does not have the authority to counsel doctors and specialists about the quality of their psychiatric diagnoses.

No records are kept on this issue, but anecdotally fewer than 20 medical practitioners each year are asked to elaborate on their diagnoses.

The diagnostic guidelines combined with the seminars resulted in a marked increase in the quality and uniformity of reports generally reducing the need for clarification or a second opinion.

Question 29

Outcome 1 (Compensation)

Topic: Clarke Review

Hansard page 97.

Senator Mark Bishop asked:

What has been the cost of the Clarke review to date and how does that compare with your estimates?

Answer:

As at 28 February 2003, the expenditure for the review was \$1.6m. The estimate was \$1.2m. The variation between expenditure and the estimate has arisen from:

- the larger than expected number of submissions, involving more investigation and analysis than anticipated; and
- consequential additional work to complete the report.

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Question 30

Outcome 1 (Compensation)

Topic: Clarke Review

Hansard page 97.

Senator Mark Bishop asked:

Are you aware of any briefings being offered by the minister or her advisers on the detailed contents of the Clarke report?

Answer: No.

Question 31

Outcome 1 (Compensation)

Topic: Provision in the VALA Bill (No 3)

Hansard page 92

Senator Mark Bishop asked:

There is a bill currently before the parliament, the VALA Bill (No3), in which you seek to remove a restriction of the Privacy Act to allow third parties to have access to information on veterans' benefits. Are you familiar with that provision in the VALA Bill (No3)?

Is there any suggestion, in light of that precedent, that ADF could be exempted as well? Has any suggestion been given to that?

My reading of the EM attached to that bill is that it allows disclosure of information to veteran; hence the exemption from the Privacy Act.

Answer:

The *Veterans' Affairs Legislation Amendment Bill (No. 3) 2002* was introduced into the Parliament on 5 December 2002. This Bill contains proposed amendments to the *Veterans' Entitlements Act 1986* (VEA). One of the proposed amendments contained in Schedule 1 to the Bill relates to the backdating of claims for partner service pension in certain circumstances. The proposed amendments relating to this measure are contained in items 29 to 32 of the Schedule.

The purpose of the proposed amendments is set out in the Explanatory Memorandum to the Bill (in particular, pages 18 to 20). In short, the problem that is being addressed by this measure relates to the fact that a person aged under 50 years is able to claim a partner service pension where the veteran is in receipt of special rate pension (ie is TPI) under section 24 of the VEA. Claims for special rate pension may take several years to be finally determined if the full review and appeals process is pursued. Accordingly, at the time the claim for a partner service pension is determined, the claimant may not meet the eligibility criteria as the veteran may not have the outcome

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of the special rate pension claim finally determined. The proposed amendments will enable any subsequent partner service pension claim to be backdated to the date of the original claim where the special rate claim of the veteran is finally successful.

However, the above processes will necessarily involve the 'use' and possibly the 'disclosure' of personal information in circumstances that may be regarded as being in breach of the requirements of the *Privacy Act 1988*. The proposed processes to be implemented to give effect to the above measure will necessarily involve the veteran's partner being advised of the outcome of the veteran's special rate claim and the Department using that outcome to determine the partner's subsequent partner service pension claim. The proposed amendments are designed to remove any doubt that the proposed processes will fall within the exemptions contained in Information Privacy Principles (IPPs) 10 and 11 which enable the 'use' and 'disclosure' of personal information to lawfully take place where such a 'use' or 'disclosure' is 'required or authorised by or under law' (see IPPs 10(1)(c) and 11(1)(d)).

The legal situation in relation to the disclosure of 'personal information' by the Department of Veterans' Affairs (DVA) to the Department of Defence (Defence) is totally different to the above circumstances. There is already a power in subsection 130(2) of the VEA that enables the DVA to provide any information (which includes 'personal information') obtained in the performance of duties under the VEA to another Commonwealth Department or authority '*for the purposes of that Department or authority*'. The Office of the Privacy Commissioner has previously expressed the view that this power in the VEA falls within the exemption contained in IPP 11(1)(d) (ie is required or authorised by or under law) and would enable DVA to lawfully disclose 'personal information' for the lawful purposes of another Commonwealth Department or authority.

In relation to the matters previously raised concerning allegations of persons being in receipt of disability pension payments under the VEA and subsequently being deployed by the ADF for military service, the legal difficulty in complying with the requirements of the *Privacy Act 1988* relates to the power of Defence to disclose to DVA the names and identification details of those individuals who are to be deployed (ie 'personal information') in accordance with the requirements of the IPPs. DVA is already in a position to lawfully respond to such requests for 'personal information' from Defence. Any legislative action to deal with the powers of Defence to disclose 'personal information' to DVA is not a matter that would involve amendments to the VEA.

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Question 32

Outcome 1 (Compensation)

Topic: BEST program

Hansard page 93

Senator Mark Bishop asked:

Can I be provided with a copy of the evaluation of the BEST programme?

Answer:

A copy of the report *Building excellence in support and training—an evaluation* (BEST), is attached.

