

## Senate Foreign Affairs, Defence and Trade Legislation Committee

### Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004

#### Question 1

##### Outcome 1 (Compensation)

**Topic:** Outstanding overpayments, waivers and write offs.

**Written question on notice.**

##### Senator Mark Bishop asked:

Could I be provided with an update of the statistics on outstanding overpayments, waivers and write offs as provided on 20 Feb 2002 ref pp 2–9 of answers to question on notice #10?

##### Answer:

1) What sum is currently owed to DVA from overpayments, on a state basis?

#### **Current balance outstanding as at COB on 9 May 2003**

State	Current_balance
NSW	\$3,947,523.88
QLD	\$2,315,812.88
SA	\$769,110.91
TAS	\$500,095.36
VIC	\$2,480,630.51
WA	\$723,772.78

**Total** **\$10,736,946.32**

**Note:** The figures in this table are extracted from the department's Debt Management and Recovery System (DMRS) and they relate to overpayments of Outcome 1 payments.

## Senate Foreign Affairs, Defence and Trade Legislation Committee

### Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004

- 2) What are the formally approved thresholds below which recovery is not required to be pursued?

Under Section 206(b)(ii) of the *Veterans' Entitlements Act 1986* the Repatriation Commission has the authority to waive or defer the right of the Commonwealth to recover a debt in a class specified by the Minister and published in the *Gazette*. The amount that has been gazetted is \$200.00. This does not mean that the Commission is automatically required to waive debts below this amount. It should also be noted that the Commission also has the power to waive debts in excess of \$200.00. Waiver of debts in excess of \$200.00 are determined by taking into account the specific circumstances of the case under consideration.

Prior to the introduction of an automatic processing system on 29/1/01, debt processing was manual and it was not generally considered cost effective to recover debts below this amount. Automatic processing allows debts raised against a person in payment to be pursued in a cost-effective manner. If the person is not in payment a \$50.00 threshold has been set. Manual recovery of debts below that threshold is not cost effective due to the time and human resource effort necessary to recover. Some debts, such as those raised by bereavement units, are not automatically processed and the \$200.00 threshold continues to apply.

- 3) How many overpayments were there for each of the last 5 years on a state basis, what proportion was successfully recovered, and how many were waived?

The February 2002 response provided figures for the period from 1 July 1996 to 30 June 2001. The following update includes data for the 2001/02 year and the period from 1 July 2002 until 9 May 2003.

Of the 27,146 debts raised nationally in 2001/02, by 9 May 2003, 806 were still being recovered; 22,936 had been fully recovered; 278 had been partially recovered and partially waived so they had a \$0 outstanding balance; and 379 debts over \$200 had been waived, as had another 2,562 debts in the 'special' category less than \$200.

## Senate Foreign Affairs, Defence and Trade Legislation Committee

### Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004

Debt records raised as at COB 9 May 2003

Year	2001/2002	Status					Total Raised	
State	Data	Continuing	Fully Recovered	Partially Recovered	Waived	Waived < \$200	Written Off	
NSW *	Number	259	8,838	63	122	805	25	10,112
	Number Percentage	2.56%	87.40%	0.62%	1.2%	7.96%	0.25%	100.00%
QLD	Number	98	4,331	67	65	1,300	61	5,922
	Number Percentage	1.65%	73.13%	1.13%	1.09%	21.95%	1.03%	100.00%
SA	Number	73	2,101	23	70	147	12	2,426
	Number Percentage	3.01%	86.60%	0.95%	2.88%	6.05%	0.49%	100.00%
TAS	Number	24	810	18	16	55	14	937
	Number Percentage	2.56%	86.45%	1.92%	1.7%	5.86%	1.49%	100.00%
VIC	Number	270	5,646	83	62	135	62	6,258
	Number Percentage	4.31%	90.22%	1.33%	0.99%	2.15%	0.99%	100.00%
WA	Number	82	1,210	24	44	120	11	1,491
	Number Percentage	5.50%	81.15%	1.61%	2.95%	8.04%	0.74%	100.00%
<b>Total Number</b>		<b>806</b>	<b>22,936</b>	<b>278</b>	<b>379</b>	<b>2,562</b>	<b>185</b>	<b>27,146</b>
<b>Total Number Percentage</b>		2.97%	84.49%	1.02%	1.39%	9.43%	0.68%	100.00%

\*Includes Manual Numbers for "Waivers < \$200" supplied by NSW

## Senate Foreign Affairs, Defence and Trade Legislation Committee

### Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004

Year *	2002/2003*	Status						Total Raised
State	Data	Continuing	Fully Recovered	Partially Waived	Waived < \$200	Written Off		
NSW	Number Number Percentage	1,737 22.49%	5,294 68.54%	46 0.60%	80 1.03%	551 7.13%	16 0.21%	7,724 100.00%
QLD	Number Number Percentage	1,019 21.94%	3,161 68.05%	41 0.88%	86 1.85%	290 6.24%	48 1.03%	4,645 100.00%
SA	Number Number Percentage	375 19.31%	1,385 71.32%	7 0.36%	53 2.72%	117 6.02%	5 0.26%	1,942 100.00%
TAS	Number Number Percentage	416 42.06%	497 50.25%	9 0.91%	17 1.71%	45 4.55%	5 0.51%	989 100.00%
VIC**	Number Number Percentage	1,311 24.35%	3,884 72.15%	31 0.58%	39 0.72%	91 1.69%	27 0.50%	5,383 100.00%
WA	Number Number Percentage	224 16.03%	926 66.28%	9 0.64%	59 4.22%	156 11.16%	23 1.65%	1,397 100.00%
<b>Total Number</b>		<b>5,082</b>	<b>15,147</b>	<b>143</b>	<b>334</b>	<b>1,250</b>	<b>124</b>	<b>22,080</b>
<b>Total Number Percentage</b>		23.02%	68.60%	0.65%	1.51%	5.66%	0.56%	100.00%

