

Opening Statement Budget Estimates 2017

For some time now, DVA has been listening and hearing that we need to change, we need to transform our Department and move our focus from paper and claims based activity to putting the veteran at the centre.

In close collaboration with our veterans and their families, our stakeholder community and other Government partners, DVA is designing a future business operating model that does put the veteran at the centre.

The key themes we are hearing we need to transform include: improving client focus, reducing the time to process claims, improving transition, improving our communication, improving our attitude and strengthening our support to families.

We understand that some veterans have not had a good experience with our claims processes.

It is disappointing that some veterans believe the claims process is 'adversarial'. DVA's funding is based on supporting those who have eligibility, it is not capped, it is demand driven.

We have also reviewed the National Mental Health Commission report into veterans suicide. The areas of concern most evident in the report include: our systems, communication and support, claims processing, medical evidence and health cards.

Our recent client satisfaction survey also showed that those older veterans or families who have an enduring relationship with DVA are still satisfied (83%). Less than half of clients under 45 years are satisfied, at 49%, with nearly one third dissatisfied, at 31%. We are listening to their experiences and giving them the opportunity to influence our transformation.

Over the recent years, DVA has given sustained attention to the Time Taken To Process (TTTP) liability claims, which has seen a reduction across all of our Acts.

In order to continue to support ongoing claims processing activities, the Government announced \$13.5m in budget to help alleviate pressure on claims processing staff and reduce the backlog associated with increasing claims.

The 2017-18 Budget also announced the first phase of our Veteran Centric Reform (VCR) which is a necessary and important evolution of the DVA service offering to veterans and their dependants. It is about knowing our veteran community, which extends to those who are still in service, those who have served, their families and dependants.

VCR is more than ICT, it is about transformation of the Department it will:

- Build on last year's budget for Improved Processing Systems in our rehabilitation and compensation systems. Already we have improved processing times for non-liability health care down from 18 days to 1.4 days and in some instances hours.
- Build on our success with implementing the Digital Transition Agency's Digital Service Standard into our project methodology through the Lighthouse project. This project redesigned the MRCA liability claims process, with improved processing times for some claims reducing from 120 days to 4 days.
- We will continue to progress the digitisation of records and files in preparation for our ICT modernisation.
- Build on our work to streamline our process, and to remove barriers.
- We are also doing a lot of work on our change-readiness to build leadership capability and a more future-focused culture.

The funding arrangement for VCR has been consistent with the last two budgets; each phase is stand alone and will deliver benefits to the veteran community. The Department provides progress updates to the Government and receives new funding based on that progress.

This Budget has seen the most significant of the funding envelopes provided for VCR in part due to the significant progress we have shown in our ability to create processes to reduce wait and claims times and deliver better outcomes for clients.

With our partners in Defence, the Commonwealth Superannuation Corporation (CSC) and Health, DVA is exploring all opportunities to reduce the challenges veterans and their families face during transition and identify those where intervention may reduce the risk of self-harm and suicide. DVA recognises it is essential we look at reducing the risks and increasing protection.

The funding for VCR, and the funding of New Policy Proposals (NPPs) and other measures, underpins a comprehensive year of reform activity for my Department.

At the same time we have continued with our focus on supporting domestic and international commemorations for the Anzac Centenary and Century of Service. This will continue in the coming year with significant events such as the 100th anniversaries of the Battles of Polygon Wood, Beersheba and Villers-Bretonnuex, as well as the 100th anniversary of the Armistice.

In addition to our focus on the initiatives I have just mentioned, DVA is continuing to deliver a wide range of support and services to veterans and their families and we would be happy to address any questions that you have for us tonight.