Attachment: Report: *Building excellence in support and training—an evaluation* (BEST), is a 128 page document. It is available in 'Word' and 'Acrobat' from the Committee's website.

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Question 33

Outcome 1 (Compensation)

Topic: Current health studies

Hansard pages 96 and 97

Senator Mark Bishop asked:

Could you provide on notice a list of current Health studies under way or planned and a current proposed timetable for their conclusion?

In respect of each of the studies you identify, the specific prompts, which led to the commencement of work—what caused you to go down that particular path? Finally on this issue, I have received representations from the family of a Vietnam veteran, through my colleague member for Ballarat, expressing concern for the need to conduct a full health survey of Vietnam veterans' children. Are you aware whether any study has been considered into this matter or whether one has been done? Are you considering such a study in the future?

Answer:

Studies planned, under way or recently completed are:

The Water Contamination Project (recently completed);

The Gulf War Veterans' Health Study (recently completed);

The Korean War Veterans Mortality Study (expected to be completed August 2003);

The Korean War Veterans Cancer Incidence Study (expected to be completed July 2003);

The Korean War Veterans Pilot Health Study (nearing completion);

The Korean War Veterans Health Study (not expected to be completed before December 2003);

The Nuclear Test Participants Cancer Incidence and Mortality Study (expected to be completed in 2004);

The Toxic Effect of Chemical Combinations Study (expected to be completed by July 2004);

The Study of Health of Aircraft Maintenance Personnel (expected to be completed in 2004); and

The Vietnam Veterans Mortality and Cancer Incidence Study (expected to be completed in March 2004).

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The prompts that led to each study being undertaken were:

The Water Contamination Project. This study was initiated after representations were made by naval veterans of the Vietnam War, seeking an explanation for the higher than expected mortality experience noted in a previous mortality study.

The Gulf War Veterans' Health Study. Representatives of the Gulf War veterans suggested this study.

The Korean War Veterans Mortality Study. Representatives of the Korean War veterans suggested this study.

The Korean War Veterans Cancer Incidence Study. The idea for this study arose out of discussions between the Korean War veteran community, staff of the Department of Veterans' Affairs and recognised experts in the field. It was agreed that it would be not viable to examine cancer incidence prior to 1982, but that a study after that date, coupled with the findings of the KWVM once complete, would be both viable and useful.

The Korean War Veterans Pilot Health Study. The idea for this study arose from discussions about the viability of a Health Study. In these discussions, it was agreed that a formal pilot was needed. This study has been recently completed.

The Korean War Veterans Health Study. This study follows on the KWVM Pilot Health Study.

The Nuclear Test Participants Cancer Incidence and Mortality Study. Former participants in the British nuclear tests prompted this study.

The Toxic Effect of Chemical Combinations Study. This study arose out of a previous study on the toxic effect of a particular herbicide that was used in Vietnam. It was noted that the toxic effect of certain mixtures is greater than the toxic effect of the individual chemicals. A proposal was developed to provide an infrastructure and skill base that would allow rapid testing of the combinations of chemicals that are sometimes used in military.

The Study of Health of Aircraft Maintenance Personnel. The impetus of this study came from the Chief of the Air Force, and from the staff involved in certain maintenance procedures on the F-111 aircraft.

The Vietnam Veterans Mortality and Cancer Incidence Study. The impetus for this study came from the Vietnam veteran community and from a recommendation from the last mortality study.

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The Department is aware of three Australian studies that have examined the health of children of Australian Vietnam veterans. These are:

- (1) the Case–Control Study of Congenital Abnormalities and Vietnam Service published in 1983 by the Australian Government;
- (2) a study undertaken by Dr Barbara Field and Professor John Kerr of Tasmanian veterans and published in 1988; and
- (3) the results of a survey of all surviving children published by the Australian Government as a series of monographs commencing in 1998 and going until 2001.

There is no formal proposal for any further study currently under consideration although the Department continues to monitor research and issues in this area.

Question 34

Outcome 1 (Compensation)

Topic: Depleted uranium—health study

Written question on notice.

Senator Kerry Nettle asked:

- a). When did the Department of Veterans' Affairs commence its study into the health risks of depleted uranium?
- b). Who initiated the study?
- c). When was it initiated?
- d). When did it commence?
- e). What did the study entail?
- f). When was the study completed?
- g). To whom was the completed study given and when?
- h). Did the department provide any advice to the Minister about the study and its outcomes and/or conclusions?
- i). If so, when did it provide the advice to the Minister?
- j). What action has the department taken in response to the outcome and/or conclusion of the study?

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k). Please provide a copy of the study and any conclusions or recommendations the department drew and/or made in response to the study.

Answer:

a). The study, which was conducted by an Expert Committee, chaired by Professor K Donald, appointed for that purpose, commenced in February 2001.

b). The then Minister Assisting the Minister for Defence and Minister of Veterans' Affairs, the Honourable Bruce Scott MP.

c). February 2001.

d). February 2001.

e). The study involved a review of all of the scientific literature relating to depleted uranium.

f). August 2001.

g). The study was presented to the Minister Assisting the Minister for Defence and Minister for Veterans' Affairs, the Honourable Bruce Scott MP.

h), i), j) and k). The Expert Committee concluded, 'On the basis of the available sound medical–scientific evidence and under realistic assumptions of exposure and dose the Expert Committee concluded that depleted uranium could not produce any adverse health effects in Australian troops serving with NATO forces in the Balkans conflict'.

