



6 May 2016

CTP Review  
State Insurance Regulatory Authority  
Level 25  
580 George Street  
SYDNEY NSW 2000

Email: [CTP\\_Review@sira.nsw.gov.au](mailto:CTP_Review@sira.nsw.gov.au)

Dear Sir/Madam,

**On the road to a better CTP scheme: Options for reforming Green Slip insurance in NSW**

IAG welcomes the opportunity to provide a submission to the NSW Government's reform options paper '*On the road to a better CTP scheme.*'

IAG commends and supports the Government's commitment to undertake major reform of the CTP scheme to ensure its ongoing sustainability and affordability for road users.

Please find attached the IAG submission which recommends a no fault, defined benefits CTP scheme, with at fault common law benefits retained for those with serious injuries. Our submission is aligned with the submission from the Insurance Council of Australia. IAG believes that the Government's objectives and superior customer service would be delivered by also implementing option 3 as a first party scheme.

IAG looks forward to the opportunity to contribute to further discussion with the Government and scheme stakeholders.

If any additional information is required in relation to this submission, please contact Meghan Isley, Senior Manager, Scheme Design, Policy & Injury Prevention on [REDACTED].

Yours sincerely

[REDACTED]

**Anthony Justice**  
Chief Executive  
Australian Consumer Division  
Insurance Australia Group



**iaag**

**On the road to a  
better CTP scheme**

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this submission, please contact;**

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# Executive summary

Motor vehicle injuries are often serious and can have a significant impact on the emotional, social and financial aspects of a person's life.

For this reason, compulsory personal injury motor vehicle insurance is an essential element of our modern society as it provides support and benefits to those who have sustained injuries as a result of a motor vehicle accident. As the scheme is compulsory, it is imperative that it is designed in a way that appropriately balances support for injured people and affordability for all motorists.

Unfortunately, the current New South Wales (NSW) Compulsory Third Party (CTP) scheme is not working effectively to meet these needs. Processes are slow and the use of fault rather than need as a mechanism to access benefits, means the scheme does not provide adequate support to all who are injured. In our experience, the current scheme complexity is contributing to the increase in the level of legal representation, particularly for minor injuries. The Green Slip premium has risen as a result of the increase in the number of claims being lodged in recent years.

Major reform is required to address the scheme's current limitations and to create a fair, accessible and affordable scheme that meets the needs and expectations of the NSW community.

IAG believes that the majority of the premium dollar should be returned to the injured person rather than the 45 cents they currently receive.

IAG supports the move towards a **first party scheme** with the components of option 3 in the Government's Options Paper, which are:

- No-fault.
- Defined benefits for all.
- Common law access for the seriously injured who did not cause the accident.

The option 3 reform that we recommend with reference to the analysis undertaken by Finity directly meets the government's objectives by:

- Efficiency – increasing the proportion of benefits provided to the most seriously injured from 47% to 64%<sup>1</sup>.
- Timeliness – reducing the time taken to resolve most claims from 3-5 years to 2 years<sup>2</sup>.
- Fraud – reducing incentives for fraud and claims exaggeration by capping benefits and taking preventive measures.
- Affordability – reducing the average Green Slip premium by \$150<sup>3</sup>.

Option 3 promotes simplicity, easier access, transparency of benefits and prioritises a return to health, participation in employment and the community generally. This option also provides flexibility to accommodate technological advances currently emerging in the transport industry such as more automated vehicles and telematics analysis.

Although option 4 provides similar advantages, it does not provide for access to common law benefits for those who are not at fault. IAG considers that this lack of access to common law benefits for the most seriously injured people may not recognise that an individual's recovery from injury is a unique experience and that every injured person requires different levels of support and financial aid in the long term.

It is time to shift our approach from retrospective to pre-emptive. Instead of enacting legislative change in reaction to emerging trends, we have the opportunity to proactively reform and improve the scheme to accommodate and mitigate future developments. This is key to providing adequate and consistent support for people injured in motor vehicle accidents now, and in the future.

# About IAG

## IAG is the largest general insurer in Australia and New Zealand, with a growing presence in Asia.

Our purpose is to “help make your world a safer place” which means we are working to create a safer, stronger and more confident tomorrow for our customers, partners, communities, shareholders and our people throughout the Asia Pacific.

IAG has built a strong reputation on understanding the unique needs of Australians, and being a steadfast supporter of the community. IAG prides itself on helping consumers understand insurance and make uncomplicated choices to protect the things they value.

IAG’S businesses underwrite over \$11.4 billion of premium per annum, selling insurance under many leading customer brands which include: NRMA Insurance, SGIO, SGIC, CGU, WFI and Swann insurance (Australia); NZI, State, AMI and Lumley Insurance (New Zealand); Safety and NZI (Thailand); AAA Assurance (Vietnam); and Asuransi Parolamas (Indonesia). IAG also has general insurance joint ventures in Malaysia and India.

Under the NRMA Insurance brand, IAG is the largest CTP insurer in NSW covering 1.9 million vehicles. In 2015 alone, we helped over 5,000 people recover from injury and paid out over \$500 million in claims.

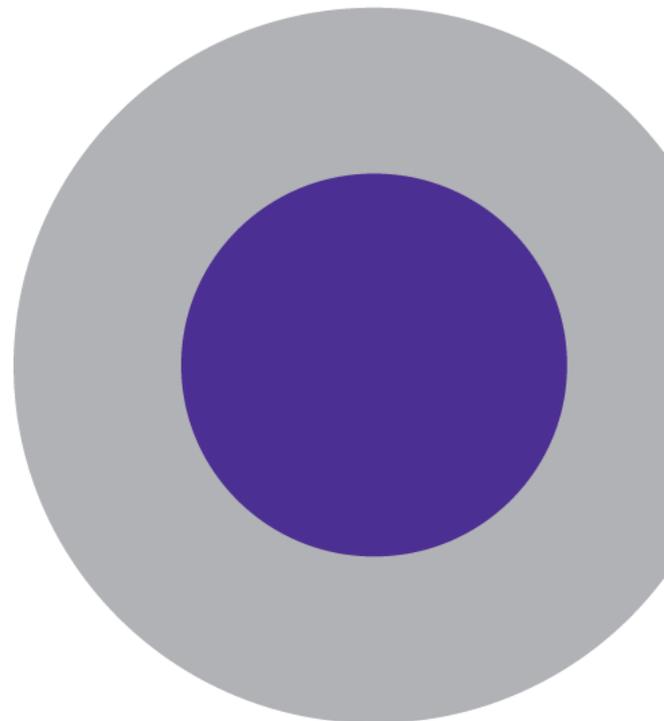
IAG has a long history of motor accident prevention and mitigation, assisting the broader community, from our NRMA heritage as a motoring organisation to the development of our own research centre where physical research is undertaken for the purposes of improving car and driver safety and reducing repair costs. The IAG Research Centre also advises consumers on car safety issues and provides technical information for the smash repair industry.