\* Note: This is not a full financial year - it finishes as at COB 9/5/2003

\*\* VIC figures for waivers <\$200 do not include any manual waivers ie

'Ministerial waivers' are waived in bulk and not recorded on DMRS

## Senate Foreign Affairs, Defence and Trade Legislation Committee

### Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004

*'Continuing' means Balance outstanding and amounts may have been recovered against the record*

*'Fully Recovered' means record balance is \$0.00 and there is no waiver or writeoff component in the transactions*

*'Partially recovered' means record balance is \$0.00 and there are some waiver or writeoff components in the transactions*

*'Waived' means whole waiver or a small amount of writeoff in with the waiver transactions*

*Waived < \$200 are all VEA 206 (1)(b)(ii) waivers (aka Ministerial Waivers)*

*or auto waivers <\$50 if client no longer in payment*

*'Written Off' means whole*

*record write off*

**Senate Foreign Affairs, Defence and Trade Legislation Committee**

**Answers to questions on notice put to Department of Veterans' Affairs  
before Budget estimates 2003–2004**

- 4) What was the total value of write off in each year by State, and what proportion was above the allowed threshold?

**Total value of write offs for debtor records raised in each financial year**

Total value of write off State	Year		Grand Total
	2001/2002	2002/2003	
<b>NSW</b>	-\$39,640.20	-\$56,903.66	-\$96,543.86
<b>QLD</b>	-\$70,273.40	-\$50,911.92	-\$121,185.32
<b>SA</b>	-\$28,127.26	-\$6,015.56	-\$34,142.82
<b>TAS</b>	-\$2,983.21	-\$14,451.46	-\$17,434.67
<b>VIC</b>	-\$56,913.28	-\$28,199.00	-\$85,112.28
<b>WA</b>	-\$32,696.93	-\$7,034.00	-\$39,730.93
<b>Grand Total</b>	-\$230,634.28	-\$163,515.60	-\$394,149.88

There is no threshold amount with regard to written-off debts as the Commonwealth has not relinquished its right of recovery.

## **Senate Foreign Affairs, Defence and Trade Legislation Committee**

### **Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004**

#### **Question 2**

##### **Outcome 1 (Compensation)**

**Topic:** Clarke review.

**Written question on notice.**

##### **Senator Mark Bishop asked:**

What was the final cost of the Clarke review compared with the estimate?

##### **Answer:**

The final cost was \$1.7 million.

The original cost estimate was \$1.2 million.

#### **Question 3**

##### **Outcome 1 (Compensation)**

**Topic:** Review being conducted by Professor Donald.

**Written question on notice**

##### **Senator Mark Bishop asked:**

What is the current status of the review being conducted by Professor Donald into the health of SAS personnel?

##### **Answer:**

The review is continuing. It was originally envisaged that it would be completed by June 2003.

It is now envisaged that the Report will be finalised before the end of 2003.

## **Senate Foreign Affairs, Defence and Trade Legislation Committee**

### **Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004**

#### **Question 4**

##### **Outcome 1 (Compensation)**

**Topic:** BEST programme evaluation.

##### **Written question on notice.**

##### **Senator Mark Bishop asked:**

Could I be supplied with a copy of the BEST program evaluation?

##### **Answer:**

The BEST Evaluation Report was provided in the answer to Question on Notice 32 of 12 February 2003.

#### **Question 5**

##### **Outcome 1 (Compensation)**

**Topic:** Gulf War veterans' Health Study.

##### **Written question on notice**

##### **Senator Mark Bishop asked:**

What was the final cost of the Gulf War veterans' health study compared with the estimate?

##### **Answer:**

When the study commenced, it was envisaged that the costs would be between \$4 million and \$5.5 million, although this was dependent upon participation rates in the study. The final cost was \$4.7 million.

It should also be noted that the answer given to your Question On Notice No 20 (22 February 2002) included only the allocation from the Applied Research Fund for this study. Therefore, the figure excluded the costs associated with the medical and pathological examination of each participant.



## Senate Foreign Affairs, Defence and Trade Legislation Committee

### Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004

#### Question 8

##### Outcome 1 (Compensation)

**Topic:** Statistics on Invalidation Service Pension.

**Written question on notice.**

##### Senator Mark Bishop asked:

Please update the statistics on Invalidation Service Pension set out on page 68 of the answers to questions on notice provided on 20 Feb 2002.

##### Answer:

**Allied Invalidation Service Pension Claims 1 July 2001—30 April 2003**

##### Received

<b>State</b>	<b>2001-02</b>	<b>2002-03</b>
NSW	96	67
VIC	56	45
QLD	23	8
SA	14	12
WA	14	12
TAS	1	0
<b>AUST</b>	<b>204</b>	<b>144</b>

##### Processing Summary

<b>Status</b>	<b>2001-02</b>	<b>2002-03</b>
Active	0	28
Finalised	178	100
Merged	7	2
Withdrawn	19	14
<b>Total</b>	<b>204</b>	<b>144</b>

##### Finalised

<b>State</b>	<b>2001-02</b>	<b>2002-03</b>
NSW	90	49
VIC	47	30

## Senate Foreign Affairs, Defence and Trade Legislation Committee

### Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004

QLD	17	7
SA	12	4
WA	11	10
TAS	1	0
<b>AUST</b>	<b>178</b>	<b>100</b>

#### Finalised - Eligible

State	2001-02	2002-03
NSW	37	21
VIC	19	11
QLD	7	2
SA	6	1
WA	7	6
TAS	1	0
<b>AUST</b>	<b>77</b>	<b>41</b>

