BALDWIN ADVOCACY & CLAIMS

# DVA Claims After 1 July 2026: What Actually Changed

A no-bullshit rundown of what the VETS Act changed on 1 July 2026, sorted by where you sit: already claimed, never claimed, or already on payments.

REVIEWED AGAINST DVA SOURCES ON 11 SEPTEMBER 2026.

On 1 July 2026 the Department of Veterans' Affairs (DVA) compensation system went from three Acts to one. That changes what you can claim, how it is measured and, for some, how much money is on the table. Sorted by your situation.

## One Act for Every New Claim

Every new DVA compensation or rehabilitation claim lodged from 1 July 2026 is decided under one law, the improved Military Rehabilitation and Compensation Act 2004 (MRCA). The Veterans' Entitlements Act 1986 (VEA) and the Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988 (DRCA) are closed to new claims. The law that did it is the VETS Act, the Veterans' Entitlements, Treatment and Support (Simplification and Harmonisation) Act 2025.

Why three? The VEA and DRCA covered different kinds of service before 1 July 2004 and the MRCA covered service after it. Many veterans sat under two or all three, each with its own rules, impairment guide and appeal route. The mess is over for new claims, not for history: anything lodged before 1 July runs on the old rules.

## Lodged Before 1 July 2026? Nothing to Do

Lodged a VEA or DRCA claim before 1 July 2026? It is still valid and DVA decides it under the Act you lodged it under, even if the decision lands in 2027. You do nothing.

> **One wrinkle:** DVA's incapacity policy manual says an incapacity claim still undetermined on 1 July became an MRCA claim (DVA's FAQ calls MRCA incapacity the more generous scheme), even though DVA's general line is that undetermined pre-1 July claims are decided under the old Acts. Ask DVA which applies to yours.

## Already on Payments? You're Grandparented

Every VEA or DRCA payment you were receiving before 1 July 2026 continues, indexed as normal. DVA calls it grandparenting. Nobody's existing payment was cut.

The one big automatic move: most people on DRCA incapacity payments immediately before 1 July 2026 were switched to MRCA incapacity payments. No claim, no reduction, not backdated. The exception: DRCA "former employee" recipients under Division 3 of Part X were not moved.

Open VEA and DRCA rehabilitation plans and VEA education scheme students moved across to the MRCA versions automatically.

## Already Got Accepted Conditions? Read This Twice

A new section 24A of the MRCA treats every condition accepted under the VEA or DRCA as an accepted MRCA condition. No re-proving liability.

If one of those conditions has worsened, the old VEA Application for Increase is gone. A worsening claim is now an MRCA Permanent Impairment (PI) claim under the Guide to Determining Impairment and Compensation (GARP M), now the only impairment guide DVA uses.

For PI to be payable on a worsening, DVA needs at least a 5-point increase under GARP M. VEA and DRCA veterans were never assessed under GARP M, so DVA translates your old ratings into a baseline and measures the 5 points from there. That baseline reflects the ratings you were compensated for, so a VEA percentage is not a GARP M score. Do not assume 70 per cent on the VEA means 60 points.

New for VEA veterans: PI on a new claim, including a worsening, can be taken as periodic payments, an age-based lump sum, or a mix. The VEA never allowed that. But the election is final, so get advice first. Your existing Disability Compensation Payment (DCP) is grandparented either way.

> **BAC tip:** know your translated baseline before you lodge a worsening claim. If the 5 points are not there yet, a half-arsed lodgement burns a decision.

## Never Claimed, or Only Claimed a Bit?

Never lodged, or only lodged a bit? You now claim under the MRCA no matter when or where you served: liability under the MRCA Statements of Principles (SoPs), impairment under GARP M.

**Presumptive liability.** The Repatriation Commission can list conditions with a known connection to service that are accepted without a SoP, often with less evidence or none. Existing groups such as Point Cook firefighters and F-111 Deseal/Reseal carried across.

**Medical events on duty.** A heart attack or stroke while on duty can be accepted as a service injury, whether or not your duties caused it.

**Tobacco.** Conditions linked to tobacco use before 1 January 1998 can now be accepted.

**Treatment injuries.** If Commonwealth-funded treatment leaves you with a new injury or disease, it can itself be accepted as a service injury. Before 1 July 2026 the condition being treated had to be service related. DVA says that from 1 July 2026 it applies whether or not it was.

