



Australian Government  
Department of Veterans' Affairs

# VETS Act Reform: DVA Family Supports

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Changes resulting from the *Veterans' Entitlements, Treatment and Support (Simplification and Harmonisation) Act 2025*

# Module Overview

This training module outlines the changes to the supports available to families as a result of the *Veterans' Entitlements, Treatment and Support (Simplification and Harmonisation) Act 2025* (VETS Act). These changes come into effect from 1 July 2026. These changes impact:

- The Acute Support Package
- The DVA Education Schemes
- Recipient arrangements for payments made under section 80 of the MRCA

# Acute Support Package



# What is the Acute Support Package (ASP)?

- Short-term, flexible support to help veterans and their families adjust to new and challenging life circumstances
- Designed to assist during or when at risk of experiencing crisis
- Delivered through a structured Support Plan
- Not an emergency or long-term program — not for medical treatment or income support
- Examples of triggering circumstances:
  - Mental health episodes, suicide attempts, substance misuse
  - Family/domestic violence or breakdowns
  - Bereavement (including veteran suicide)

# Types of Assistance & Benefits

ASP funding can be used for services such as:

- Childcare, tutoring, music/sports lessons (up to \$10k/year for pre-primary, \$5k/year for primary students)
- Household help (cleaning, groceries, meal prep)
- Counselling, psychosocial support, transport
- Support to build capacity and function (short courses, confidence-building, social activities)
- Postvention support for bereaved families

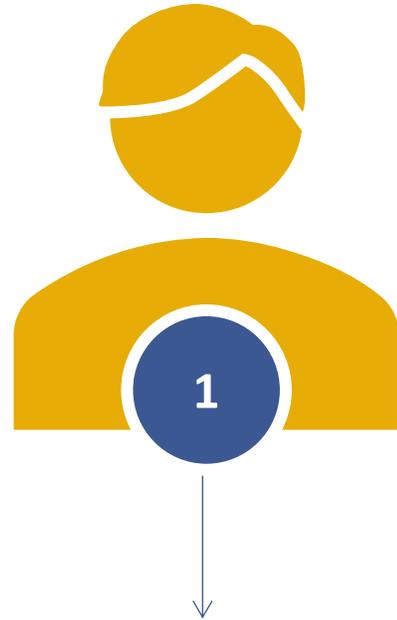
Funding limits:

- Veterans/families: \$7,500 (Year 1), \$5,000 (Year 2)
- Bereaved partners and grandparents: \$27,835 annually for 2 years
- Additional funding for children: \$10,000 per year while under primary school age, \$5,000 per year while in primary school.

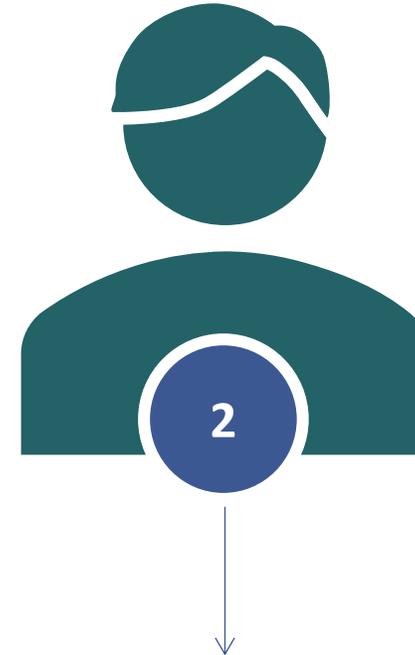
# Changes to the Acute Support Package under VETS Act

- From **1 July 2026**, the Acute Support Package will be consolidated under the *Military Rehabilitation and Compensation Act* (MRCA).
- The existing eligibility criteria will be transferred to the MRCA.
- Eligibility up to age pension age and covers guardianship arrangements.
- All new packages will be assessed and granted under the MRCA.
- Packages granted under the VEA or DRCA before commencement will continue until the period of support ends.
- **From 21 April 2025, the single review pathway came into effect meaning claimants can request a review of a decision within 12 months, regardless of the Act the package was granted under.**

## How will this work?



**Packages granted before 1 July 2026**  
*Continue under each Act until support ends or package is revoked*



**Packages granted after 1 July 2026**  
*Assessed and granted under MRCA*

# Eligibility under MRCA from 1 July 2026

Group	Eligibility Snapshot
<b>Veteran</b>	Under age pension age, receiving (or eligible for) a relevant DVA payment: <ul style="list-style-type: none"> <li>• Incapacity payments, Special Rate Disability Pension, Special or Intermediate Rate of Disability Compensation Payment, or Veteran Payment.</li> </ul>
<b>Former partner</b>	Under age pension age, separated within 12 months OR caring for child under 18
<b>Related person</b>	Crisis impacting/involving the veteran or their wellbeing
<b>Bereaved partner</b>	Under age pension age, death must be service-related and within last 2 years
<b>Grandparent or guardian (parenting a child of deceased veteran)</b>	Child under 18, death related to service and <2 years ago