#### Acceptance Rates

State	2001-02	2002-03
NSW	41.1%	42.9%
VIC	40.4%	36.7%
QLD	41.2%	28.6%
SA	50.0%	25.0%
WA	63.6%	60.0%
TAS	100.0%	N/A
<b>AUST</b>	<b>43.3%</b>	<b>41.0%</b>

## Senate Foreign Affairs, Defence and Trade Legislation Committee

### Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004

#### Question 10

#### Outcome 1 (Compensation)

**Topic:** Statistics Compensation claims under VEA and MCRS for service in Timor.

#### Written question on notice.

#### Senator Mark Bishop asked:

Please update the statistics for compensation claims under the VEA and MCRS for service in Timor—see answer to question 12, 20 Feb 2002.

#### Answer:

The following tables show the number of claims made by each group by condition as at 20 May 2003.

#### Claims under the *Veterans' Entitlements Act 1986*

Depending on their date of enlistment, ADF personnel may only be entitled to claim under the VEA in respect of their period of deployment in East Timor.

Others may have additional eligible service under the VEA. Without examining individual cases it is not possible to say that the conditions claimed were caused by service in East Timor or other service.

Classification	East Timor Service only				East Timor and other eligible service			
	Acc	NIF	Rej	Total	Acc	NIF	Rej	Total
Decision **								
Infectious and Parasitic Diseases	55		7	62	3		5	8
Circulatory System	3		5	8	0		18	18
Congenital Anomalies	1		2	3	0		12	12
Digestive System	18		14	32	3		26	29
Endocrine	0		2	2	1		6	7
Genitourinary System	4		1	5	0		7	7
Ill-defined conditions	8	67	2	77	1	168	6	175
Injury	185		58	243	3		74	77
Mental Disorders	65	1	37	103	18	1	34	53
Musculoskeletal System	186		87	273	14		149	163
Neoplasms	12		5	17	2		12	14
Nervous System, Sense Organs	59	1	20	80	18	8	50	76
Respiratory System	8		2	10	1		9	10
Skin and Subcutaneous Tissue	30		9	39	6		25	31

## Senate Foreign Affairs, Defence and Trade Legislation Committee

### Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004

Blood and Blood-forming Organs	0		1	1	0		1	1
Not coded	71	5	34	110	6	3	18	27
<b>Total</b>	<b>705</b>	<b>74</b>	<b>286</b>	<b>1065</b>	<b>76</b>	<b>180</b>	<b>452</b>	<b>708</b>

\*\*

ACC = a condition accepted as being due to or aggravated by eligible service.

NIF = the claimed condition was not found to be present.

REJ = condition refused as not being due to or aggravated by eligible service.

### Claims under the *Safety, Rehabilitation and Compensation Act 1988*

Injury Nature	Accepted	Rejected	Total
	46	12	58
Diseases of the circulatory system	8	2	10
Diseases of the digestive system	20	4	24
Diseases of the musculoskeletal system	56	2	58
Diseases of the nervous system and sense organs	21	4	25
Diseases of the respiratory system	4	4	8
Diseases of the skin and subcutaneous tissue	9	4	13
Infectious and parasitic diseases	84	9	93
Injury and poisoning	270	19	289
Mental disorders	86	28	114
Neoplasms (cancers and benign tumours)	3	1	4
Other diseases	35	8	43
<b>Total</b>	<b>642</b>	<b>97</b>	<b>739</b>

## Senate Foreign Affairs, Defence and Trade Legislation Committee

### Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004

#### Question 11

##### Outcome 1 (Compensation)

**Topic:** Statistics on administrative review.

##### Written question on notice.

##### Senator Mark Bishop asked:

Please update the statistics on administrative review – see pp 17-17 of answers of 20 Feb 2002.

##### Answer:

1 & 2 The number of advocates employed by the Department—at 26 May 2003—to appear before the AAT, and their qualifications are:

State	Advocates with legal qualifications	Advocates without legal qualifications	Total
QLD	1	4	5
NSW	5	1	6
VIC	5	2	7
TAS	1	0	1
SA	0	2.5	2.5
WA	1	0	1
<b>TOTAL</b>	<b>13</b>	<b>9.5</b>	<b>22.5</b>

3. The number of applications to the AAT lodged by Veterans outstanding at 26 May 2003

STATE	NUMBER
QLD	410
NSW	344
VIC	223
TAS	68
SA	109
WA	43
TOTAL	1197

**Senate Foreign Affairs, Defence and Trade Legislation Committee**

**Answers to questions on notice put to Department of Veterans' Affairs  
before Budget estimates 2003–2004**

4. The number of applications lodged by veterans in the last 5 years

<b>YEAR</b>	<b>APPLICATIO NS</b>
1998	1997
1999	2149
2000	1747
2001	1592
2002	1378

DETAILED STATISTICS ARE:

<b>Year</b>	<b>Withdrawn</b>	<b>Conceded</b>	<b>Affirmed</b>	<b>Set aside</b>	<b>Total</b>
1998	428	787	121	91	1427
1999	542	645	117	90	1394
2000	641	753	250	192	1836
2001	446	542	161	202	1351
2002	415	556	144	215	1330

## Senate Foreign Affairs, Defence and Trade Legislation Committee

### Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004

#### Question 12

##### Outcome 1 (Compensation)

**Topic:** Statistics on T&PI.

**Written question on notice.**

##### Senator Mark Bishop asked:

Please update statistics on T&PI at p. 22 of answers of 20 Feb 2002.