**Reservists and nashos.** MRCA eligibility now covers all reservists and all National Servicemen, including part-time Citizen Military Forces service, and veterans under the 1930 and 1971 Commonwealth employees' Acts.

## New Money on the Table

**The Additional Disablement Amount (ADA).** Replaces the VEA's Extreme Disablement Adjustment (EDA) for older veterans. Criteria: pension age or older, 70 or more impairment points and a lifestyle rating of 6 or more under GARP M, not on incapacity payments, and not on the Special Rate Disability Pension (SRDP) or on the VEA Disability Compensation Payment at the Special Rate (better known as TPI, Totally and Permanently Incapacitated), the Intermediate Rate or the EDA rate. It pays at the EDA rate with a Gold Card, offset dollar for dollar against any DCP or PI and 60 cents in the dollar of the Commonwealth-funded part of your super. Existing EDA recipients keep EDA and cannot add ADA.

**SRDP for DRCA veterans.** Four tests: on MRCA incapacity payments, 50 or more impairment points on MRCA principles, treating specialists confirm you cannot work more than 10 hours a week, and they confirm rehabilitation is unlikely to help. No claim form; you ask DVA for an assessment. If you qualify you get the choice, 12 months to decide, financial advice first, and no changing your mind after.

**Incapacity payments for VEA-only veterans.** VEA-only veterans under age pension age who cannot work because of accepted conditions can now claim MRCA incapacity payments for the first time. Your VEA conditions count automatically, and only the above-general-rate part of your DCP is offset. And the MRCA has no "alone test", the thing that kept so many VEA veterans out of TPI.

**New routes to a Gold Card.** The three MRCA routes DVA highlights for VEA and DRCA veterans: 60 impairment points, SRDP, or ADA. DRCA veterans need a trigger for the 60-point route: a new MRCA condition accepted or a 5-point worsening. The existing routes (30 or more points plus service pension under the income and assets test, and age 70 with qualifying service) have not changed, and an existing Gold Card does not change.

## Smaller Changes Worth Knowing

**Travel for treatment** in a private vehicle is paid at the higher MRCA rate regardless of distance. The 50 km round-trip minimum is gone.

**Household Services and Attendant Care:** DRCA veterans get the higher MRCA weekly limit and VEA veterans get access for the first time. One education scheme now covers dependants, the MRCA Education and Training Scheme (MRCAETS).

**Funeral benefits:** the automatic VEA payment for the TPI, EDA, multiple amputee and former prisoner of war categories went up, and reimbursement for any service-related death runs up to the MRCA maximum, less any automatic payment already made. The maximum is indexed, so the current figures are on DVA's MRCA rates page.

**Posthumous PI:** PI can be paid as a lump sum to the estate where a claim was lodged before the veteran died. And where a SoP is updated between your primary decision and your review, the most beneficial version applies.

**Reviews:** since 21 April 2025, DRCA decisions go to the Veterans' Review Board (VRB) first, with 12 months to apply, then the Administrative Review Tribunal (ART), where DVA says you need legal representation. Earlier DRCA decisions keep the old route: 30 days for a DVA reconsideration, then 60 days to the ART.

## What I'd Do Now

**Accepted conditions that have got worse:** lodge a worsening claim under the MRCA, translated baseline first.

**Never claimed, or only half of it:** list every condition and lodge under the MRCA (start with how to make a DVA claim). Presumptive and on-duty rules may cover things you thought were unclaimable.

**On VEA or DRCA payments, pension age or unable to work:** check ADA, SRDP or incapacity payments and run the offsets first. Some choices are final.

## How BAC Can Help

The translation from the old Acts to the new one is where veterans get short-changed, and it is my whole job. I review your history across all three Acts, work out your baseline, find every pathway you have not used, and prepare and lodge under the MRCA. I am not a lawyer or a financial adviser; where the law requires that advice before an election, I tell you and help you get it first.

Fixed fee. No percentage cuts. You know what it costs before we start.

# Ready to Get Started?

Book a free, no-obligation chat with me. No sales pitch, no pressure. Just a straight conversation about your situation and what you might be entitled to.

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