In the light of this conclusion no further action was required by the Government.

A copy of the report *Review of scientific literature on the health effects of exposure to depleted uranium*, is attached.

Attachment: Report: *Review of scientific literature on the health effects of exposure to depleted uranium*, is a 143 page document. It is available in 'Word' and 'Acrobat' from the Committee's website.

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Question 35

Outcome 1 (Compensation), Outcome 2 (Health), Outcome 3 (Commemorations) and Outcome 4 (Service Delivery)

Topic: Contracts

Written question on notice.

Senator Kate Lundy asked:

Provide the following information for each contract entered into by the agency which has not been fully performed or which has been entered into during the previous 12 months (financial year 2001–2002) that are all or in part information and communications technology related with a consideration to the value of **\$20, 000** or more, including the following details for each contract:

- a. a unique identifier for the contract (eg contract number)
- b. the contractor name and ABN or ACN;
- c. the domicile (country) of the parent company;
- d. the subject matter of the contract, including whether the contract is substantially hardware, software, services or a mixture, with estimated percentages.
- e. the starting date of the contract;
- f. the term (duration) of the contract, expressed as an ending date;
- g. the amount of the consideration (AU\$);
- h. the amount applicable to the current budget year (AU\$);
- i. whether or not there is an industry development requirement; if so: provide details of the Industry Development requirements (in scope and out of scope). full list of sub-contracts valued at over \$5,000, including the all the information described in (a) to (h).

Answer: See attachments below.

Attachment A: Department of Veterans' Affairs IT contracts.

Attachment B: Australia War Memorial IT contracts.

[These documents are available in 'Excel' and 'Acrobat' from the Committee's website]

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Answers to questions on notice from Department of Veterans' Affairs

Question 1

Outcome 2 (Health)

Topic: Generic drugs

Written question on notice.

Senator Mark Bishop asked:

With reference to the budget proposal that generic drugs should be prescribed as a cost saving, I have had a representation complaining that such drugs are often not available, and that the veteran in such a situation must pay an extra \$6. The case in point is the generic version of Panadol Forte. In such cases can a veteran be reimbursed, and what is the process?

Answer:

I believe that the question case in point relates to the item *Panadeine Forte* as “Panadol Forte” does not appear to exist. The item Codeine Phosphate with Paracetamol Tablet 30 mg—500 mg is listed in the *Schedule of Pharmaceutical Benefits* book as a Pharmaceutical Benefits Scheme (PBS) item, which is therefore concessionally available to veterans on the Repatriation Pharmaceutical Benefits Scheme (RPBS).

Two other brands of this item are also available on the PBS/RPBS. They are *Codalgin Forte* and *Dymadon Forte* tablets.

There is a price difference between these three brands of this item, which is additional to the co-payment charge, which is \$3.70 for an RPBS concessional co-payment.

Codalgin Forte has no Brand Price Premium (BPP).

Panadeine Forte has a BPP of \$1.24, and

Dymadon Forte has a BPP of \$1.82.

However, in no case does the total concessional charge amount to \$6.00.

Product availability in pharmacies throughout Australia is one of the criteria for listing pharmaceutical items on both the PBS and the RPBS. For commercial reasons, drug manufacturers are very interested in keeping supplies of all of their listed products available through pharmacies across Australia. It can happen that there are instances where stock is temporarily unavailable either regionally or nationally, but this situation does not often occur.

Since the introduction of the brand premium for *Panadeine Forte* on 1 February 2003, there has been increased demand for *Codalgin Forte*. *Codalgin Forte* is known to be temporarily in short supply or unavailable in some areas at the moment and it may be some time before all back orders for *Codalgin Forte* are fulfilled by the manufacturer.

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In common with the PBS, there is no provision under the RPBS arrangements to reimburse veterans for the cost of a Brand Price Premium when a lower priced item becomes temporarily unavailable.

However, in this instance, the Commonwealth Department of Health and Ageing has issued a determination that the price for *Panadeine Forte* will be paid for all prescriptions for the *Codalgin Forte* 30mg–500mg tablet. This determination has taken effect from 5 March 2003 and remains in place until further notice.

During this period pharmacists should not charge the brand price premium for *Panadeine Forte*. This means that patients will pay no more than the co-payment charge for *Panadeine Forte* until *Codalgin Forte* again becomes available.

Question 2

Outcome 2 (Health) and Outcome 4 (Service Delivery)

Topic: Veterans' Home Care/other health care expenditure

Written question on notice.

Senator Mark Bishop asked:

With respect to Homecare it has been claimed that an additional \$6 million had been provided, and in your answer to question on notice 972 you said it was included in “other health care expenditure under Outcome 2” which is presumed to be the reference on page 40 of the budget estimates for special appropriations.

Answer: That is correct.