##### Answer:

Over the last five years the number of T&PI grants to Vietnam veterans were:

Year	Grants
1998	1543
1999	2054
2000	2228
2001	2169
2002	1933

At 17 May 2003 there were 159,775 veterans receiving a disability pension. Some 21,317 (13.3 per cent) of these have *Post Traumatic Stress Disorder* (PTSD) as an accepted disability.

#### Question 13

##### Outcome 1 (Compensation)

**Topic:** Special rate in 2001/02 were for Mental disorders including PTSD.

**Written question on notice.**

##### Senator Mark Bishop asked:

What percentage of claims accepted for the Special rate in 2001/2002 were for mental disorders including PTSD?

##### Answer:

Of the decisions made in 2001/2002 to grant a special rate of disability pension, in 76.6 per cent of cases the veteran had one or more psychiatric conditions accepted as due to eligible service.

## **Senate Foreign Affairs, Defence and Trade Legislation Committee**

### **Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004**

#### **Question 17**

##### **Outcome 1 (Compensation)**

**Topic:** Nominal Roll for BCOF.

##### **Written question on notice.**

##### **Senator Mark Bishop asked:**

What progress has been made with the preparation of a nominal roll for BCOF, and what is the timeframe for completion?

##### **Answer:**

Following the successful launch of the World War II Nominal Roll website last November, the available Departmental resources were fully deployed to cope with the overwhelming demand from the community concerning the service information that appeared on the Nominal Roll website.

Now that the volume of World War II inquiries has subsided somewhat, the Department is considering its priorities and funding for the preparation of other rolls of those who served, including members of BCOF.

#### **Question 18**

##### **Outcome 1 (Compensation)**

**Topic:** Pensions reduced at General Rate.

##### **Written question on notice.**

##### **Senator Mark Bishop asked:**

With reference to the answer to question 26 taken on notice at Budget estimates 2002, and the 2 pensions reduced at the general rate as a result of fraud investigation/reassessment, does that in fact mean that the special rate was cancelled in both cases, or only for that reassessed at 50%. How does that answer reconcile with that given to question 2 on 20 Feb 2002?

##### **Answer:**

The Department of Veterans' Affairs does not regard a special rate disability pension as being cancelled unless the amount of disability pension in payment is reduced from that rate to nil. Hence, the response to part 3 of Question 2 asked on 22 February 2002 indicated that no special rate pensions had been cancelled in the preceding three years.



## **Senate Foreign Affairs, Defence and Trade Legislation Committee**

### **Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004**

In the two cases referred to in the response to Question 26 asked on 4 June 2002, both veterans ceased to receive a disability pension at the special rate but continued to receive payments at 90 per cent and 50 per cent of the General Rate respectively.

#### **Question 19**

##### **Outcome 1 (Compensation)**

**Topic:** Telstra Fees

##### **Written question on notice.**

##### **Senator Mark Bishop asked:**

With reference to question 38 of the 2002 Budget Estimates on Telstra fees, could the answer be updated in the light of subsequent events?

##### **Answer:**

In December 2002 Telstra issued a public notice advising that it would amend its pensioner concession eligibility arrangements with effect from 1 January 2003 to align with eligibility for the Australian Government Department of Veterans' Affairs or Centrelink Pensioner Concession Cards (PCCs). Telstra also publicised this arrangement through a rolling Bill Message to all concession holders over a three month period commencing on 11 January 2003.

The effect of the amendment on members of the veteran community is that, from 1 January 2003, new applicants for a Telstra concession were only eligible for the concession if they held a Pensioner Concession Card (PCC). Prior to 1 January 2003, war widows and widowers, all above general rate disability pensioners and disability pensioners who were paid an increased rate of pension due to them being amputees were eligible for the concession irrespective of whether they held a PCC.

Telstra has agreed that these veterans and war widows will continue to receive the concession under their existing service. However, new applicants will not receive the concession, unless they hold a PCC. A substantial number of veterans and War Widows are in receipt of income support from either DVA or Centrelink and therefore hold a PCC, or are grandfathered under the arrangements mentioned above, and therefore are unaffected by the changes.

In addition to the changes to eligibility, Telstra also issued a media release on 4 April 2003 which detailed a series of price changes which, it said, raised line rentals but cut prices for popular local call services. Telstra said that it had protected pensioner customers with increased concessions to minimise the increases. The release said that

## Senate Foreign Affairs, Defence and Trade Legislation Committee

### Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004

residential monthly line rentals will increase by \$1.60 per line and pensioner concessions will increase to up to \$9.35 per month. It should be noted that the Telstra concession is in addition to the telephone allowance paid by DVA.

#### Question 6

#### **Outcome 1 (Compensation) and Outcome 2 (Health)**

**Topic:** Research Projects.

**Written question on notice.**

#### **Senator Mark Bishop asked:**

Could I have a progress report on each of the research projects listed at page 34 of the answers provided on 20 Feb 2002, and on any subsequently approved projects?

#### **Answer:**

Of the 20 projects previously advised in February 2002, three research grants and four applied research projects have now been completed.

In addition, there are three new research grants (sponsored research). There are also twelve new applied research projects (commissioned research).