IAG is the only insurer to be a member of:

- Australasian New Car Assessment Program (ANCAP)
- ANCAP Technical Committee and ANCAP Council
- Research Council for Automobile Repairs (RCAR)

IAG is also a core partner of the Australian Driverless Vehicle Initiative (ADVI), a co-operative of partners from government, academia and industry.

The key aim of ADVI is to explore the impacts and requirements of this new automation technology in a truly Australian context and make recommendations on ways to safely and successfully bring driverless vehicles to Australian roads.



# Summary of responses

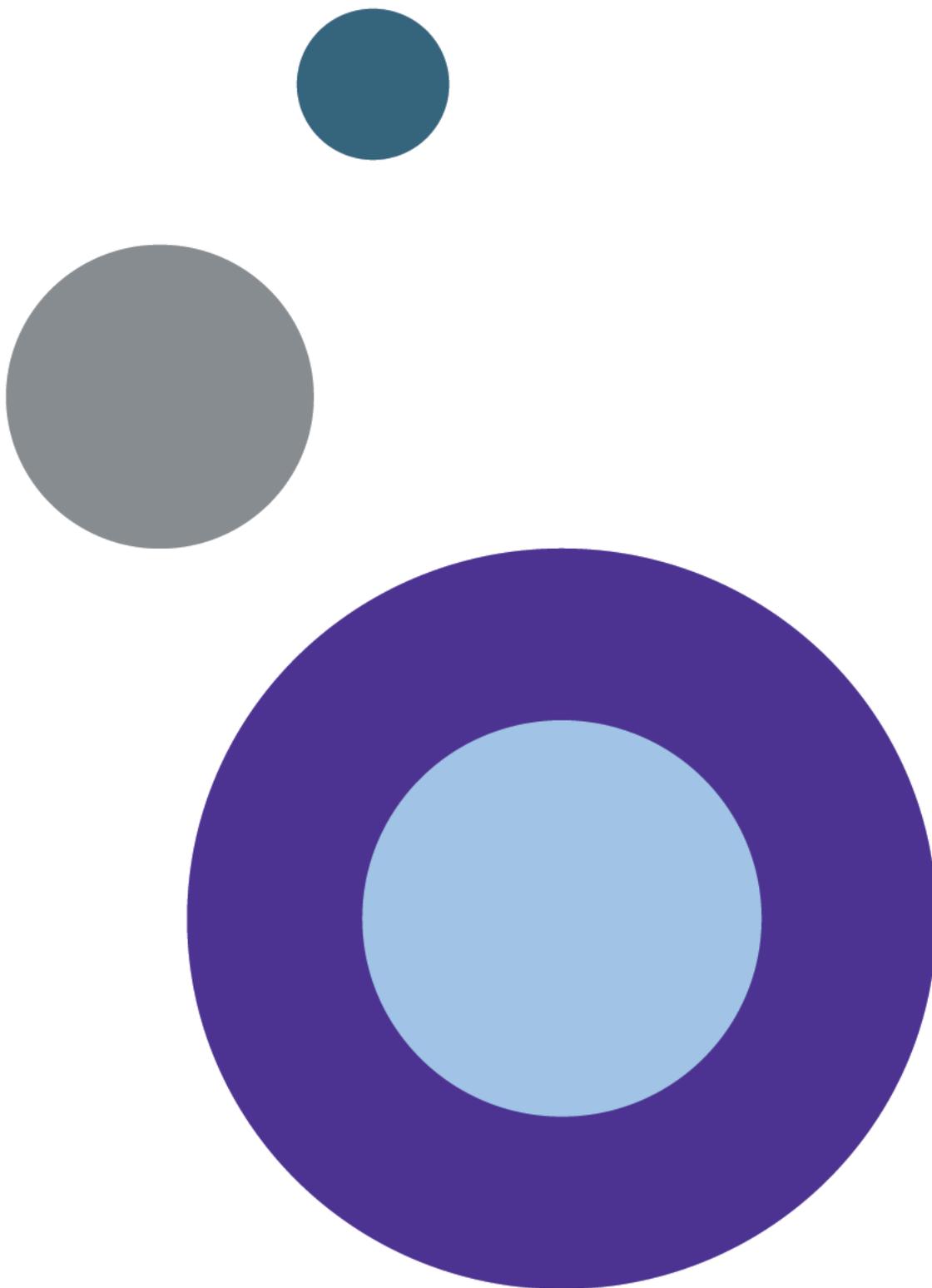
We have addressed the questions raised in the Options Paper as follows.