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Question 3

Outcome 2 (Health) and Outcome 4 (Service Delivery)

Topic: Other medical expenses

Written question on notice.

Senator Mark Bishop asked:

Of that \$426 million, what part is for respite care and community nursing, what other elements are included within it specifically and of what amount?

Answer:

A summary table of Other medical expenses

SUMMARY OF 2002–2003 BUDGET ESTIMATES

	\$m
Community Nursing	67.2
Dental Services	68.0
Non Institutional Care	112.0
Rehabilitation Appliances	88.6
Vietnam Veterans' Counselling Service	10.7
In Home Respite	14.0
Carer and Volunteer Support	0.5
Expenses of Travelling for Medical Treatment	65.4
Home Help	0.04
2002–2003 TOTAL OTHER MEDICAL EXPENSES	426.5

Question 4

Outcome 2 (Health) and Outcome 4 (Service Delivery)

Topic: Veterans' hospital and health services additional \$36m

Written question on notice.

Senator Mark Bishop asked:

Of the \$36 million sought in additional estimates for hospital and health services, what part is additional funds for respite care and community nursing?

Answer:

Respite Care: \$27,000

Community Nursing: \$8,000

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Question 5

Outcome 2 (Health) and Outcome 4 (Service Delivery)

Topic: Veterans' Home Care

Written question on notice.

Senator Mark Bishop asked:

Is it a fact that the \$6million said to be “extra” for Homecare is in fact nothing of the kind i.e., it is simply earmarking part of what already exists for the pre-existing respite care programme from special (and unlimited) appropriations?

Answer:

Additional funding of \$6 million was effectively allocated to VHC providers, reflecting the fact that some VHC services are, in effect, elements of community nursing and respite care and should be funded from those areas. It is therefore appropriate to charge these operations against the community nursing and respite care programs.

Question 6

Outcome 2 (Health) and Outcome 4 (Service Delivery)

Topic: Veterans' Home Care

Written question on notice.

Senator Mark Bishop asked:

In part 7 of answer to Question on Notice 972 it is conceded that funding has been transferred from community nursing and respite care of special appropriations to the Homecare budget—is that answer confirmed, and if so, was authority of the DoFA and Cabinet obtained for this switch of funding source?

Answer:

Funds have not and will not be transferred from the community nursing and respite care programmes to the VHC programme. Components of VHC operation that are identified as more properly held against the community nursing and respite care programmes will be charged to those respective programmes, rather than transferring funds to the VHC budget.

DoFA and/or Cabinet authority is not required.

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Question 7

Outcome 2 (Health) and Outcome 4 (Service Delivery)

Topic: Veterans' Home Care

Written question on notice.

Senator Mark Bishop asked:

If the Homecare program is overspending because of demand, which it clearly is, why was its capped appropriation not simply increased without the ruse of transferring special appropriations?

Answer:

When the Department took over the responsibility of community care services for veterans and war widows, it undertook to mirror the entire range of services provided under the Home and Community Care (HACC) programme. This entails service delivery that ranges over the closely related but separately resourced programmes of community nursing and respite care. It is therefore appropriate that any of VHC operations that should more properly be held against the community nursing and respite care programmes be charged to those programmes.

Question 8

Outcome 2 (Health)

Topic: Veterans' Home Care

Written question on notice.

Senator Mark Bishop asked:

It is noted that the total allocation to the regions under Homecare this year is only 11.5 million more than last year, but as the Minister claimed, the budget for Homecare has been increased by \$8 million plus another \$6 million. Where has the rest gone?

Answer:

The allocation for regional budget expenditure for VHC Service Provision was \$47 million in 2001/2002, with actual expenditure being \$38.1 million.

The initial allocation in 2002–2003 was \$45.3 million but has now been increased to \$51.9 million, an increase of \$13.8m over the 2001–2002 level of expenditure.

The remaining funds in the VHC appropriation are used for assessment fees paid to VHC contracted Assessment Agencies for regional assessment and coordination services and for payments under Agreements with State and Territory Governments for veteran access to the Home & Community Care Programme for services not delivered under VHC, for example services such as delivered meals, community transport etc.

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Question 9

Outcome 2 (Health)

Topic: Veterans' Home Care

Written question on notice.

Senator Mark Bishop asked:

In fact the total budgeted for this year is \$58.8 million plus \$6 million—a total of \$64 million. Again if only \$51 million has been allocated, where is the rest?

Answer:

The regional budget allocations of \$51.9 million is for VHC service provision for VHC core services—domestic assistance, personal care and home and garden maintenance. The remaining funds are used for assessment fees paid to VHC contracted Assessment Agencies for regional assessment and coordination services and for payments under Agreements with State and Territory Governments for veteran access to the Home & Community Care Programme for services not delivered under VHC, for example services such as delivered meals, community transport etc.

Question 10

Outcome 2 (Health)

Topic: Veterans' Home Care

Written question on notice.

Senator Mark Bishop asked:

In the answer to Question on Notice 819 part 9, that allocations to all regions have increased by varying amounts this year—except for New England in NSW. This contradicts the detail in answer to question no. 14 taken on notice on November 21 2002. Can that inconsistency be explained please?