#### **Research Grants (sponsored research)—previously advised**

##### **Completed**

<b>Topic</b>	<b>Principal investigator</b>	<b>Institution</b>
1. Care and outcomes of potentially curable prostate cancer in younger men	Professor Bruce Armstrong	NSW Cancer Council
2. Randomised control trial of a tailored intervention to improve alcohol related outcomes following elective surgery	Dr Paul Haber	University of Sydney
3. The relationship between the major hallmarks of Alzheimer's disease	Dr James Vickers	University of Tasmania

## Senate Foreign Affairs, Defence and Trade Legislation Committee

### Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004

#### Continuing

<b>Topic</b>	<b>Principal investigator</b>	<b>Institution</b>
1. CNS specific delivery of therapeutic factors using genetically modified memory T-lymphocytes in an MS-like disease model	Professor Claude Bernard	La Trobe University
2. Motor neuron degeneration: is there a role for the low-affinity neurotrophin receptor?	Dr Surindar Cheema	Monash University
3. Post transcriptional regulation of the androgen gene in prostate cancer	Associate Professor Peter Leedman	University of Western Australia
4. Role of stellate cells in the pathogenesis of alcohol-induced pancreatic fibrosis	Associate Professor Jeremy Wilson	University of New South Wales
5. Pharmacological, metabolic and therapeutic implications of the oxygen diffusion barrier hypothesis of ageing in the liver	Professor Allan McLean	University of Sydney
6. The role of oestrogen in prostate disease	Associate Professor Gail Risbridger	Monash University

#### **Research Grants (sponsored research)—new (i.e. approved since previously advised in February 2002)**

##### **1. Care and outcomes of potentially curable prostate cancer in younger men**

Principal investigator: Professor Bruce Armstrong

Institution: New South Wales Cancer Council

Time frame: January 2003 – December 2005

Total cost: \$578,750

Outcomes: The researchers are continuing a previous study, which interviewed men with prostate disease and a control group. Collection and analysis of cost data and longer-term collection of quality of life data are vital to determining the short, medium and long-term costs, benefits and side-effects of present management options for prostate cancer. The control population will permit distinction in the men with prostate cancer between symptoms and loss of quality of life due to prostate cancer and those expected with increasing age.

## **Senate Foreign Affairs, Defence and Trade Legislation Committee**

### **Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004**

#### **2. Detection and diagnosis of prostate disease by Magnetic Resonance Imaging and Spectroscopy**

Principal investigator: Dr Carolyn Mountford  
Institution: University of Sydney  
Time frame: January 2003 – December 2005  
Total cost: \$309,000

Outcomes: The researchers will use, without recourse to biopsy, magnetic resonance imaging and magnetic resonance spectroscopy to provide the detection and diagnosis of any prostate disease. The advantages of examining the patient in the whole body scanner is that the entire prostate may be examined at one time, thus reducing sampling errors associated with the current methods. It is anticipated that both the biopsy method and the whole body MR method will identify the chemical changes associated with different aspects of the disease and thus provide a significant improvement in the management of patients with early and late stage prostate disease.

#### **3. Molecular pathogenesis of alcoholic liver disease**

Principal investigator: Dr Paul Haber  
Institution: University of Sydney  
Time frame: January 2003 – December 2005  
Total cost: \$215,000

Outcomes: The researchers will examine the pathogenesis of liver disease using the new technology of gene array, which scans thousands of genes simultaneously to find those most altered. The researchers have already found changes in a number of genes and plan to study the most promising of these in more detail. Experiments have shown that two genes usually found in neural tissue are activated in alcoholic liver disease, and the researchers plan to determine their role in this disease. The project will increase understanding of this common and important disease, with the aim of developing new approaches to prevention or therapy.

## Senate Foreign Affairs, Defence and Trade Legislation Committee

### Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004

#### Applied Research Projects (commissioned research)—previously advised

##### Completed

###### **Project**

1. Stage 2 of Future Needs of Veterans
2. Evaluation of Australian Health Care Plans
3. Co-distillation of various chemicals in laboratory simulation of evaporative water distillation
4. Gulf War Health Study

###### **Proponent**

Health Division  
Health Division  
Compensation and Support Division  
Compensation and Support Division

##### Continuing

###### **Project**

1. Stage 2 of Vietnam Veterans Health Study
2. The vascular consequences of snoring and obstructive sleep apnoea
3. Investigation of post-malaria and post-dengue syndromes in Operations Warden, Tanger and Bel Isis veterans
4. Survey of providers of health services to the veteran community ("Provider Survey")
5. Korean Veteran Cancer Incidence Study
6. Korean Veteran Mortality Study
7. Toxic effects of combinations of chemicals

###### **Proponent**

Health Division  
Health Division  
Health Division  
Health Division  
Compensation and Support Division  
Compensation and Support Division  
Compensation and Support Division

## Senate Foreign Affairs, Defence and Trade Legislation Committee

### Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004

#### **Applied Research Projects (commissioned research)—new (i.e. approved since previously advised in February 2002)**

##### **1. Effects of isolation on physical and mental well being of bereaved veterans – a pilot study.**

Proponent: NSW State Office

Time frame: 2002

Total Cost: \$9,735

Outcomes: To collect information about the life situation of a sample of bereaved veterans, and correlate this information with socio-demographic data about the participants. The study will provide a basis for the development of possible interventions by DVA.

##### **2. "Pathways to care" in veterans recently compensated for a mental health condition.**

Proponent: Joint Health Division and Compensation and Support Division

Time frame: 2002 – 2003

Total Cost: \$119,659

Outcomes: To investigate pathways to care in a sample of veterans who have recently had a mental health condition accepted by DVA.

##### **3. Assessing the social and economic outcomes of medical alarms / Personal Response Systems (PRS) for the elderly – a pilot study.**

Proponent: Health Division

Time frame: 2002

Total Cost: \$5,000

Outcomes: To assess the potential benefits of medical alarms or Personal Response Systems (PRS) to the entitled veteran community.