#	Issue	Position	Reference
1	<b>What should be the most important features of any scheme reform?</b>	<p>IAG believes there are four key principles that should underpin personal injury scheme design:</p> <ul style="list-style-type: none"> <li>• Zero, death and injury</li> <li>• Affordable safety net</li> <li>• Customer centricity</li> <li>• National consistency</li> </ul>	Page 12
2	<b>On balance, which option or combination of options do you believe best addresses the priorities for improving the scheme and why?</b>	Option 3 will best meet the Government's identified objectives and address the long standing issues of complexity and inequity in the NSW CTP scheme.	Page 14
3	<b>Does fault in an accident remain the most acceptable way of determining eligibility for benefits or is it more important that anyone injured on the road is covered, even if this means fewer savings in any reform?</b>	Fault is no longer an appropriate mechanism for determining eligibility for benefits. It is important that a greater proportion of people injured on the road are covered.	Page 17
4	<b>Is it more important to reduce CTP prices or to extend benefits to more people?</b>	Given the compulsory nature of the scheme, the design needs to balance affordability with the societal benefit of supporting health recovery. IAG believes the Government could extend benefits whilst still reducing premium prices by addressing areas of friction within the scheme to make the Green Slip premium more affordable.	Page 18
5	<b>Are people better looked after if receiving a negotiated lump sum (often years) after the accident or receiving prescribed weekly benefits shortly after making their claim?</b>	Defined benefits would better support injured people to return to optimum social and economic participation, however lump sum payments should be retained for the most seriously injured who are not at fault, to allow individual circumstances to be taken into consideration.	Page 19

#	Issue	Position	Reference
6	Should a greater proportion of funds go to the more severely injured, even if this means capping benefits or introducing an excess for low severity injuries?	IAG supports that a greater proportion of funds go to those severely injured and believes this can be achieved by the introduction of capped benefits for those with minor injuries.	Page 20
7	If Government retains common law, should there be tighter restrictions and caps on various benefits as is the case in other States, or if the Government adopted defined benefits should the caps and thresholds reflect what is paid in other States?	Common law benefits should be retained in the scheme for the most seriously injured who are not at fault. Caps on benefits should be introduced to optimise the sharing of limited resources across the scheme, and promote harmonisation with schemes in other states.	Page 21
8	If the Government retains common law, what is the best method and threshold to determine eligibility?	The appropriate method of determining eligibility for common law benefits is whole person impairment as an independent fact based assessment. IAG does not support a monetary threshold as evidence shows this erodes over time impacting the effectiveness of scheme performance.	Page 22
9	If the Government retains common law, what mechanisms should be adopted to resolve claims more quickly and avoid lengthy negotiations and disputes?	We have identified several solutions to current friction points that will minimise external intervention and achieve timely resolution of claims.	Page 23
10	Should there be limits to legal expenses, especially for small claims, and should legal expenses be linked to the work performed or the value of the claim?	In a first party defined benefit compensation scheme, benefits for those with minor injuries would be certain, which would change the nature and need for legal representation. For the limited number of minor injury claims where legal advice may be required, legal fees should be calculated according to an event-based fee structure. We support the retention of legal representation for those with serious injuries, who have common law claims.	Page 24

## Policy Considerations

#	Issue	Position	Reference
1	<b>Should there be support or a safety net for anyone injured on the roads by vehicles that are not part of the insurance system (like bicycles) even if that increases the overall cost of CTP?</b>	Although there is societal value in providing support to all people injured on the roads, scheme design and support needs to be affordable. We do not believe the NSW scheme should be extended to cover those injured by non-motorised vehicles as it would place undue pressure on affordability and products that provide coverage for this group, already exist in the market.	Page 26
2	<b>Is it better to make a claim against your own insurer as opposed to the insurer of the at-fault driver? If so, why?</b>	A first party scheme where the injured person lodges a claim with their own insurer, would not only make lodging a CTP claim far simpler, but insurers would also be incentivised to provide greater service to their own customers as opposed to those of another insurer.	Page 26
3	<b>Should Government retain competitive private underwriting, or give consideration to a return to public underwriting delivery?</b>	Competitive private underwriting should be retained as it has a number of significant advantages over public underwriting including: promoting customer choice, reduced financial risk to government and tax payers, innovation and premium customisation.	Page 27
4	<b>How should Government best deal with fault (including injuries without another party to sue), illegal acts and contributory negligence in any reform?</b>	The Nominal Defendant scheme should be maintained. Legislative amendments should be considered to exclude those guilty of illegal acts from receiving benefits and introduce fixed levels of contributory negligence.	Page 28
5	<b>What changes to the CTP scheme could increase competition?</b>	IAG has identified several changes, which if adopted by the Government, could increase competition within the market.	Page 28



# A better CTP Scheme

## Time for change

The last major reform of the NSW CTP scheme was in 1999. It is certainly time for major reform to overcome the current issues with affordability, complexity and fraud, and to ensure the scheme is able to meet the future needs of injured NSW road users.

We acknowledge the current CTP scheme could operate more efficiently and that all providers in the scheme, including insurers, have made significant profits. Redesigning the scheme with a focus on health recovery, affordability and increasing the proportion of benefits that go to those who are seriously injured, will mean a fairer outcome for all.

## Opportunity to create best practice

IAG supports the Government's four key objectives for the NSW CTP scheme, but believes that these objectives set a minimum benchmark. A major scheme review is an opportunity to not only address immediate threats to the scheme's efficiency and financial sustainability, but also tackle long-standing issues such as complexity and inequity.

Personal injury insurance schemes should provide timely, effective and consistent support to assist injured people's health recovery and return them, as much as possible, to their previous levels of participation.

With these goals in mind, the following features should underpin the future design:

- Zero death and injury
- Affordable safety net
- Customer centricity
- National consistency

Embedding the above features will deliver a more affordable and stable scheme benefiting the NSW community as a whole, whilst also supporting those most vulnerable following a motor vehicle accident, the injured.

## Regulatory oversight

The NSW Government and CTP insurers have identified<sup>4</sup> that incidents of fraud have grown significantly within the NSW CTP scheme. This is one of a combination of factors contributing to the increase in claims frequency, despite decreasing road traffic accidents<sup>5</sup>. This vulnerability could be addressed by undertaking immediate preventative measures against claims management and referral companies, and strengthening the current prohibition on referrals to lawyers, by introducing a financial penalty. As a secondary measure, greater prosecution powers should also be given the scheme regulator, the State Insurance Regulatory Authority (SIRA).

Addressing issues of fraud and claims exaggeration is not enough. Other factors such as an increasing rate of legal representation in minor claims also need attention. For this reason, the Government should review the impact legal advertising is having on the affordability of this insurance,<sup>6</sup> since the prohibition on advertising personal injury legal services was lifted on 1 July 2015.

