The Royal Australian & New Zealand College of Psychiatrists

Your Health in Mind

Senate Finance and Public Administration References Committee

The operation and appropriateness of the superannuation and pension schemes for current and former members of the Australian Defence Force (ADF)

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Improving the mental health of communities

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Royal Australian and New Zealand College of Psychiatrists submission

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About the Royal Australian and New Zealand College of Psychiatrists

The Royal Australian and New Zealand College of Psychiatrists (RANZCP) is a membership organisation that prepares doctors to be medical specialists in the field of psychiatry, supports and enhances clinical practice, advocates for people affected by mental illness and advises governments on mental health care. The RANZCP is the peak body representing psychiatrists in Australia and New Zealand and as a bi-national college has strong ties with associations in the Asia-Pacific region.

The RANZCP has more than 8700 members, including around 6000 qualified psychiatrists. Psychiatrists are clinical leaders in the provision of mental health care in the community and use a range of evidence-based treatments to support a person in their journey of recovery.

Key findings

- Military personnel with mental illness may present indirectly, including through operational and disciplinary issues which could attract administrative action. Continued support for culturally aware and trauma-informed psychiatry is necessary.
- Involuntary discharge from the military can cause psychological harm because of its implications for an individual's identity and sense of purpose. A sense of perceived institutional betrayal could be lessened by reclassifying a discharge as medical when appropriate, with psychological benefits independent of any compensation scheme.
- Adversarial and opaque claims processes cause mental harm; the design of the claims process should minimise adversarial practices and focus on evidence-based and trauma-informed approaches in line with other compensation schemes.
- The current model of invalidity pensions may not be beneficial for veterans, as compared to Department of Veterans' Affairs (DVA) services, because it encourages compensation over wellbeing.

Introduction

The RANZCP welcomes the opportunity to provide a submission to the Senate Finance and Public Administration References Committee's inquiry into the operation and appropriateness of the superannuation and pension schemes for current and former members of the Australian Defence Force (ADF).

This submission, informed by the expertise of members (including members of the Military, Veterans' and Emergency Services Personnel Mental Health network within the RANZCP) and the RANZCP's position statement PS 99: The mental health of veterans and defence force service members, responds to the following elements of the inquiry's terms of reference:

> (e) mechanisms for veterans to have their discharge reclassified from administrative to medical, particularly in cases involving psychological injuries, and whether current appeal processes and discretion practices by the Department of Defence and the CSC adequately protect veterans' entitlements and recognition of service-related mental health issues;
>
> (h) any other related matters

The submission discusses how the presentation of mental illness in a military setting can lead to administrative discharges from the ADF, and the importance of psychiatric expertise in this context; the potential moral injury of administrative discharges after military inculturation; the potential for appeal

processes and administrative discretion to cause psychological harm; and the importance of an emphasis on rehabilitation.

Other relevant submissions and position statements from the RANZCP include:

- Position Statement 73: Mental health for the community
- Position Statement 94: Public insurance schemes: advocating for mental injury claimants
- Position Statement 100: Trauma-informed practice
- Position Statement 105: Cultural safety
- Submission to Royal Commission into Defence and Veteran Suicide

Mental illness and administrative discharge

According to the guidelines for PTSD treatment endorsed by the RANZCP and other bodies, and approved by the National Health and Medical Research Council:

> The presentation of symptoms for military personnel tends to be somewhat different to other traumatic stress victims. The association between the trauma exposures and the workplace means PTSD often has an indirect presentation in these cases. For example, the individual's difficulties may manifest as increasing conflict with senior personnel over a variety of operational and disciplinary issues […] the individual may initially present with a prolonged period of numbing and increasing interpersonal insensitivity. This can manifest as inappropriate management of junior personnel or conflict with superiors. [1]

Such manifestations have led to administrative discharges from the ADF. The Royal Commission into Defence and Veteran Suicide (Royal Commission) similarly concluded that mental health decline leads to an increased likelihood of administrative action, and that '[c]ommanding officers are not always well placed, or necessarily equipped, to identify and manage these issues.' [2]

The RANZCP welcomes the November 2024 'Consideration of Suspension from Duty and Involuntary Separation of ADF Members Alleged to have Engaged in Serious Misconduct' interim directive by the Chief of the Defence Force that includes a requirement to consider the member's mental health and impact of that condition on their conduct. The RANZCP also notes the Government's agreement with the Royal Commission's Recommendation 31: 'to consider the member's current mental health and/or the role that mental health may have played in […] behaviour that attracted administrative action' before recommending administrative discharge.

Although this change in policy is welcome, it has no retrospective effect. The RANZCP therefore supports accessible processes to reclassify administrative discharges as medical, especially because of the further considerations around moral injury discussed below.

Specialist psychiatric knowledge to support better understanding of the impact of mental health upon conduct is valuable and will sometimes be essential to assist commanding officers. This can be provided both by uniformed psychiatrists and by civilian psychiatrists with experience of the unique needs of military personnel and veterans. The Military and Veteran Psychiatry Training Program (MVPTP), a DVA initiative that provides funding to health organisations to support specialist medical training experiences in the military and veterans context, is administered by the RANZCP.

The MVPTP offers critical hands-on training and specialised experience to strengthen the psychiatry workforce's ability to support military personnel and veterans. It focuses on the unique aspects of military culture, equipping trainees to provide tailored care for consumers from veteran and military backgrounds.