## **Senate Foreign Affairs, Defence and Trade Legislation Committee**

### **Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004**

#### **4. Colorectal Cancer screening study.**

Proponent: Health Division

Time frame: 2002 – 2003

Total Cost: \$94,000

Outcomes: To test the effectiveness of an easy to use Faecal Occult Blood Test (FOBT) to detect colorectal cancer

#### **5. Korean Veterans Health Study – a pilot study.**

Proponent: Compensation and Support Division

Time frame: 2002

Total Cost: \$117,777

Outcomes: To ascertain which methodology will be most successful, and to help develop costings, for a full study into the physical and psychological health status of Australia's Korean War Veterans, in order to allow better planning for their future health care.

#### **6. Sharing Health Care – Chronic Disease Self-management Demonstration Project (“The Good Life Club”).**

Proponent: Victorian State Office

Time frame: 2002

Total Cost: \$8,000

Outcomes: To improve the health related quality of life for people with diabetes, cardiovascular disease and depression, where this exists as a co-morbidity; to improve the use of the health care system by these; and to encourage collaboration between individuals, their families and health care professionals in the management of these conditions.

## **Senate Foreign Affairs, Defence and Trade Legislation Committee**

### **Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004**

#### **7. Relinquishing Care: Determining the needs of carers when their role has ended.**

Proponent: Western Australia State Office

Time frame: 2002 – 2003

Total Cost: \$20,000

Outcomes: To identify what transition support services are needed by carers when their caring status changes.

#### **8. Queensland Social Isolation Project.**

Proponent: Queensland State Office  
(partnering several Queensland State Government departments)

Time frame: 2002 – 2003

Total Cost: \$100,000

Outcomes: To help:

- reduce social isolation for the veteran community;
- link the veteran community into their local communities;
- link the veteran community into generic services; and
- reduce reliance by generic services on DVA for responses to the needs of the veteran community.

#### **9. Physical activity in the veteran community – prevalence, barriers, preferences and relationships with health and well-being.**

Proponent: Health Division

Time frame: 2002 – 2003

Total Cost: \$47,576

Outcomes: The study aims to explore the prevalence of, barriers to and preferences for physical activity in two communities of ex-service personnel and compare these to several measures of health as well as items about demographic and social characteristics.



## **Senate Foreign Affairs, Defence and Trade Legislation Committee**

### **Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004**

#### **10. Vietnam Veterans Mortality Study.**

Proponent: Compensation and Support Division

Time frame: 2002 – 2004

Total Cost: \$215,000

Outcomes: To monitor the mortality of Vietnam veterans, through the statistical analysis of de-identified data.

#### **11. 2003 Survey of Entitled Veterans, War Widow(ers) and their Carers (“Client and Carer Survey”).**

Proponent: Health Division

Time frame: 2003 – 2004

Total Cost: \$325,000

Outcomes: To provide information on veterans’:

- health status;
- access to health and community services;
- involvement in clubs and ex-service organisations, social activities and social isolation.
- Understanding of DVA and other health / community care services and entitlements; and
- Social and economic status.

#### **12. The Health of Vietnam Veterans: The Impact of Post-traumatic Stress Disorder (PTSD) and Healthy Lifestyle”.**

Proponent: Health Division

Time frame: 2003

Total Cost: \$24,000

Outcomes: To determine the effects of exercise and health lifestyle habits on the effects of PTSD in Vietnam Veterans.

## Senate Foreign Affairs, Defence and Trade Legislation Committee

### Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004

#### Question 16

##### **Outcome 1 (Compensation) and Outcome 2 (Health)**

**Topic:** Gold Card estimated cost.

##### **Written question on notice.**

##### **Senator Mark Bishop asked:**

Please update the estimated cost of Gold card for 2001/2002, and provide the estimate for 2002/2003—see p. 85 answers to questions on notice 20 Feb 2002.

##### **Answer:**

The average health care cost of the gold card for 2001–02 is currently estimated at \$9,400. The *provisional estimate* for the average health care cost of the gold card for 2002–03 is \$10,550. This figure will be subject to revision after end of financial year data become available.

Revised figures for the average health care cost of the gold card for 2001–02 and an estimate for 2002/3 are expected to be available in June. These will be based on recently acquired data sets relating to payments through the Treatment Accounts System and the Repatriation Pharmaceutical Benefits Scheme system. The new data sets have been developed as a result of the phased introduction of the DVA Departmental Management Information System (DMIS).

#### Question 7

##### **Outcome 2 (Health)**

**Topic:** Hospital agreements and Private Hospitals negotiations.

##### **Written question on notice.**

##### **Senator Mark Bishop asked:**

Could an update be provided on the status of negotiations with states on hospital agreements, and with all private hospitals?

## **Senate Foreign Affairs, Defence and Trade Legislation Committee**

### **Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004**

**Answer:**

#### **PUBLIC HOSPITAL ARRANGEMENTS**

##### **NEW SOUTH WALES**

A ten-year agreement commenced on 1 July 1993 with the transfer of the Repatriation General Hospital (RGH) Concord and covers the treatment of veterans in all New South Wales public hospitals. The initial transition funding phase expired on 30 June 1998 and has moved from a block funding arrangement, to a basis where payment is largely on a case payment arrangement for veteran treatment and includes payment for Special Veterans Services at the former RGH Concord.

The Department is currently working with the NSW Department of Health on a new Deed of Variation for 2003/2004 as part of an agreement to extend the current arrangement a further year.