Answer:

The allocations advised in Q819 were correct (ie only New England was reduced at that time). Budgets were subsequently adjusted again as set out in Q14. Those areas identified in the answer to Q14 underwent a reduction as compared to the earlier provisional allocation.

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Question 11

Outcome 2 (Health)

Topic: Veterans' Home Care

Written question on notice.

Senator Mark Bishop asked:

What are the administrative overheads for the Homecare detail for DVA and others?

Answer:

The total cost to the Department to administer VHC for 2001/02 was \$7.13 million. This includes corporate and IT direct and indirect costs (including maintenance and development of payment systems).

Question 12

Outcome 2 (Health)

Topic: Veterans' Home Care

Written question on notice.

Senator Mark Bishop asked:

How many representations has the Minister had, and how many enquiries has the DVA had concerning cutbacks to hours of service provided under Homecare?

Answer:

Since 1 July 2002 up to and including 28 February 2003 the Minister has received 113 letters concerning levels of service under the Veterans' Home Care programme.

The Department's State Offices have also received telephone enquiries concerning levels of services during this period. However, detailed information is not recorded and accurate numbers cannot be provided as they could involve multiple calls in relation to the same veteran.

Question 13

Outcome 2 (Health)

Topic: Veterans' Home Care

Written question on notice.

Senator Mark Bishop asked:

What response has been made to the complaints from Port Macquarie and Coffs Harbour about cuts to services?

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Answer:

Responses to complaints from veterans concerned about reductions in services include the following:

- each case reported is investigated to ensure:
 - the level of service provision is appropriate;
 - the veteran was consulted during the review process; and
 - the veteran was provided with a care plan showing the service level approved;
- telephone enquiries are responded to with feedback on the enquiry provided either verbally or in writing, depending on the case;
- for written communication, a written response is provided, either by the Minister, her Adviser or the State Office;
- communication through articles in publications, for example *Vetaffairs*, and *Reveille* (NSW RSL magazine) advising veterans and war widows, that:
 - the Department of Veterans' Affairs has contracted regional assessment agencies throughout Australia to undertake the assessment, coordination and approval of VHC services;
 - each regional agency is provided with an annual budget which is based on service usage data so that funds are distributed across regions in the fairest possible way;
 - a key role for agencies is to approve services within their regional budget through regular review of service levels and attention to service provision guidelines; and
 - access to services is based on assessed need, with regional funding set at a level to enable wide access for those with low level care needs.

Additional responses specifically in the Port Macquarie and Coffs Harbour areas included:

- discussion between the DVA State Office contract managers and the VHC Agency in that region to ensure that:
 - the region has sufficient funds for service provision;
 - the VHC guidelines are being correctly interpreted and applied; and that the
 - the Agency understands the VHC IT system and provision of budget data to assist in budget monitoring;
- articles in the local media advising that:
 - VHC is aimed at providing basic support to as many veterans as possible, rather than a high level of care to only a few people;
 - as part of the ongoing process, some members of the veteran community have had their current VHC services reviewed to ensure they are receiving an appropriate level of support; and
 - this review process is a regular part of the programme;
- communication by DVA community advisers with local ESO representatives to provide advice about the programme.

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Question 14

Outcome 2 (Health)

Topic: Veterans' Home Care

Written question on notice.

Senator Mark Bishop asked:

With reference to the answer to part 6 of Question 972 where it is stated that there is no line between Homecare and Community Nursing—in fact that it is “seamless”, does that also apply to the attribution of costs? What guidelines exist to help staff decide which of the two programs ought to be accessed, or is it managed budgetarily?

Answer:

The reference to seamless does not apply to the attribution of costs but to service provision to the veteran.

Guidelines for both the VHC and Community Nursing Programmes have reference to each programme and processes for referral.

For example, triggers exist in the VHC assessment instrument which lead to the referral of a veteran to the Community Nursing programme so that an assessment can be undertaken to determine if clinical need is present. Such triggers include:

- whether a veteran requires more than 1.5 hours of personal care service per week; and
- if a range of other indicators of clinical need are present, as listed in the VHC Guidelines.

Question 15

Outcome 2 (Health)

Topic: Veterans' Home Care

Written question on notice.

Senator Mark Bishop asked:

I note too in that same question 819 that in Tasmania there is a significant number of “self referrals”—I am told reliably by people in Tasmania closely associated with the Program that the agencies have substantial waiting lists because they don't have sufficient Homecare funds to service all those in need? Isn't that tantamount to a denial of service?

Answer:

The Agencies in Tasmania have confirmed that there are no waiting lists in that State. There is capacity within existing regional budgets in Tasmania for continuation of service provision to existing veterans and for new veterans to access the programme. There is no denial of service, however services approved are based on assessed need.

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Question 16

Outcome 2 (Health)

Topic: Veterans' Home Care

Written question on notice.

Senator Mark Bishop asked:

In the evidence given to this Committee in the Budget Estimates in 2000 Senator Schacht was told that there would be gross \$80 million per annum savings from other programs as a result of Homecare—net \$20m. How much of that was saved last year? When is it expected that the savings estimate will be validated?

