



Australian Government
Repatriation Medical Authority

Statement of Principles
concerning
ADJUSTMENT DISORDER
(Reasonable Hypothesis)
(No. 58 of 2025)

The Repatriation Medical Authority determines the following Statement of Principles under subsection 196B(2) of the *Veterans' Entitlements Act 1986*.

Dated 20 June 2025

Professor Terence Campbell AM
Chairperson
by and on behalf of
The Repatriation Medical Authority

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1 Name

This is the Statement of Principles concerning *adjustment disorder (Reasonable Hypothesis)* (No. 58 of 2025).

2 Commencement

This instrument commences on 21 July 2025.

3 Authority

This instrument is made under subsection 196B(2) of the *Veterans' Entitlements Act 1986*.

4 Repeal

The Statement of Principles concerning adjustment disorder (Reasonable Hypothesis) (No. 23 of 2016) (Federal Register of Legislation No. F2016L00269) made under subsections 196B(2) and (8) of the VEA is repealed.

5 Application

This instrument applies to a claim to which section 120A of the VEA or section 338 of the *Military Rehabilitation and Compensation Act 2004* applies.

6 Definitions

The terms defined in the Schedule 1 - Dictionary have the meaning given when used in this instrument.

7 Kind of injury, disease or death to which this Statement of Principles relates

- (1) This Statement of Principles is about adjustment disorder and death from adjustment disorder.

*Meaning of **adjustment disorder***

- (2) For the purposes of this Statement of Principles, adjustment disorder means a disorder of mental health meeting the following diagnostic criteria (derived from DSM-5-TR):
- (a) the development of emotional or behavioural symptoms in response to an identifiable stressor(s) occurring within 3 months of the onset of the stressor(s);
 - (b) these symptoms or behaviours are clinically significant, as evidenced by one or both of the following:
 - (i) marked distress that is out of proportion to the severity or intensity of the stressor, taking into account the external

- context and the cultural factors that might influence symptom severity and presentation;
- (ii) significant impairment in social, occupational, or other important areas of functioning;
- (c) the stress-related disturbance does not meet the criteria for another mental disorder and is not merely an exacerbation of a preexisting mental disorder;
- (d) the symptoms do not represent normal bereavement;
- (e) once the stressor or its consequences have terminated, the symptoms do not persist for more than an additional 6 months.

Note: **DSM-5-TR** is defined in the Schedule 1 – Dictionary.

- (3) While adjustment disorder attracts ICD-10-AM code F43.2, in applying this Statement of Principles the meaning of adjustment disorder is that given in subsection (2).
- (4) For subsection (3), a reference to an ICD-10-AM code is a reference to the code assigned to a particular kind of injury or disease in *The International Statistical Classification of Diseases and Related Health Problems, Tenth Revision, Australian Modification* (ICD-10-AM), Tenth Edition, effective date of 1 July 2017, copyrighted by the Independent Hospital Pricing Authority, ISBN 978-1-76007-296-4.

Death from adjustment disorder

- (5) For the purposes of this Statement of Principles, adjustment disorder, in relation to a person, includes death from a terminal event or condition that was contributed to by the person's adjustment disorder.

Note: **terminal event** is defined in the Schedule 1 – Dictionary.

8 Basis for determining the factors

The Repatriation Medical Authority is of the view that there is sound medical-scientific evidence that indicates that adjustment disorder and death from adjustment disorder can be related to relevant service rendered by veterans, members of Peacekeeping Forces, or members of the Forces under the VEA, or members under the MRCA.

Note: **MRCA**, **relevant service** and **VEA** are defined in the Schedule 1 – Dictionary.

9 Factors that must exist

At least one of the following factors must as a minimum exist before it can be said that a reasonable hypothesis has been raised connecting adjustment disorder or death from adjustment disorder with the circumstances of a person's relevant service:

- (1) experiencing a category 1A stressor within the 3 months before clinical onset;

Note: *category 1A stressor* is defined in the Schedule 1 – Dictionary.

- (2) experiencing a category 1B stressor within the 3 months before clinical onset;

Note: *category 1B stressor* is defined in the Schedule 1 - Dictionary.

- (3) being exposed to repeated or extreme aversive details of severe traumatic events within the 3 months before clinical onset;

Note: for example, first responders collecting human remains or drone operators viewing planned strikes, repeatedly listening to a person's account of their exposure to severe traumatic events. This includes media exposure of the traumatic event (for example, electronic media, television images or photographs) where viewing these images is a requirement of service.

- (4) having a person with whom one has a close family bond or a close personal relationship experience a category 1A stressor within the three months before clinical onset;

Note: *category 1A stressor* is defined in the Schedule 1 – Dictionary.

- (5) experiencing a category 2 stressor within the 3 months before clinical onset;

Note: *category 2 stressor* is defined in the Schedule 1 – Dictionary.

- (6) having a medical illness or injury which has resulted in a severe level of physical or cognitive disability, within the 3 months before clinical onset;

Note: *clinical onset* is defined in the Schedule 1 - Dictionary.