Although the RANZCP welcomes the recent budget announcement to extend the MVPTP by one year, with the costs of this extension to be met from within the existing resourcing of the current funding arrangement, expanding the program further and committing ongoing funding would increase workforce capacity and improve workforce distribution.

Administrative discharge and moral injury

Military training and service creates norms and values which become 'an essential part of an individual's identity, affecting them both on and off duty,' especially a strong sense of collective identity. 'Discharge, especially when it is involuntary for medical, administrative or disciplinary reasons, involves loss of self-identity through loss of purpose and meaning, but also implicitly involves a loss of function and status/rank, and hence, the loss of positive self-worth and self-identity.' [3]

Entry into the ADF results in an 'intense resocialisation' built upon 'a profound belief in the idea of military service.' Being involuntarily discharged can seem a form of institutional betrayal which damages this belief [4]. This challenges identity and leads to mental injury [5].

One proxy indicator for the level of harm is observed suicide rates. The suicide rate for males and females administratively discharged are 187% and 245% higher than the comparable general population, respectively, compared to rates of 30% and 97% among those who resigned voluntarily [2].

Veterans often emphasise the importance to their sense of self of having their discharge reclassified [4]. However, retrospective reclassification can lead to increased tax and the recovery of any compensation already paid by DVA for the same condition. This can even create debts to DVA, making an otherwise beneficial outcome (the retrospective reclassification of discharge) financially harmful. Allowing an application for retrospective reclassification to be made separately to an application for financial entitlements should be considered.

Adversarial claims processes and psychological harm

In Position Statement 94: Public insurance schemes: advocating for mental injury claimants, the RANZCP highlights that '[a] growing body of research has documented the ways that compensation systems themselves can promote worse health outcomes, especially for people with mental health problems' in part because 'mental injuries are frequently made worse by the prolonged contest to obtain compensation.' For veterans with PTSD, repeatedly recounting traumatic events in new contexts can be harmful. But across all conditions, claimants who report higher levels of stress in engaging with compensation schemes are likely to have significantly higher levels of disability, anxiety, and depression [6].

Current delays in assessment for retrospective medical discharge can cause harm, especially if veterans are not aware of Veteran's White Card entitlements. Research commissioned by the DVA has explored the mental health impacts of compensation claim assessment processes, including those of the Commonwealth Superannuation Corporation (CSC), at length [7]. Meanwhile, the RANZCP has produced a range of submissions and position statements on related issues in other compensation systems:

- Position Statement 94: Public insurance schemes: advocating for mental injury claimants
- Submission to DEWR re Review of the Safety, Rehabilitation & Compensation Act 1988
- Bringing evidence-informed practice to work injury schemes

Claim processing should be as speedy and as non-confrontational as possible, including by minimising the need to undergo multiple examinations or to repeat case histories unnecessarily.

Rehabilitation and invalidity benefits

There are three differences between CSC pensions and DVA compensation which may lead to less beneficial outcomes for veterans: the lack of rehabilitation services, the stepped model of classification, and mandatory classification reviews.

Although entitlement to White Cards means all veterans can receive non-liability mental health care, many present with physical injuries alongside mental injuries. Unlike a veteran receiving benefits from DVA, there is no provision for the Commonwealth to require or fund rehabilitation programmes through the CSC when appropriate. Even when there are no physical injuries, longitudinal studies show that some veterans can and do recover from probable mental health disorders over time, while treatment and rehabilitation increases wellbeing in others [5]. Access to treatment could be encouraged through means beyond White Card entitlements.

It would be beneficial for CSC pensions to include access to rehabilitation services to encourage a return to the workforce where possible, since meta-analyses consistently show that unemployment impairs mental health, rather than poor mental health merely being associated with unemployment [8]. The RANZCP has previously argued that 'there is clear evidence of the role employment plays in social and economic inclusion, and the health and wellbeing benefits associated with getting and keeping a suitable job. It is therefore critical that there is a focus on vocational rehabilitation services.' The Productivity Commission has, on similar grounds, also recommended that attending rehabilitation be a requirement for receiving invalidity pensions where appropriate [9].

The stepped model of classification used by the CSC (A, B or C, where C attracts no payment) acts as a disincentive to engagement in the community or a partial return to the workforce. While DVA incapacity payments are only gradually reduced with employment, the abrupt steps used by the CSC disincentivise veterans from retraining, reskilling or engaging in limited employment, since any reclassification has the potential to reduce payments substantially or make them cease entirely. A classification model with finer gradation could encourage rehabilitation.

A related issue is the mandatory review of classifications 12-36 months after the CSC makes an initial determination. This discourages rehabilitation in this period, since any rehabilitation would risk reclassification. At the extreme,

> Due to the nature of veterans' compensation systems, some people may perceive a vested interest in maintaining symptomatology until all proceedings associated with their claim have been completed. Therapists are advised to address this issue with the person before initiating treatment. An open discussion of the pros and cons of maintaining symptomatology can often be useful. [1]

The system should encourage engagement with treatment in a wellbeing-focused approach rather than emphasising compensation alone, in order to avoid continuing a situation in which increased wellbeing threatens compensation.

Further information

The RANZCP thanks the Senate Finance and Public Administration References Committee for the opportunity to provide this submission. If you have any questions or wish to discuss any details further,

please contact Sam Dipnall, Acting Executive Manager, Policy, Practice, and Research via sam.dipnall@ranzcp.org or +61 3 9236 9107.

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