##### **VICTORIA**

A ten-year agreement with the Victorian Department of Human Services commenced on 1 January 1995 with the transfer of RGH Heidelberg to the State and covers the treatment of veterans in all Victorian public hospitals. With the exception of the initial transition funding arrangements, the original agreement was subsumed into a long-term (6 year) Hospital Services Arrangement that was signed by both parties on 7 December 1998. The new Arrangement moves the payment of veteran care onto a casemix basis and this Arrangement will continue until 30 June 2004. The current year includes payment for Special Veteran Services at the former Repatriation General Hospital Heidelberg.

As part of undertakings set out in the Hospital Services Arrangement, the casemix payment arrangements are periodically reviewed to align with development in the State's casemix funding arrangements to its public hospitals and cost increases.

##### **QUEENSLAND**

A six-year Arrangement was signed by both parties on 24 December 1998 and will be in place for the period from 1 July 1998 to 30 June 2004. This Arrangement sets the framework for the delivery of hospital services to eligible veterans in all Queensland public hospitals.

The Queensland Deed of Variation to the public hospital Arrangement for the financial years 1 July 1998 to 30 June 2001 was signed on 29 August 2001. In 2000–2001 the payment model moved to a case payment arrangement based on the State Public Hospital case payment arrangements. The payment arrangement for veterans is periodically reviewed to refine the case payments to take account of cost increases and changes in the State's casemix system.

## **Senate Foreign Affairs, Defence and Trade Legislation Committee**

### **Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004**

#### **SOUTH AUSTRALIA**

The Commonwealth has a 10-year Hospital Services Agreement with the South Australian State Government for treatment of veterans in South Australian public hospitals, which commenced on 9 March 1995, with the transfer of RGH Daw Park to the State.

A new Deed of Variation for arrangements covering the period 1 July 2001 to 30 June 2005 was signed by the Commission and the State Minister for Health in early July 2002.

#### **WESTERN AUSTRALIA**

On 5 October 2001 an Arrangement was signed, with an expiry date of 30 June 2004. The payment is on a casemix basis for veteran treatment by State public hospitals, which is periodically reviewed to take into account cost increases and changes to the State's annual cost recovery schedule.

#### **TASMANIA**

With the transfer of RGH Hobart in 1992, there had been a basic per diem payment arrangement for services with the Tasmanian Health Department. Further refinement to the payment mechanism occurred with a view that a case payment model would operate from 1 July 2001.

The Department and the Tasmanian Government have reached agreement on the payment model for charging and a longer term Deed of Variation is being finalised. The Department is currently waiting on the Tasmanian Government to sign the new 5 year Arrangement.

#### **AUSTRALIAN CAPITAL TERRITORY**

An Arrangement specifically for the treatment of entitled veterans in ACT public hospitals came into place on 1 July 1998 and operates until 30 June 2004. Both Parties signed the long-term Arrangement on 1 December 1998.

The payment arrangement for veterans is periodically reviewed to refine the case payments to take account of cost increases and industry changes in casemix funding.

#### **NORTHERN TERRITORY**

An Arrangement specifically for the treatment of entitled veterans in Northern Territory public hospitals came into place on 1 July 1998 and will operate until 30 June 2004. The long-term Arrangement was signed on 15 January 1999.

The payment arrangement for veterans is periodically reviewed to refine the case payments to take account of cost increases and industry changes in casemix funding.

## **Senate Foreign Affairs, Defence and Trade Legislation Committee**

### **Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004**

#### **PRIVATE HOSPITAL ARRANGEMENTS**

The Department has contracted with 419 private hospitals and day procedure centres comprising of 124 private hospitals with Tier 1 contracts, 130 private hospitals with Tier 2 contracts and 165 day procedure centres.

Former Repatriation Hospitals sold to Private Sector:

- Hollywood Private Hospital (Perth) contract ceases 23 February 2006
- Greenslopes Private Hospital (Brisbane) contract ceases 31 December 2005
- Lady Davidson Private Hospital (Sydney) contract ceases 28 February 2007

Contracts with Other Tier 1 Veteran Partnering private hospitals initially involved 4 year agreements with an option to extend a further 2 years;

- Victoria – current contract period ceases 31 October 2003 but is in the process of being extended for a further 2 years;
- Tasmania – current contract period ceases 31 December 2003;
- South Australia – current contract period ceases 31 May 2004;
- Queensland country – current contract period ceases 31 October 2004;
- NSW/ACT – current contract period ceases 12 February 2005;
- WA Country – current contract period ceases 31 May 2006;

Contracts with Tier 2 private hospitals and day procedure centres

- vary in length but are principally of 12 to 24 month duration.

The following is a summary of the status of Tier 1 VP arrangements by jurisdiction.

#### **NEW SOUTH WALES**

In February 2001, 46 Private Hospitals in New South Wales and the Australian Capital Territory were awarded 4-year Tier 1 contracts. The State Office commenced the initial contract price review in October/November 2002 and this was finalised in February 2003.

#### **VICTORIA**

On 1 November 1999 36 private hospitals were contracted as Tier 1 hospitals.

Annual contract and pricing reviews took place in June 2001 and June 2002. The third price review has now commenced.

## **Senate Foreign Affairs, Defence and Trade Legislation Committee**

### **Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004**

#### **QUEENSLAND**

In November 2000 23 Tier 1 private hospitals were contracted in country Queensland. A contract and pricing review took place in October/November 2002.

#### **SOUTH AUSTRALIA**

In June 2000 eight Tier 1 private hospitals were contracted.

The second contract price review commenced in March 2003 and is not yet finalised.

#### **WESTERN AUSTRALIA**

In June 2002 two Tier 1 private hospitals were contracted in Bunbury and Geraldton.

Discussions are continuing with Peel Health Campus.