Answer:

It is estimated that savings of \$33.7m were achieved in 2001–02 and that savings of \$71.3m will be achieved in 2002–03. The estimated saving being achieved as a result of the Veterans' Home Care Programme are based on a methodology that was developed as part of an independent study by Access Economics.

Savings in 2001–02 were lower than originally estimated due to the longer than expected lead time required for clients to stay in the programme before savings to health outlays start to take effect. The VHC programme results in initial increases to health care expenditure during the first 3 to 6 months, however these increases are in the area of preventative health care spending and lead to savings in the longer term. The longer an individual has been on VHC, the greater the savings.

Questions 17 and 18

Outcome 2 (Health)

Topic: Veterans' Home Care

Written question on notice.

Senator Mark Bishop asked:

Can confirmation be given that the ATO has ruled that Homecare services attract GST. If so, are not Homecare services classed as health care and hence exempt?

What is the substance of the ATO ruling, will this result in an increase to veterans' co-payments of 10%, and will there be a cost to the Budget in terms of reduced funds for veterans?

Answer:

Home care services are, generally, GST-free under the GST Act. However, the Department has entered into contractual arrangements with organisations that require them to deliver home care services to veterans. The payments made by the Department to the organisations for them undertaking to provide home care services under the arrangements are considered by the ATO to be for direct supplies made to the Department and, therefore, taxable.

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As such, the ATO has ruled that payments for Veterans' Home Care assessment/co-ordination services and provision of home care services, performed under contractual arrangements between the Department of Veterans' Affairs and VHC Assessment Agencies and Service Providers, do attract GST. As of 25 February 2003 the Department will apply GST to claims for payment.

Providers will not be expected to meet any tax payments out of their schedule fee or contract rate. That fee or rate will be automatically increased by the amount of the GST. This does not mean any reduction in funding for service provision, nor does it mean a cost to the Budget. The GST component of payments to VHC suppliers will be funded from s.30A appropriations (GST recoverables). The VHC supplier will remit the GST to the ATO and DVA will claim an Input Tax Credit (ITC) which will be utilised to repay the s30A appropriation. The net result of these transactions is no cost to the budget.

The ruling does not affect veterans' co-payments in any way. Veterans' co-payments collected by VHC providers for VHC services are GST-free and will continue to be GST-free.

Question 19

Outcome 2 (Health)

Topic: Nursing Homes

Written question on notice.

Senator Mark Bishop asked:

How many nursing homes to which DVA has made grants in recent years have failed the accreditation tests?

Answer: None.

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Question 20

Outcome 2 (Health)

Topic: Nursing Homes

Written question on notice.

Senator Mark Bishop asked:

How many grants to nursing homes by name, have been made in the last 2 years, of what total value, and what has been the average?

Answer:

The Department of Veterans' Affairs provided funding to residential aged care facilities, including nursing homes, under the Residential Care Development Scheme (RCDS). This Scheme lapsed on 30 June 2002.

There were 95 RCDS grants to residential aged care facilities provided during the 2000/01 and 2002/02 financial years. These totalled \$10,674,621. The average grant was \$112,364.

A list is **attached** of organisations which received grants.

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GRANT	ORGANISATION NAME	LOCATION
	NEW SOUTH WALES	
\$381,150.00	Morshead Home for Veterans and Aged Persons	Lyneham, ACT
\$13,200.00	Salvation Army Gill Waminda Aged Care Facility	Goulburn
\$430,000.00	Port Stephens Veterans and Citizens Aged Care	Fingal Bay
\$77,000.00	Newcastle—Lake Macquarie Ex—Services	Lake Macquarie
\$1,650,000.00	RSL Veterans' Retirement Villages Ltd	Narrabeen
\$19,800.00	Southern Cross Homes	Broken Hill
\$550,000.00	Illawarra Diggers Aged and Community Care	Illawarra
\$65,123.00	Ballina Ex—Services & Community Care Complex	Ballina
\$13,090.00	Dubbo R&SLA Aged Care	Dubbo
\$11,308.00	Dubbo R&SLA Aged Care	Dubbo
\$24,420.00	Legacy Brisbane Water	Brisbane Water
\$440,000.00	Timbregongie House Incorporated	Timbregongie
\$100,000.00	Cooma—Monaro Shire Council, Yallambee Lodge	Cooma-Monaro
\$43,758.00	Anglican Retirement Community Services Board	Merimbula
\$8,294.00	Retirement Homes Association	Murrurundi
\$11,431.00	RSL Sub—branch	Wagga Wagga
\$33,000.00	Uralla Shire Council, Bundarra Aged Care	Uralla
\$22,000.00	Shire Council McMaugh Aged Care Facility	Uralla
\$55,000.00	Dubbo R&SLA Aged Care	Dubbo
\$84,451.00	RSL Wagga Wagga Aged Care	Wagga
\$20,000.00	Legacy Welfare Fund	Coffs Harbour
\$110,000.00	RSL Veterans' Retirement Villages Ltd	Narrabeen
\$7,769.00	RSL Wagga Wagga Aged Care	Wagga
\$175,000.00	RSL & Community Retirement Association	Hawkes Nest
\$34,500.00	St Vincent de Paul Society, Ozanam Villa	Sydney