## Future proofing our scheme

The ideal scheme in NSW should be proactive and flexible to ensure its own longevity. Continuing technological advancements and innovations such as the use of telematics in pricing insurance, and the safe introduction of more automated (and eventually driverless) vehicles onto Australian roads, will inevitably have an impact on our personal injury insurance systems.

Trials of autonomous vehicles have already occurred on Australian roads and further trials are proposed for later this year. It is clear automated vehicles and their interaction with personal injury insurance schemes needs to be considered in any scheme design discussions. IAG considers that a mechanism to ensure that the scheme is sustainable is to embed a mandatory statutory review<sup>7</sup> to ensure it is still meeting the Government's objectives.

A first party no-fault scheme will meet consumer needs if more automated vehicles are on the roads. In a first party scheme, those injured could simply lodge their claim against the insurer of the vehicle they were travelling in and the insurer manages this claim until it is resolved.

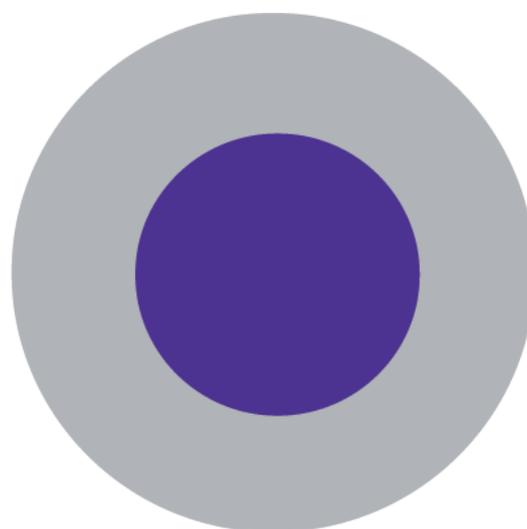
If another party such as the vehicle manufacturer, or a telecommunications provider caused the accident, the insurer could seek recovery for claims expenses paid without delaying benefits to the injured party.

This approach will ensure that there is certainty of cover for personal injury and that early treatment is available to maximise the injured person's recovery. It will also ensure that all people injured in motor vehicles accidents, whether the accident occurred by human error or mechanical fault, are entitled to the same benefits and care. This will assist to meet the Government's objective of reducing the time it takes to resolve a claim.

## Implementation

IAG recognises that pressure on the current CTP scheme is great. Reform of the CTP scheme will require significant change at a legislative, regulatory and stakeholder level. IAG is committed to working with the government and all scheme stakeholders, including the legal and medical fraternity to implement new reforms in a timely manner. If changes are prioritised by all stakeholders it is believed that reforms could be implemented in 2017.

A major scheme review is an opportunity to not only address immediate threats to the scheme's efficiency and financial sustainability, but also tackle long-standing issues such as complexity and inequity.



# Overcoming current CTP issues

## Proposed scheme features

### Question 1 – What should be the most important features in any scheme reform?

To determine the key features of scheme reform, we must first consider the purpose of the scheme.

Historically<sup>8</sup> the primary purpose of CTP personal injury insurance was to protect drivers from personal liability for injuries caused to another person. We consider this purpose has since evolved to include prioritisation of injury recovery support for people injured in motor vehicle accidents.

IAG believes there are four key principles that should underpin personal injury scheme design, detailed in **Figure 1**. A personal injury scheme designed around these principles will meet the Government's four key objectives.

#### Zero death and injury

The NSW Road Safety Strategy for 2012-2021 aims to reduce road fatalities and serious injuries by at least 30 per cent<sup>9</sup>. IAG believes the NSW CTP scheme needs to have a stronger focus towards achieving zero deaths and injuries on NSW roads. The current scheme is primarily focused on managing injury recovery and paying compensation but this approach is flawed, as it accepts that death and injuries are not preventable. If accidents and injuries can be prevented, the costs of the CTP scheme will significantly reduce, leading to lower Green Slip premiums for NSW motorists.

There are scheme design features that will provide opportunities for the Government to prioritise safety and injury prevention within the NSW CTP scheme. These opportunities include:

- Deregulation of risk rating to allow insurers to price based on individual risk by providing incentives for safe driving and safe vehicles.

Figure 1

Zero Death & Injury

Affordable Safety Net

Customer Centric

National Consistency

- Strengthening partnerships between scheme stakeholders, road safety organisations and research centres so they can work together to prevent motor accidents by encouraging improved behaviour of all road users. For example, a national database could be developed to not only facilitate the monitoring/evaluation of injury prevention strategies but also enhance the ability to compare health outcomes across personal injury compensation schemes to identify and replicate models of best practice in injury recovery.



### Affordable safety net

The CTP scheme should act as an affordable safety net for all people injured in motor vehicle accidents.

This safety net would provide any person injured in a motor vehicle accident, regardless of fault, access to reasonable and necessary medical treatment as well as defined benefits for economic loss for a specified duration.

We acknowledge that to attain an affordable scheme that promotes injury recovery as a primary objective, there must be a significant change in community attitudes away from the current compensation culture, which allows injured people who are not at fault almost unfettered access to common law benefits.

This shift would see acceptance of changes which remove access to future economic loss, future medical and rehabilitation expenses and non-economic loss because recovery support, rather than compensation for injury, should be the key purpose of personal injury schemes. If we move away from scheme design features that focus on fault, blame and compensation, we can develop features which emphasise the shared community responsibility to support an injured person to re-engage in their community<sup>10</sup>.

Under the current NSW CTP scheme, some injured people do not receive adequate levels of support as the case studies show in Figure 2.

None of the injured people referred to in the examples were eligible to enter the Lifetime Care & Support scheme. A no-fault affordable safety net would offer much better support to these injured people.

A 72 year old driver lost control of the vehicle in heavy rain and hit a pole. He suffered a head injury, fractured ankle and lacerations to the leg. His medical expenses were in excess of \$30,000.

A 21 year old motorcycle rider lost control whilst riding downhill on a dirt road and fell off his motorcycle. He suffered fractures to the neck (C1 and C2), multiple rib fractures and abrasions.