# Scenarios – Marie



- Marie is receiving incapacity payments under the DRCA. Following a death in her family which impacted her mental health, Marie was granted an Acute Support Package on 30 September 2024.
- As a veteran, Marie can access services funded to a total of \$7,500 in the first year and \$5,000 in the second. Her support plan includes funding for bereavement counselling, yoga for wellbeing, and help with meal preparation.
- From 1 July 2026, access to ASP under the DRCA closes and all new packages are granted under the MRCA. However, because Marie's support plan was approved before the transition, it continues unchanged until the end of her 24-month support period.
- Marie's support plan remains in place until it concludes on 30 September 2026, with no disruption to her services or funding.

# Scenarios – Jason, Anna and Daniel



- Jason becomes the legal guardian of his veteran brother's children, Anna (8) and Daniel (15), after his brother passes away in August 2025. The veteran's death is accepted as service related under the MRCA.
- From 1 July 2026, new eligibility criteria allow guardians to access support under the Acute Support Package.
- As the veteran's death occurred within the previous two years, Jason is eligible for ASP and a support plan is approved on 20 July 2026.
- The plan includes funding for household assistance, family counselling and extra-curricular activities for the children, with \$27,835 available each year for two years.
- Because Anna is still in primary school, the plan includes an additional \$5,000 per year which is used to fund occasional after school care and dance lessons.

# Scenarios – Amanda



- Amanda, aged 65, separates from her veteran partner, who is also 65 receives SRDP, on 10 October 2025. At that time, she isn't eligible for ASP because she's over 65.
- From 1 July 2026, the age limit for certain cohorts, including former partners, is increased to pension age (67). As Amanda separated from her partner within the last 12 months and is under 67, she now meets the eligibility criteria for ASP.
- Amanda is granted a package, and a support plan is approved which includes funding for services up to \$7,500 in the first year and \$5,000 in the second.
- Amanda's plan includes funding for household assistance, financial counselling and art classes as a wellbeing activity.

# How to access the program

- No formal claim form required
- Referrals accepted via:
  - 1800 VETERAN (1800 838 372) – say “Acute Support Package”
  - Internal DVA referral (with consent)
- Support is tailored via a Support Plan, developed with people included on the plan and approved by a Delegate.
- Not suitable for emergency support – refer to Open Arms or 000 in crises

# Education Schemes



# Background

- Established in 1921 as the Soldiers' Children Education Scheme, currently there are two Education Schemes:
  - the Veterans' Children Education Scheme (VCES), established under the *Veterans' Entitlements Act 1986*, and
  - the Military Rehabilitation and Compensation Act Education and Training Scheme (MRCAETS), established under the *Military Rehabilitation and Compensation Act 2004*
- The Education Schemes provide financial assistance, special assistance, student support services and arrange for guidance and counselling for eligible children undertaking full-time study, including apprenticeships and traineeships, generally until the age of 25

# What assistance is available?

- Education Allowance
- Rent Assistance
- Tertiary Start-up and Relocation Scholarships
- Fares Allowance (for post-secondary students living away from home)
- Additional Tuition
- Special Assistance
- Guidance and Counselling
- Income Support Bonus
- Energy Supplement

# The Education Scheme under the VETS Act

- From **1 July 2026**, education assistance will be consolidated under the MRCA with the MRCAETS becoming the single ongoing scheme.
- The existing VEA and VCES eligibility criteria will be incorporated into the MRCA and the VCES will close.
- Eligible dependants of veterans who were previously covered under the Safety, Rehabilitation and Compensation Defence-related Claims Act (DRCA) may qualify for MRCAETS benefits from 1 July 2026, subject to meeting the eligibility criteria under the MRCA.
- **Dependants already accessing VCES will automatically transfer to MRCAETS without the need to reapply.**

# Eligibility from 1 July 2026

A child may be eligible for MRCAETS from 1 July 2026 if they are:

- under 25 and undertaking full-time education or training, and a dependant of a veteran who:
  - is receiving a disability compensation payment at the Special Rate, Extreme Disablement Rate or an increased rate under the VEA, and
- under 25, undertaking full-time education or training, not working full-time\*, and a dependant of a veteran who:
  - has 80 or more impairment points **determined under the MRCA**;
  - is eligible, or was at some point, for the:
    - Special Rate Disability Pension
    - Additional Disablement Amount (ADA) **(New)**
  - whose death was related to service.

A child or adult child of a Vietnam veteran may also be eligible where they have been assessed as vulnerable by a qualified professional.