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GRANT	ORGANISATION NAME
GRANT	LOCATION
\$55,000.00	Anglican Retirement Community Services Board—Bimbimbia Merimbula
\$110,000.00	Ex-Services & Community Care Complex Ballina
\$132,000.00	Glenwood Gardens Glen Innes
\$55,000.00	Ex-Service Community Village Batesman Bay
\$55,000.00	Port Stephens Veterans and Citizens Aged Care. Harbourside Haven. Hostel 1. Nelson Bay
\$55,000.00	Port Stephens Veterans and Citizens Aged Care. Harbourside Haven. Hostel 2. Nelson Bay
\$55,000.00	Twin Towns Services Hostel Association Banora Point
\$55,000.00	Vietnam Veterans' Keith Payne VC Hostel Woy Woy
\$4,952,294.00	
QUEENSLAND	
\$11,000.00	Denmora Nursing Home Denmora
\$83,018.00	Scartwater Trust Inc Bowen
\$33,000.00	Millmerran Centenary Reirement Village Millmerran
\$95,700.00	Alzheimer's Association QLD, Nursing Care Centre Rosalie
\$77,797.00	Scartwater Trust Inc Bowen
\$44,000.00	Kaloma Home for the Aged Kaloma
\$77,550.00	RSL War Veterans Homes - Eden Alternative Project Several sites
\$379,500.00	RSL War Veterans Homes Ltd Murrumba Downs & Parkinson
\$550,000.00	RSL War Veterans Homes Ltd Nimbin
\$5,500.00	RSL War Veterans Homes Ltd Townsville
\$1,357,065.00	

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GRANT	ORGANISATION NAME	LOCATION
SOUTH AUSTRALIA		
\$5,222.00	Nalya Lodge Hostel	Adelaide
\$88,000.00	Barunga Village Incorporated	Port Broughton
\$33,000.00	Aged Care	Whyalla
\$14,053.00	Copperhouse Court Health CareCentre	Ridge Park
\$55,000.00	Catholic Diocese of Port Pirie Inc. Star of the Sea Home	Port Pirie
\$175,000.00	Aminya Village Hostel	Mannum
\$370,275.00		
TASMANIA		
\$60,500.00	Nursing Home for the Aged	Corumbene
\$55,000.00	Mary Ogilvy Homes Society	Hobart
\$55,000.00	Strathaven Aged Care Facility	Berriedale
\$55,000.00	Mary's Grange Incorporated	Hobart
\$55,000.00	Manor Complex	Kings Meadows
\$45,430.00	Aldegate Aged Care facility	Launceston
\$325,930.00		
VICTORIA		
\$49,500.00	Health Service	Moyne
\$44,000.00	Abbeyfield Society (Mortlake) Inc	Mortlake
\$33,532.00	Vasey Housing Ltd Rumbalara NH	Melbourne
\$37,272.00	Vasey Housing Ltd Wattle Lodge	Melbourne
\$33,000.00	Martin Luther Homes	Boronia
\$121,000.00	Wintringham	Port Melbourne
\$44,000.00	Yackandandah Bush Nursing	Yackandandah
\$11,000.00	Health Services	Macedon Ranges
\$11,118.00	St Michaels Aged Care	Murrumbeena

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GRANT	ORGANISATION NAME	LOCATION
\$87,584.00	Moorfields Community Adult Care	Moorfields
\$22,000.00	Murchison Community Care	Murchison
\$43,550.00	Baptist Community Care, Victoria	Several sites
\$11,000.00	Pyramid Hill Bush Nursing Hospital	Pyramid Hill
\$44,000.00	Havilah Hostel Inc.	Maryborough
\$33,000.00	Lewis Court Home for the Aged	Portland
\$88,000.00	Sunnyside House Inc.	Camperdown
\$62,924.00	Tongala District Nursing Home Complex	Tongala
\$66,000.00	Sacred Heart Mission Inc	St Kilda
\$300,000.00	Numurkah Pioneers Memorial Lodge	Numurkah
\$250,000.00	Abbeyfield Society (Mortlake) Inc	Mortlake
\$55,000.00	Warramunda Village Inc	Warramunda
\$33,000.00	Soldiers Memorial Bush Nursing Hospital & Hostel Inc	Ballan
\$88,000.00	Aged Care Association Inc	Sandringham
\$66,518.00	RSL Care Victoria	Several sites
\$86,317.00	RSL Care Victoria	Frankston
\$110,000.00	Vasey Housing Ltd Rumbalara NH	Melbourne
\$1,831,315.00		
WESTERN AUSTRALIA		
\$21,845.00	TPI Association, WA	Como
\$25,365.00	Spencer Lodge Health Service	Albany
\$20,000.00	Ocean Star Aged Care (Catholic Homes)	Bunbury
\$36,300.00	Waroona Frail Aged Welfare Committee Inc	Waroona
\$14,440.00	Mercy Aged Care	Edgewater
\$50,392.00	William Buckley Hostel	Amaroo
\$82,500.00	RAAF Association Gordon Lodge,	Bull Creek