The injured rider was a plumber earning \$800 net per week. He was unable to work for over sixteen weeks, sustaining wage loss of over \$12,000 in addition to his medical expenses.

Coverage in the current scheme is limited to \$5,000 for at fault drivers.

Figure 2

## Customer centric

The CTP scheme should be designed around the needs and expectations of premium payers, as well as injured people. The current NSW Scheme is complex and there is often a lack of understanding about what the scheme covers, why they pay for it and who it supports.

By putting customers at the centre of scheme design, we can understand the scheme characteristics that may act as barriers. One key barrier is the third party nature of the scheme. The advantages of a first party scheme are addressed in detail in response to question 2.

At its heart, a customer centric scheme should be simple to access, enable self-management of recovery where possible and facilitate customers' access to the right benefits, as and when they need them. The scheme also needs to have the flexibility to respond to changing customer needs.

## National consistency

Throughout Australia, the states and territories have adopted different personal injury design frameworks and underwriting models. Notwithstanding this divergence, a fair and equitable personal injury scheme is achieved by a national affordable safety net of consistent benefit levels and eligibility criteria. The National Injury Insurance Scheme (NIIS) provides a roadmap for how this can be achieved, which has harmonised the approach to catastrophic injury, and could be mirrored for minor and serious injuries by ensuring that all Australian schemes meet minimum benchmarks.

A nationally consistent approach to personal injury would promote:

- A greater understanding of the risks covered by personal injury compensation.
- Equity and fairness across schemes.
- Opportunities to establish strategies to address national issues.

Support from all states and territories for the National Disability Insurance Scheme (NDIS) reflects Australia's growing expectation that people with injuries and/or disabilities should have access to help to facilitate their recovery and participate in everyday life.

## Preferred CTP scheme option

Question 2 – On balance, which option or combination of options do you believe best addresses the priorities for improving the scheme and why?

IAG considers that option 3 will best meet the Government's four key objectives and address the long standing issues of complexity and inequity within the current scheme and create flexibility to manage future developments.

### Implementing a first party scheme design

The current CTP scheme is difficult to access and navigate because it currently involves a third party claim process. Moving to a first party scheme would speed up the process of making and resolving a claim.

Lodging a claim for personal injury with the insurer of the person at fault, rather than your own insurer, is a departure from most insurance products in NSW and throughout Australia which are first party. This creates confusion for injured people making the claim process even more challenging. This confusion contributes to the time it takes a person to interact with the scheme and resolve their claim, which also has the potential to hamper an injured person's recovery.

In a first party no-fault scheme, you would have one insurer managing your claim, your chosen insurer. The process to claim would be simplified, notification of a claim could occur within days of the accident and the time taken to assess liability would be eliminated, with the exception of illegal acts and assessment of contributory negligence. This would mean that the injured person would receive treatment and return to work support almost immediately after claim notification. The benefit of moving towards a first party scheme is illustrated on the next page.

## Third Party Current scheme

### Complex

1 Identify the insurer for the at-fault vehicle.

Contact the Claims Advisory Service if the identity of the insurer at fault was not provided by the at-fault party.

3 Separate notification to CTP and property damage insurers.

4 Each individual is required to lodge a claim.

Determining who is at fault

5 It can be up to three months before a decision as to who was at fault is made.

6 Reasonable and necessary treatment provided.

7 Limited wage loss support available until the resolution of the claim.

## First Party No fault- Defined Benefits

### Simple

1 Almost immediately contact your own insurer and lodge a property damage claim and notify them of any people injured in your car.

2 Insurer contacts injured person and assists in claim lodgement.

3 Reasonable and necessary treatment commences immediately as well as support for earners.

The injured person would receive treatment and return to work support almost immediately...

When buying a Green Slip in a first party scheme, the customer is in effect buying compulsory personal injury insurance for themselves, their family, and for anyone who drives their car, allowing them their choice of insurer, should they need to make a personal injury claim. It also makes it easier for consumers to understand the purpose of their policy and what their premium pays for - protection for themselves and their family.

### **No fault**

The introduction of a no-fault scheme will reduce the time it takes to resolve a claim by decreasing liability disputes on individual claims. These disputes can be lengthy and can lead to injured people having delayed access to medical care. It is widely accepted that delays in medical care can lead to poorer health outcomes.<sup>11</sup>

The advent of more automated vehicles also means the concept of liability or fault will become blurred. This will only continue to increase as automated vehicles become more common on our roads. In these instances, determining fault will be complex. Customers deserve certainty that they will be able to access timely medical care if they are injured on the road.

### **Defined benefits for all**

The introduction of defined benefits would improve customer outcomes and reduce costs in the NSW CTP scheme by:

- Enabling injured people to clearly identify the entitlements that they are eligible for.
- Making available more of the compensation dollar to seriously injured people.
- Assisting to reduce volatility within the scheme which would stabilise the cost of Green Slip premiums and reduce the level of complexity in pricing.
- Reducing opportunities and incentives for claims fraud and exaggeration.
- Reducing the time it takes to resolve a claim.

A defined benefit scheme reduces the degree of uncertainty around claims costs and duration by providing a schedule of defined benefits to be paid to injured people for a specified period, depending on the severity and type of injury.

### **Common law benefits for the seriously injured who were not at fault**

Retention of common law benefits for the seriously injured who were not at fault directly meets the Government's key objective to increase the proportion of benefits provided to the most seriously injured road users and IAG supports this approach. This option ensures that the injured person is compensated for their loss, taking into account their individual circumstances. It also allows the severely injured to receive immediate medical treatment, care and rehabilitation support whilst preserving their entitlement to seek a lump sum for future needs.

### **Greater certainty on insurer profit**

Determining a price for the cost of a Green Slip premium is complex. Insurers must not only estimate the number of injuries that will arise from motor accidents, but also, the likely claims settlement cost, which occurs 3-5 years after the premium has been collected. Increased predictability should reduce the capital requirements. This option brings the certainty to the scheme that insurers need to price at lower profit margins.