\* There will be a minor difference in eligibility depending on whether the veteran is eligible under the VEA criteria or the MRCA criteria. The key distinction is that students whose veteran parent is eligible under the MRCA criteria cannot work full-time.



### Existing students

- Students receiving support under the VCES will be automatically transferred to MRCAETS from 1 July.
- Current VCES students do not need to make a new claim.
- Claims that are still being processed will become MRCAETS applications.
- All decisions can be appealed to the Administrative Reviews Tribunal.



### New students from 1 July 2026

- All new claims assessed under MRCAETS.
- No changes to benefits provided or level of support.
- A child of a veteran with DRCA-only eligibility can apply for MRCAETS if the veteran:
  - becomes eligible for SRDP,
  - becomes eligible for the new ADA, or
  - has been assessed as having 80 or more impairment points under the MRCA\*

\*DRCA veterans **without** a new condition accepted under MRCA will require a 5-point increase from their baseline impairment.



# Scenarios – Jacob

- Jacob is 22 years old and studying at Bachelor of Education. He needs to live away from home to complete his course. His veteran parent receives a Special Rate Disability Compensation Payment under the VEA.
- Before 1 July 2026, Jacob receives support under the VCES including the living away from home rate of education allowance, rent assistance, fares allowance, and the student start-up and relocation scholarships.
- On 1 July 2026, Jacob automatically transfers to the MRCAETS under the MRCA. He doesn't need to reapply, his rate of payment and payment timing all remain the same.
- There is no disruption or change to Jacob's support.

# Scenarios – Robert and Jessica



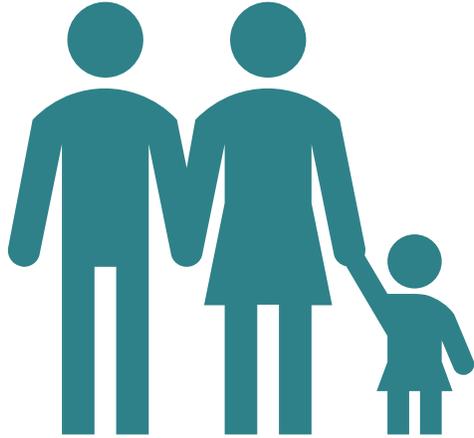
- Robert has DRCA only accepted conditions and is the primary carer of his 10-year-old daughter, Jessica, who attends primary school.
- After 1 July 2026, Robert lodges a claim for a deterioration of his accepted conditions and is assessed at 80 or more impairment point under the MRCA, including a 5-point worsening of an existing condition. Robert has met the threshold test which in turn makes Jessica eligible for MRCAETS.
- As a primary school student, Jessica is eligible for an annual education allowance. As Robert has primary care and receives 100% of Family Tax Benefit (FTB) for Jessica, the whole amount of the education allowance is paid to him.
- Jessica’s school identifies that she could benefit from some extra learning support. Robert applies for additional tuition under the MRCAETS which is approved and paid directly to the service provider.

# **Recipient arrangements for section 80 payments**



# Section 80 payments: *From 1 July 2026*

## Expanded eligibility to primary carers



- From 1 July 2026, section 80 of MRCA will be expanded to include primary carers of Eligible Young Persons (EYP).
- This means the primary carer/guardian of the dependent EYP(s) can be the section 80 payment recipient.
- These new arrangements:
  - Recognise varying family and caring circumstances and allows for the funds to be directed and used to serve the interests of the EYP.
  - Allow consistency with the arrangements that already exist for government family assistance and include the flexibility to apportion the amount.
- A new legislative instrument authorised under subsection 80A(3), will set out the circumstances for determining who may be eligible and how the payments can be apportioned.
- This expansion will not impact the current arrangements where two veterans are entitled to receive the section 80 payment each (see Scenario for Melissa and John).
- It is important to note that receipt of a section 80 payment will be taken into account for other means-tested Commonwealth payments, including, but not limited to, Family Tax Benefit, Child Care Subsidy and Parenting Payment. As DVA do not administer these payments, recipients should seek advice from the relevant Government agencies to understand any potential flow on impacts to their payments.

# Section 80 payments: *From 1 July 2026*

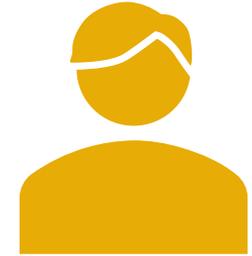
## Eligibility for DRCA and VEA veterans

- From 1 July 2026, VEA and DRCA veterans with dependent EYPs may be eligible to access the additional payment under section 80 of the MRCA where they meet the criteria, which requires the veteran to have:
  - an impairment of at least 80 impairment points, and
  - either a newly accepted condition under the MRCA, or a 5-point worsening of their compensable conditions since their last assessment.