On 7 May 2003 the Minister announced that private hospitals outside a radius of 20 kilometres from the Central Business District will be invited to tender for Tier 1 status. Metropolitan private hospitals within 20 kilometres of the Central Business District will then be given an opportunity to take up tier 2 status and admit veteran patients when Hollywood and any other Tier 1 hospital in the Perth region is unable to do so.

#### **TASMANIA**

Six Tier 1 private hospitals were contracted on 1 February 2000.

Prices with the Tier 1 hospitals have been reviewed twice so far.

#### **Question 9**

##### **Outcome 2 (Health)**

**Topic:** Contractors.

##### **Written question on notice.**

##### **Senator Mark Bishop asked:**

Please update the statistics on contractors provided in answer to question 5 of the questions on notice from the Budget estimates of 5 June 2002—see pp 99–101.

##### **Answer:**

As at May 2003 there were 493 contractors. Please find attached a worksheet highlighting contract length.

## Senate Foreign Affairs, Defence and Trade Legislation Committee

Answers to questions on notice put to Department of Veterans' Affairs  
before Budget estimates 2003–2004

**Senate Foreign Affairs, Defence and Trade Legislation Committee  
Department of Veterans' Affairs—answers to questions on notice  
Budget Estimates 2003–2004; May 2003**

Outcome	Contract length													
	Qualification				<12 Months			Annual				>12 Months		
	IT	Health Prof.	Other	Total	Renewable	Non-Renewable	Renewable	Non-Renewable	Renewable	Non-Renewable	Renewable	Work on DVA premises?	Program Costs	Running Costs
1	20	23	22	65	3	1	2	1	6	1	52	45	43	22
2	43	116	64	223	12	5	45	18	27	116	197	164	59	
3 (Office of Australian War Graves) and (Commemorations)	2	0	142	144	4	5	0	2	5	128	3	141	3	
4	36	4	7	47	1	0	8	6	0	32	43	8	39	
5	0	3	0	3	0	0	1	1	0	1	3	3	0	
All outcomes	0	0	11	11	1	0	8	1	0	1	11	0	11	
Total	101	146	246	493	21	11	64	34	33	330	302	359	134	

Note 1: Health professional includes doctor, dentists, nurses, physiotherapists, podiatrist etc.

Note 2: In a number of cases, in particular service contracts such as for OAWG for individual gardening services, the contract is with a company where there is no individual specified.

Note 3: Snapshot information as at 31 March 2003.

## Senate Foreign Affairs, Defence and Trade Legislation Committee

### Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004

#### Question 14

##### Outcome 2 (Health)

**Topic:** Evaluation of DMIS.

##### Written question on notice.

##### Senator Mark Bishop asked:

What progress has been made with the evaluation of the DMIS system?

##### Answer:

DMIS was funded in the context of the 2000–01 budget through an initiative to “better manage health care information”. An evaluation, whilst not completed, is well underway and on this basis the Department is confident of meeting original savings estimates, although the longer than estimated time to implement the various DMIS business modules will delay the realisation of the savings. The evaluation to date shows that savings will continue to accrue for a number of years.

The two major business modules that have been available for some time—Private Hospitals and Community Nursing—have contributed, in identified and estimated reductions in outlays, over \$13 million to the end of 2002–03, with ongoing savings of the order of \$10 million per annum. This compares with projected savings for the new policy proposal of \$7.8 million in 2000–01 increasing to \$13 million in 2001–02, \$14 million in 2002–03 and \$15 million in 2003–04.

The other business modules that have recently come on stream (Pharmacy, Veterans' Home Care, Health Executive Decision Support System) and those which will be implemented in the near future (Mental Health and Medical and Allied Health) will also start to generate savings over coming years.



## **Senate Foreign Affairs, Defence and Trade Legislation Committee**

### **Answers to questions on notice put to Department of Veterans' Affairs before Budget estimates 2003–2004**

#### **Question 15**

##### **Outcome 2 (Health)**

**Topic:** Sturt Nursing.

##### **Written question on notice.**

##### **Senator Mark Bishop asked:**

What is the current status of the legal process with Sturt Nursing?

##### **Answer:**

There is no current legal action in progress involving Sturt Nursing Agency Pty Ltd and either the Department of Veterans' Affairs or the Repatriation Commission.

#### **Question 20**

##### **Outcome 2 (Health)**

**Topic:** Liability for GST on medical services contracts.

##### **Written question on notice.**

##### **Senator Mark Bishop asked:**

With reference to question 24 at p. 49 of the answers to questions on notice at budget estimates 2002, what is the current status of DVA liability for GST on medical services contracts?

##### **Answer:**

Since 2002, the Department of Veterans' Affairs (DVA) has written to its providers of Community Nursing, Veterans' Home Care and Allied Health services. They were informed of changes in the application of the Goods and Services Tax ('GST') to health services provided to veterans and were requested to provide data to update their provider profiles so that claims for payment could be correctly processed for the GST.

Essentially, all claims for payment from Community Nursing agencies and Veterans' Home Care organisations for veteran health services are now subject to GST. Also, a small number of allied health services attract GST. These include specific reports requested by the Department and certain consumables and aids and appliances. The GST status of each allied health service has been included in the schedules of fees relevant to the different professional groups and are available on the Department's website ([www.dva.gov.au](http://www.dva.gov.au)).

**Senate Foreign Affairs, Defence and Trade Legislation Committee**

**Answers to questions on notice put to Department of Veterans' Affairs  
before Budget estimates 2003–2004**

The GST changes have not affected the entitlements of veterans and other beneficiaries to health services or the eligibility of veterans to seek assistance under the Veterans' Home Care program.