## **Preference for Option 3**

Options 1 and 2 as outlined in the Options Paper do not achieve the Government's key objectives because they will only address immediate issues and not the longstanding issues of inequity and affordability. In addition, if the Accident Notification Form (ANF) claim type is retained, it will fail to address the key objective of increasing the proportion of benefits provided to the most seriously injured road users. We note the ANF process has not achieved its primary aim of limiting the submission of full claims<sup>12</sup>, and urge caution when considering any increase to the current ANF limit.

Option 4 provides defined benefits for all people injured but it may not recognise the differential impact of severe injuries on people and for this reason is not a preferred option. A common law component allows people to be adequately compensated and return to their pre-injury life, rather than stay within the scheme on defined benefits.

## Determining eligibility for benefits

Question 3 – Does fault in an accident remain the most acceptable way of determining eligibility for benefits or is it more important that anyone injured on the road is covered, even if this means fewer saving in any reform?

IAG believes that fault is not the most appropriate mechanism for determining eligibility for benefits.

We question whether, as a society, we are happy to continue to restrict access to benefits to some road users based on fault. Motor vehicle accidents are often the result of a number of factors and some of these factors can be outside a driver's control. We believe the scheme should be broadened to offer further support to people who are at fault in motor vehicle accidents. However, we would be concerned by any expansion of the scheme to cover non-motorised vehicles, as outlined in our response to policy question 1.

Broadening the scheme to provide benefits to those at fault may lead to a smaller premium reduction than could otherwise be achieved by retaining fault as a mechanism to determine eligibility for benefits. However, the introduction of a first party, defined benefit no-fault scheme could produce other savings that may offset the cost of broader access to benefits. Our survey<sup>13</sup> of customers revealed that the majority would endorse this approach, notwithstanding the possible smaller reduction in premiums, as it means coverage for all injured in the accident, regardless of fault.

The inadequacy of coverage in the current NSW scheme is demonstrated by claims lodged with IAG by at-fault drivers who may have had a momentary lapse in concentration or suffered an unforeseen medical incident.

At fault  
or at risk?

The injured person was driving his vehicle when he fell asleep at the wheel and hit a tree.

Both his legs were badly fractured and required multiple surgeries and multiple hospital stays. Almost ten months after the accident, he had not returned to work.

His entitlement to compensation was limited to the statutory at-fault benefit of \$5,000. The injured person's medical expenses totalled \$16,000.

## Scheme priorities

### Question 4 – Is it more important to reduce CTP prices or to extend benefits to more people?

IAG considers that a key priority for the Government is to ensure the price of Green Slips reduce to be more affordable for motorists and remain stable. We understand the financial burden the cost of Green Slips places on the NSW community, particularly low-income earners who rely on the use of a motor vehicle.

This is why one of our priorities for scheme design is to provide an affordable safety net to injured people. Through addressing inefficiency and areas of friction and uncertainty, a reduction of Green Slip premiums can be achieved. This is detailed further in our response to questions 7, 9 and 10.

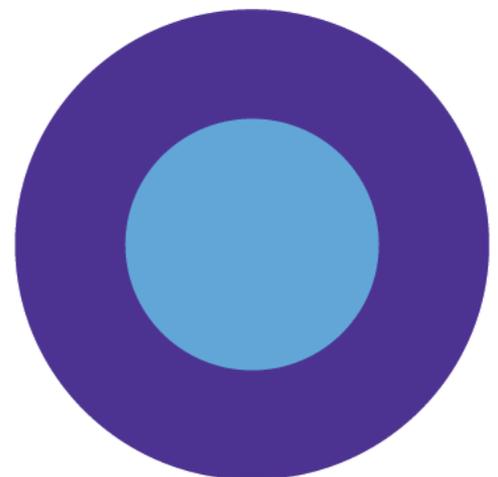
Under the current scheme, injured people are receiving only 45% of Green Slip premiums. The common law nature of the scheme means a significant proportion, 18%, of premium goes to legal and investigation expenses as insurers and injured people too often rely on legal professionals to negotiate settlement amounts. Furthermore, the settlement amounts are highly uncertain, and vary on a case-by-case basis, even in instances where claims appear similar.

To ensure premiums are adequate to cover the uncertain settlement costs, insurers must incorporate a risk of uncertainty when setting premiums. This has resulted in 19% of premiums going to insurer profits.

Moving to a first party, no fault, defined benefits with common law access for the seriously injured not at fault scheme, would reduce the amount of legal and investigation expenses in the scheme because the issue of fault would only be relevant to assessing a person's entitlement to common law. To reduce disputes, regulated fault rules could be introduced, similar to those used in the Ontario system<sup>14</sup> but modified to Australian circumstances and law. Furthermore, the uncertainty related to claim settlement amounts would reduce because benefits for those injured people with minor injuries would be pre-defined by regulation.

This will result in more<sup>15</sup> of the CTP premium going to injured people, and provide the opportunity to extend benefits to at-fault drivers, while achieving a reduction in the cost of a Green Slip.

One of our priorities for scheme design is to provide an affordable safety net to injured people.



## Scheme Features

Question 5 – Are people better looked after if receiving a negotiated lump sum (often years) after the accident or receiving prescribed weekly benefits shortly after making the claim?

IAG supports a shift in focus to recovery rather than compensation.

