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Australian Government

Department of the Prime Minister and Cabinet

**ANDREW FISHER BUILDING
ONE NATIONAL CIRCUIT
BARTON**

Reference: MS25-000252

Kate Bryant
Coroner's Registrar, Coroners Support Services
Coroners Court of Victoria
cpuresponses@coronerscourt.vic.gov.au

Dear Registrar

Thank you for your letter of 17 March 2025 regarding the Coroners Court of Victoria's investigation into the death of Jonathan Mark Townsend (reference number: COR 2021-005922).

On behalf of the Australian Government, I extend my sincere condolences to the family of Jonathan Mark Townsend for their loss. I also thank Coroner McGregor for his findings and recommendations.

I acknowledge that the recommendation of the Finding into Death without Inquest recommends the Australian Government amend the Department of Veterans' Affairs fee schedule to mitigate the challenges faced by veterans in accessing health care, ensuring that: (i) at a minimum, the revised fee schedule aligns with that of the National Disability Insurance Scheme; and (ii) efforts to mitigate supply constraints are prioritised, such as non-fee-for-service components, additional loading, and/or incentive payments, including in areas with few health services for the populations being served.

The Government is committed to working with veterans and their families to improve services and support for those who have served in the Australian Defence Force, and will continue to play its part in improving mental health outcomes, reducing the risk of suicide and supporting the wellbeing of the veteran community.

While the Commonwealth reserves its position on whether it is bound by section 72(3) of the *Coroners Act 2008* (Vic), noting and recognising the important role of the Coroners Court of Victoria in investigating and preventing deaths, the Government provides the following voluntary response to the recommendation.

I hope this response is of assistance.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Andrew Walter'.

Andrew Walter
First Assistant Secretary, Government Division
Department of the Prime Minister and Cabinet
12 June 2025

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COMMONWEALTH GOVERNMENT RESPONSE INVESTIGATION INTO THE DEATH OF JONATHAN TOWNSEND

RECOMMENDATION 1

That the Australian Government amend the Department of Veterans' Affairs fee schedule to mitigate the challenges faced by veterans in accessing health care, ensuring that:

- (i) at a minimum, the revised fee schedule aligns with that of the National Disability Insurance Scheme; and*
- (ii) efforts to mitigate supply constraints are prioritised, such as non-fee-for-service components, additional loading, and/or incentive payments, including in areas with few health services for the populations being served.*

RESPONSE

The Government notes this recommendation.

The Government is committed to mitigating the challenges veterans face in accessing health care.

The Government agrees there is a need to consider veteran health care pricing arrangements and system design. This will help better incentivise providers, simplify administrative arrangements, ensure greater fiscal sustainability of veteran healthcare arrangements, and promote better veteran health outcomes.

The Royal Commission into Defence and Veteran Suicide (Royal Commission) recommended that the Department of Veterans' Affairs (DVA) fee schedule be increased so it is aligned with that of the National Disability Insurance Scheme (NDIS). In the Government's response to the Royal Commission, this recommendation was noted for further consideration by the Royal Commission into Defence and Veteran Suicide Implementation Taskforce (the Taskforce) within the Department of the Prime Minister and Cabinet.

The Taskforce was established in December 2024, to oversee implementation of the Royal Commission recommendations, and specifically to consider detailed implementation for agreed-in-principle and noted recommendations. The Taskforce is working with Commonwealth, state and territory governments, ex-services organisations, those with lived experience and other external experts to provide advice on the implementation of recommendations to Government in 2025.

There are a range of differences between the NDIS fee schedule and DVA arrangements. Under the NDIS, participants receive a package of funding, which is limited each year and can be spent on various support services. The NDIS does not fund general health care or treatment provided by medical practitioners, such as psychiatrists.

In comparison, DVA funds clinically necessary treatment for eligible Veteran Card holders using a fixed fee-for-service model, which remunerates health care providers at a scheduled rate. DVA funds a much broader range of health care services than the NDIS and eligible

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Veteran Card holders can access unlimited, fully funded treatment, in line with their clinical needs.

Because the NDIS does not generally fund medical treatment, aligning DVA fees with NDIS price limits for allied health services would fail to account for other types of treatment including general practitioner, and medical specialist services, such as psychiatrists.

Where there is a valid clinical need, DVA may consider requests to fund treatment above the scheduled fee through DVA's prior approval arrangements. Requests for prior financial approval must be clinically justified and are considered on a case-by-case basis. DVA records indicate advice regarding the prior financial approval process has been provided to the psychiatrist referenced in this matter.

More broadly, the Government has made significant investments to increase veterans' access to healthcare. In the 2025-26 Budget, the Government committed \$47.6 million to increase resourcing in key service delivery areas of the Department. This includes funding for up to 120 service delivery staff in the following areas:

- The Veteran Access Network
- Veteran Support Officers
- Complex Case Management teams
- Information Access teams
- Mental health support teams

The investments committed to in the 2025-26 Budget build upon significant investments made by the Department via the 2024–25 Mid-Year Economic and Fiscal Outlook (MYEFO) process, which included \$34.9 million to provide DVA with additional resourcing as well as funding to support the Department's implementation of the Government's response to the Royal Commission.

The *Veterans' Entitlements, Treatment and Support (Simplification and Harmonisation) Act 2025* (the VETS Act) was also passed in 2025, closing the *Veterans' Entitlements Act 1986* (VEA) and *Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988* (DRCA) to new claims from 1 July 2026. From this date, all compensation and rehabilitation claims will be determined under a single ongoing Act – the improved *Military Rehabilitation and Compensation Act 2004* (MRCA). Consolidating the legislation into one Act will result in a system that is easier for veterans to navigate and ensure more consistent compensation outcomes. A single Act will also be simpler to administer, benefiting veterans and families over time through more consistent and timely claim outcomes. In addition to administrative enhancements, the VETS Act provides for various new entitlements for veterans.