



Australian Government
Department of Veterans' Affairs

Businessline

Action Required: *Read and apply amended policy at Chapter 3.6.5 of the Incapacity Policy Manual*

To:

Assistant Secretary, Processing and DHOAS
Assistant Secretary, Business Improvement & Quality Assurance

Distribute to:

Directors and Assistant Directors, Clients' Benefits Division
Incapacity payment delegates (Clients Benefits Division)
Review and Quality Assurance Officers (Business Improvements and Quality Assurance)

For information:

Deputy President
Deputy Commissioner WA
First Assistant Secretary, Clients Benefits Division

SUBJECT: Clarification of policy regarding evidence to support the duration of pay-related allowances included in Normal Earnings under the *Military Rehabilitation and Compensation Act 2004* (MRCA)

Purpose: To inform incapacity payment delegates that in the event a claimant disagrees with the allowance cessation date provided through the Request Management System (RMS), and provides evidence of an alternative date, the delegate must assess the evidence and make a decision accordingly.

Key Points:

- Delegates should read and apply amended policy at [Chapter 3.6.5 of the Incapacity Policy Manual](#).
- The relevant procedures are contained in CLIK – Compensation Claims procedures – Incapacity Procedures [Calculation and payment – Determining normal weekly earnings \(NWE\) and normal earnings \(NE\)](#)

Background:

Where a person in receipt of incapacity payments under the MRCA is compensated for the loss of a pay-related allowance, the legislation prescribes that “the Chief of the Defence Force (CDF) must advise the Commission in writing of the date on which each compensable pay-related allowance would normally have ceased to be paid to the member if the member were not incapacitated for service.”

In the past, policy has held that there is no discretion to use a date other than that obtained from the CDF through the RMS process. Policy has now been amended clarifying that it is permissible for the delegate to consider an alternative view on the duration of allowances based on evidence provided by the claimant.

The cessation date provided by the RMS is the default date and there is a presumption that it is correct.

Action required

Where a claimant provides evidence of a different end date for the inclusion of allowances in NE to that provided through the RMS, the delegate should assess the merits of that alternative date based on the evidence provided by the claimant. Further information is available in CLIK at chapter 3.6.5 of the Incapacity Policy Manual

A handwritten signature in black ink, appearing to read 'Brian Eastman', with a stylized, flowing script.

Brian Eastman
Acting Assistant Secretary
Benefits Policy Branch

22 August 2023