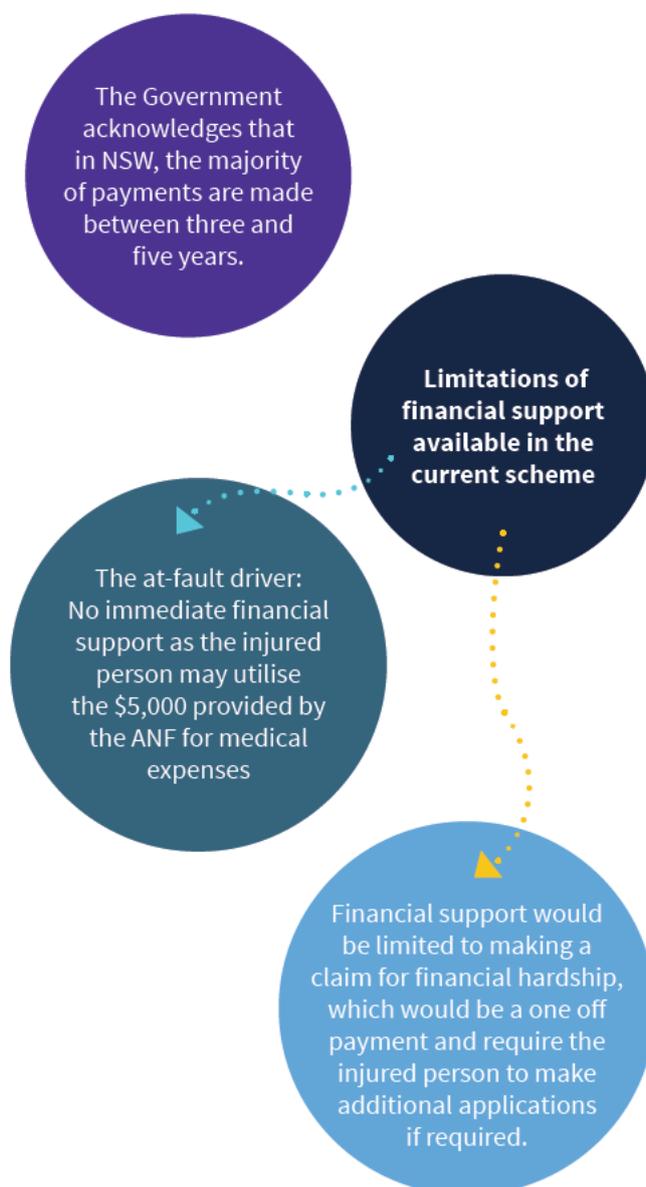
The current framework does not provide for payment of any wage loss until a claim is settled (excluding benefits under an ANF and financial hardship payments). Losing your income affects your ability to meet day-to-day commitments including rent or mortgage payments, food, utilities, school and childcare expenses and can have a detrimental effect on mental health, which further compounds the effects of the motor vehicle accident.

To meet the needs of injured people and better facilitate their ability to focus on their recovery, we recommend that injured people, who are unable to return to work, receive benefits through periodic payments. IAG supports periodic payments being capped at one and a half times the average weekly earnings and provided for a specified duration based on the severity of injury. In order to ensure the ongoing affordability of the scheme, consideration could be given to embedding a gradual step-down of this benefit to incentivise a person to return to work sooner. This would provide a person with their full income at the time they need it most, immediately following the accident. Refer to the response to question 7 for further detail.

For those with severe injuries, it often takes some time following the accident for their injuries to improve and stabilise to a point where they can safely and successfully return to work.

In these circumstances, the injured person should receive periodic payments for a longer specified duration. Those who did not cause the accident would be eligible for a lump sum payment to finalise the claim. Refer to the response to question 7 for more details on this threshold.

The limitations of financial support available in the current scheme, detailed below, further highlight the benefits of injured people receiving weekly benefits as in the preferred scheme, option 3.



## Proportion of funds

Question 6 – Should a greater proportion of funds go to the more severely injured, even if this means capping benefits or introducing an excess for low severity injuries?

IAG supports reform that provides an increase of the proportion of benefits provided to the more severely injured road users who are not at fault. The NSW CTP Scheme has limited resources. Proper division or rationalisation of these resources ensures that those most in need of assistance – the more severely injured – receive the benefits and assistance they need, without the need for continued increases in Green Slip premiums for NSW motorists. Acknowledging the limitation of the resources, the common law component should only be accessible to injured people who have satisfied the whole person impairment threshold and are not at fault for the accident. The severely injured person, who is at fault, would be supported with defined benefits.

In order to ensure the scheme is affordable, there is a need to cap and remove benefits allowed under the current scheme for those with minor injuries. Potential limits and caps are identified in detail in IAG’s responses to questions 7, 9 and 10 and summarised below.

This approach would ensure a fairer distribution of resources across the scheme and is also in the best interests of injured people in terms of their recovery from injury. There is a body of medical evidence<sup>16</sup> that demonstrates that a preferred approach for the treatment of whiplash, the most common injury reported in the scheme, is a prompt return to pre-accident activities. In fact, delays in returning to pre-accident activities can lead to adverse health outcomes. Scheme amendments, which provide necessary (limited) benefits but also incentivise a return to pre-accident activities should be preferred.

IAG does not support the introduction of an excess for low severity injuries. We consider that this would have a disproportionate effect on different scheme users, specifically low-income earners.

Injury Status	Reasonable and necessary medical treatment	Economic loss (Earners)	Reasonable and necessary commercial care	Non economic loss	Legal costs
<b>Minor</b>	Up to 18 months	Up to 18 months capped at 1.5 times AWE	Payable only if admitted to hospital up to 18 months	Not available	Not available
<b>Serious-Not at fault</b>	Until Common law settlement	Wage capped at 1.5 times AWE	Payable only if admitted to hospital until Common law settlement	Scale based	Regulated fees with capped contracting out
<b>Serious-At fault</b>	Up to 5 years	Wage for up to 18 months, then 80% to 5 years capped at 1.5 times AWE	Payable only if admitted to hospital up to 5 years	No entitlement	Regulated fees

## Retaining common law

Question 7 – If Government retains common law, should there be tighter restrictions or caps on various benefits as is the case in other States, or if the Government adopted defined benefits should the caps and thresholds reflect what is paid in other States?

IAG advocates for the retention of common law benefits for people with serious injuries who were not at fault and, where possible, the alignment of defined benefits, caps and thresholds with those in other states. If personal injury compensation schemes are consistent, we can ensure customers fully understand personal injury insurance and achieve an affordable safety net.

The impact that a serious injury has on an individual is dependent upon their unique circumstances, including their roles within their family and community. The retention of common law benefits acknowledges these differences and ensures that the individual needs of those seriously injured in motor vehicle accidents will continue to be met.