- (7) having a miscarriage, foetal death in-utero or stillbirth, within 3 months before clinical onset;

Note: *miscarriage* is defined in the Schedule 1 - Dictionary.

- (8) living or working in a hostile or life-threatening environment for a cumulative period of at least four weeks within the 3 months before clinical onset;

Note: *hostile or life-threatening environment* is defined in the Schedule 1 - Dictionary.

- (9) inability to obtain appropriate clinical management for adjustment disorder before clinical worsening.

10 Relationship to service

- (1) The existence in a person of any factor referred to in section 9, must be related to the relevant service rendered by the person.
- (2) The factor set out in subsection 9(9) applies only to material contribution to, or aggravation of, adjustment disorder where the person's adjustment disorder was suffered or contracted before or during (but did not arise out of) the person's relevant service.

11 Factors referring to an injury or disease covered by another Statement of Principles

In this Statement of Principles:

- (1) if a factor referred to in section 9 applies in relation to a person; and
- (2) that factor refers to an injury or disease in respect of which a Statement of Principles has been determined under subsection 196B(2) of the VEA;

then the factors in that Statement of Principles apply in accordance with the terms of that Statement of Principles as in force from time to time.

Schedule 1 - Dictionary

Note: See Section 6

1 Definitions

In this instrument:

adjustment disorder—see subsection 7(2).

category 1A stressor means one of the following severe traumatic events:

- (a) experiencing a life-threatening event;
- (b) being subject to a serious physical attack, or assault including rape or sexual molestation; or
- (c) being threatened with a weapon, being held captive, being kidnapped, or being tortured.

category 1B stressor means one of the following severe traumatic events:

- (a) killing or maiming a person;
- (b) being a witness to a person being killed or critically injured;
- (c) being a witness to atrocities inflicted on another person;
- (d) being a witness to human remains or a critically injured casualty.

Note: ***witness*** is defined in the Schedule 1 – Dictionary.

category 2 stressor means one of the following negative life events, the effects of which are chronic in nature and cause the person to feel on-going distress, concern or worry:

- (a) being a full-time caregiver to a family member or a person with whom one has a close family bond or a close personal relationship with a severe physical, mental or developmental disability;
- (b) being socially isolated and unable to maintain friendships or family relationships, due to physical location, language barriers, disability, or medical or psychiatric illness;
- (c) experiencing adverse prejudicial differential treatment or unequal access to opportunities based on membership to a particular sociocultural group (racism);
- (d) experiencing a problem with a long-term relationship including the break-up of a close personal relationship, the need for marital or relationship counselling, marital separation, or divorce;
- (e) having concerns in the work environment including on-going disharmony with fellow work colleagues, perceived lack of social support within the work environment, perceived lack of control over tasks performed and stressful workloads, or experiencing bullying in the workplace or school environment;
- (f) experiencing prejudice or discrimination based on gender, or behaviour or attitudes that foster stereotyped social roles based on gender (sexism);
- (g) experiencing serious legal issues including being detained or held in custody, on-going involvement with the police concerning violations

of the law, or court appearances associated with personal legal problems;

- (h) having severe financial hardship including loss of employment, long periods of unemployment, foreclosure on a property or bankruptcy;
- (i) having a family member or a person with whom one has a close family bond or a close personal relationship experience a major deterioration in their health.

Clinical onset means the point backwards in time from the date of presentation to a registered medical practitioner first confirming the presence of the illness or injury, to the date at which the symptoms of illness or injury were persistently present, as assessed by a registered medical practitioner.

DSM-5-TR means the American Psychiatric Association: *Diagnostic and Statistical Manual of Mental Disorders*, Fifth Edition. Text Revision Washington, DC, American Psychiatric Association, 2022.

hostile or life-threatening environment means a situation or setting which is characterised by a pervasive threat to life or bodily integrity, such as would be experienced in the following circumstances:

- (a) experiencing or being under threat of artillery, missile, projectile, mine, drone or bomb attack; or
- (b) experiencing or being under threat of nuclear, biological or chemical agent attack; or
- (c) being involved in combat or going on combat patrols.

miscarriage means the spontaneous or induced expulsion of the products of conception from the uterus before the foetus is viable.

MRCA means the *Military Rehabilitation and Compensation Act 2004*.

relevant service means:

- (a) operational service under the VEA;
- (b) peacekeeping service under the VEA;
- (c) hazardous service under the VEA;
- (d) British nuclear test defence service under the VEA;
- (e) warlike service under the MRCA; or
- (f) non-warlike service under the MRCA.

Note: ***MRCA*** and ***VEA*** are defined in the Schedule 1 - Dictionary.

terminal event means the proximate or ultimate cause of death and includes the following:

- (a) pneumonia;
- (b) respiratory failure;
- (c) cardiac arrest;
- (d) circulatory failure; or
- (e) cessation of brain function.

VEA means the *Veterans' Entitlements Act 1986*.

witness means a person who experiences an incident firsthand and can give direct evidence of it. This excludes persons exposed only to public broadcasting or mass media coverage of the incident