## Threshold requirements for claims after 1 July 2026

- There is no change to the overall impairment threshold required for this payment (i.e. 80 points). However:
  - **Veterans with a new condition under the MRCA** from 1 July 2026, will **only require 80 points** to be considered for the payment.
  - However, for **DRCA or VEA veterans without a new condition accepted under MRCA** from 1 July 2026, will **require a 5-point increase** from their baseline impairment rating to be considered for the payment.

# Scenarios – Henry



- Henry lodges a claim for MRCA PI after 1 July 2026 and is assessed at 80 impairment points on 30 September 2026.
- On the relevant date for section 80 purposes, Henry has one child, Kate, aged 7 years old.
- Evidence is provided that the child is cared for by both the veteran and the ex-spouse, who live at different residences, where child shares their time equally between the veteran and the ex-spouse, in a one week on, one week off arrangement.
- The evidence also provides there is no formal child support arrangement in place, rather, the veteran and the ex-spouse share the financial support of the child equally.
- The delegate is satisfied the evidence reflects the veteran and the ex-spouse are both primary carers, as they share equal 50/50 responsibility of the child.
- The section 80 payment is therefore payable in respect of the child, and the veteran and the ex-spouse are entitled to be paid a 50/50 equal share of the section 80 payment.

# Scenarios – Melissa and John



- Melissa and John are both veterans and are both assessed at 80 impairment points in relation to a claim lodged after 1 July 2026.
- Both Melissa and John will be eligible to receive separate payments under section 80 in respect each EYP that is also dependent on them for economic support on the relevant date.
- On the relevant date for section 80 purposes for both Melissa and John, they have one child, Mitchell, aged 10 years old. The delegate is satisfied that Mitchell is an eligible young person.
- Evidence is provided that Melissa and John both live together at one residence and Mitchell also lives with them on a fulltime basis. This means that Mitchell is wholly dependent on both Melissa and John for economic support.
- Both Melissa and John will be eligible to receive a separate section 80 payment each in respect of Mitchell.

# Scenarios – Louise



- Louise has service-related conditions previously accepted under the DRCA and VEA.
- She lodges a claim for MRCA PI after 1 July 2026 for a deterioration of her accepted conditions, but has no new conditions accepted under MRCA.
- On 29 November 2026, Louise is assessed at 80 or more impairment points. It is also determined that Louise's impairment increased by 14 points (meeting the 5-point threshold test).
- On the relevant date for section 80 purposes, Louise has two children. Rose, who is 12, and Ben, who is 15. Both children are in high school and live with Louise, who is a widow, on a fulltime basis.
- The delegate is satisfied that both children meet the criteria of an eligible young person. As they are both living with Louise, they are wholly dependent on her for economic support.
- Evidence is also provided that Louise, being a widow, is the only primary carer of the children.
- Louise is therefore entitled to receive two section 80 payments in respect of Rose and Ben.

# Scenarios – Sharon



- Sharon is a single mother of one child and an ex-spouse of a veteran. They share 50/50 care of their 3-year-old child, who attends a Child Care Subsidy (CCS) approved childcare service.
- Both the parents are determined by DVA as primary carers for the purpose of the section 80 payment. Both parents have been assessed as eligible for CCS.
- Sharon earns \$40,000 per year from casual work, and her CCS percentage is 90%. After 1 July 2026 Sharon receives 50% of the section 80 payment (a \$60,000 lump sum\*) from DVA due to her ex-spouse being a severely impaired veteran and sharing 50/50 primary care of the child.
- Impact on CSS:
  - The lump sum (\$60,000) **is not considered adjusted taxable income**. It will not affect a family's CCS percentage or eligibility and there is no impact on out-of-pocket costs.
  - Families receiving the lump sum from DVA will continue to receive their usual CCS rate and hours, unless other income or care arrangements change.
- This means that Sharon's CCS percentage remains unchanged at 90%.
- This would be the same if Sharon had multiple children – there is no change to CCS entitlement as her income has not changed due to the lump sum payment from DVA under section 80.

\* **NB:** This figure is for illustration purposes only, noting the exact amount of the additional payment under section 80 as at 1 July 2026 is not yet known, as the amount is subject to indexation and will be indexed on 1 July 2026.

# Time to test your learning



# Quiz Question 1

Clients with an existing Acute Support Package plan will need to reapply before 1 July 2026 for a new plan under the updated MRCA.

True

False

# Quiz Question 2

Children of which cohort of veterans may be eligible to access Education Schemes support for the first time from 1 July 2026?

A) VEA veterans

B) DRCA veterans

C) MRCA veterans

## Quiz Question 3

From 1 July 2026, section 80 payments for Eligible Young People can be apportioned based on primary care arrangements.

True

False

# Resources:

Website

[www.dva.gov.au/legislationreform](http://www.dva.gov.au/legislationreform)

Email

[legislation.reform@dva.gov.au](mailto:legislation.reform@dva.gov.au)