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GRANT	ORGANISATION NAME	LOCATION
\$400,000.00	RAAF Association Middleton Lodge	Meadow Springs
\$37,400	Baptist Homes Trust, WA—Moonya Hostel	Perth
\$418,000.00	RSL WA	Menora
\$528,000.00	RAAF Association	Merriwa
\$132,000.00	RSL War Veterans Home Menora	Menora
\$66,000.00	RAAF Association Gordon Lodge	Bull Creek
\$5,500.00	RAAF Association	Bull Creek
\$1,837,742.00		

\$10,674,621	TOTAL
\$112,364.43	AVERAGE

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Question 21

Outcome 2 (Health)

Topic: Nursing homes

Written question on notice.

Senator Mark Bishop asked:

To what purposes have nursing home grants been put?

Answer:

The Residential Care Development Scheme (RCDS) initially provided limited capital funding to ex-service and other service providers to help the veteran community gain access to high quality residential aged care services.

In the last two years of its operation the RCDS provided support to ex-service, and community-based facilities with a high proportion of veteran residents, to meet rising accreditation and certification standards.

Question 22

Outcome 2 (Health)

Topic: Nursing homes

Written question on notice.

Senator Mark Bishop asked:

Have any grants been made to Riverside or Ripplebrook Village in Victoria, and Aminya village at Mannum in SA?

Answer:

No grant under the Residential Care Development Scheme (RCDS) has been provided to Riverside Nursing Home or to Ripplebrook Village in Victoria.

Aminya Village Hostel in Mannum received \$175,000 under the RCDS in January 2002 for the purpose of constructing a seventeen room extension to house twenty (20) additional low care places.

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Question 25

Outcome 2 (Health)

Topic: GP services

Hansard page 99.

Senator Lyn Allison asked:

Is it possible to provide figures for those GPs who have responded and accepted the six-month extension?

Answer:

As at 21 March 2003, 13,616 doctors were contracted with DVA.

Question 26

Outcome 2 (Health)

Topic: GP and specialist services

Hansard page 102.

Senator Mark Bishop asked:

What is the update of the 252 specialists who actually advised us that they do not want to treat veterans? Can you advise if you have had any further correspondence?

Answer:

As at 27 February 2003, Department has been advised of 268 medical specialists who no longer provide services or who intend to withdraw or restrict services under the Department's arrangements.

Question 27

Outcome 2 (Health)

Topic: GP services

Hansard page 104.

Senator Mark Bishop asked:

How many Doctors have opted out of the LMO scheme?

Answer:

The overwhelming majority of doctors have remained in the system and they are continuing to treat veteran patients.

A specific figure cannot be provided as the Department did not request LMOs to advise us if they did not wish to extend their contracts. Responses were only required from those LMOs who did wish to extend their contracts.

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The Department offered approximately 15,500 registered LMOs the opportunity to extend their contract to 30 June 2002. As at 21 March 2003, 13,616 doctors were contracted with DVA. It is important to note that a proportion of the 15,500 letters would have gone to practices that were no longer open, as some doctors in the intervening period died, retired, moved overseas or into a speciality.

Question 23

Outcome 4 (Service Delivery)

Topic: National office accommodation

Written question on notice.

Senator Mark Bishop asked:

What planning is DVA currently undertaking with respect to National Office accommodation? Is there a brief current with any architectural firm exploring options on future accommodation needs in Canberra—if so, with whom, and what are the requirements of the brief? What is the cost of that contract? Are any organisational changes being planned to accompany the plans—outsourcing, centralisation of functions?

Answer:

The Department of Veterans' Affairs has not engaged any consultant to examine future National Office accommodation requirements. The Department is currently considering its future accommodation needs for National Office with the lease for its current major tenancy due to expire in 2006.

Question 36

Outcome 4 (Service Delivery)

Topic: Client numbers

Hansard page 87

Senator Mark Bishop asked:

What are the reasons for the difference between the client numbers included in the performance information for output 1.1 in the 2002–03 Portfolio Additional Estimates Statement and those in the response to QON 1043 relating to service pension and what is the cause for them being so far out.

Answer

Both sets of figures are correct.

The client information included in the 2002–03 Portfolio Additional Estimates Statements (PAES) under performance information for output group 1.1 relates to income support beneficiaries which includes, in addition to the client groups referred to in QON 1043 parts 1 and 2, Commonwealth Senior Health Card (CSHC) holders.

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Projections of client numbers are revised several times a year to coincide with major Budget updates. The mid-point number of income support beneficiaries as at 2002–03 Budget was 367,150 (based on April 2002 projections), and the revised 2002–03 number was 371,704 (based on September 2002 projections), an increase of 4,554.

When the number of CSHC holders is added to the group of clients receiving payment under the item Service Pension shown in the response to QON 1043 parts 1 and 2 (based on December 2002 projections), the mid-point figure for income support beneficiaries is 371,204, a reduction of 500.

Expenditure related to the CSHC is part of Telephone Allowance (Outcome 1).