To ensure the CTP scheme is able to adequately support those most in need, we need to examine and assess what is contributing most to inflationary pressures in the scheme, and restructure access to benefits.

IAG recommends the following legislative amendments to retain common law benefits for those seriously injured in motor vehicle accidents and to promote harmonisation with other states:

### **Removal of gratuitous domestic assistance benefits from the scheme**

The current entitlement to gratuitous care is provided by both section 141B of the Motor Accidents Compensation Act 1999 and section 15B of the Civil Liability Act 2002. The Government has identified that in 2014, care added \$42 to the cost of each Green Slip, and that care costs have been most notable in claims from injured people who have minor injuries and are legally represented. This is despite the fact medical research indicates that injured people who sustain minor soft tissue injuries should continue to undertake their usual activities to optimise their recovery<sup>17</sup>. This medical evidence, together with the fact that this benefit is not supporting those most at need, supports the removal of gratuitous benefits from the scheme.

### **Introduction of a threshold for commercial care**

Given the evidence above, and to encourage early recovery from injury, IAG advocates for a whole person impairment threshold to access commercial care. We recognise there need to be some exceptions to this threshold, for example, a person with fractures to both legs who may require care following their accident for a short period of time. To allow for this, we propose that people who are admitted to hospital immediately after the accident should be entitled to commercial care, even if they will not exceed the threshold once their injuries have stabilised.

### **Prescription of a rate for commercial care**

Often there is a dispute between the parties to a personal injury claim as to the appropriate rate for commercial care. To eliminate this area of friction and rationalise cost within the scheme, we suggest that there be a prescribed hourly rate payable for commercial care and that this rate be aligned with the rates provided in the NDIS and the Lifetime Care & Support Scheme.

This would ensure the amount paid on behalf of a person for care would be the same, regardless of whether care is required following a motor vehicle accident or due to a medical disability. This is a fair and equitable outcome that is likely to meet with public approval.

### **Reduction of maximum for loss of earnings (average weekly earnings)**

IAG also suggests the Government align the loss of earning benefits more closely to the New South Wales workers compensation scheme, and cap the maximum amount payable for past and future economic loss to one and a half times average weekly earnings. This measure would avoid lower income earners subsidising higher wage earners, who can utilise other income protection insurances.

### **Threshold to receive compensation for future economic loss**

Finally, IAG recommends limiting compensation for future economic loss to those who are seriously injured and did not cause the accident. To ensure consistency, we suggest using the whole person impairment threshold as the mechanism to determine whether an injured person is eligible for this entitlement.

## **Eligibility for common law**

### **Question 8 – If the Government retains common law, what is the best method and threshold to determine eligibility?**

The most objective and sustainable<sup>18</sup> mechanism to determine eligibility for common law benefits is whole person impairment, assessed according to the American Medical Association Guide to Permanent Impairment 4th Edition. This mechanism has been utilised effectively since its introduction by the Motor Accidents Compensation Act 1999 for determining access to damages for non-economic loss for physical injuries.

The Government could also ensure further certainty within the scheme by introducing fixed scale to determine the damages payable for non-economic loss once an injured person's whole person impairment is determined to exceed the threshold.

A review of the effectiveness of the Psychiatric Impairment Rating Scale, introduced in 1999, should be undertaken to assess whether it remains an efficient mechanism to assess psychological injury. This review will ensure that most of the benefits and entitlements are received by those with the most severe psychological injuries.

IAG does not support the introduction of a subjective test, such as the 'serious injury test' that exists in the Victorian TAC scheme, to determine eligibility for common law benefits. We consider this would introduce further uncertainty and friction within the scheme. Similarly, IAG does not support the introduction of a monetary threshold to determine eligibility, as this could unintentionally provide an incentive to increase medical claims in order to exceed the threshold for accessing common law benefits.<sup>19</sup>

## Mechanisms to resolve claims more quickly

Question 9- If Government retains common law, what mechanisms should be adopted to resolve claims more quickly and avoid lengthy negotiations and disputes?

It is reasonable to accept that disputes will arise whenever an injured person's benefits may be adversely affected. For example, for allegations of contributory negligence, or following assessment of capacity to return to employment, or whole person impairment.

To minimise the cost and impact of these disputes and to promote faster resolution of claims, there must be a framework to address these issues and provide for alternative methods of resolution with minimal external intervention such as courts or the Claims Assessment and Resolution Service (CARS).

IAG submits that the Government consider the following mechanisms to minimise protracted negotiations and disputes between the parties and other stakeholders involved in the claims process.

- Amend section 138 of the Motor Accidents Compensation Act 1999 to prescribe fixed levels of contributory negligence for offences such as failure to wear a seatbelt or helmet. Further detail can be found in our response to policy question 4.
- Introduce treatment provider fees and design the payment framework to encourage positive health outcomes and recovery of the injured person. This could be achieved through paying higher fees to accredited providers who are able to work with injured people to achieve early return to work and regular activities. This would encourage improved health outcomes, whilst reducing overtreatment.

There are other areas of friction within the current Medical Assessment Service (MAS) and CARS frameworks that need to be addressed, as they are delaying dispute resolution and claim settlement. These include:

- Currently only the Certificate issued by a MAS assessor is binding, not the accompanying Statement of Reasons. Both should be binding, as currently a CARS Assessor and the parties to the claim cannot rely upon the Statement of Reasons to resolve other disputes.
- A CARS determination does not always bring finality to a claim, as a CARS assessment can be appealed by an injured person on any grounds. This undermines the process. To address this, the Government should amend section 95(2) of the Motor Accidents Compensation Act 1999, to make CARS determinations binding on all parties. The practical consequence of this amendment would be that the insurer will no longer have the right to appeal the issue of liability and the injured person is bound by the determination and assessment of damages.
- Most CARS Assessors<sup>20</sup> have their own private practices or are members of the bar. This dual role hinders their ability to hear and resolve matters within a short timeframe. An alternative approach, as considered in the Claims Assessment and Resolution Service Strategic Review<sup>21</sup> and supported by IAG, is the appointment of a panel of permanent, professional assessors appropriately qualified and trained.
- Introduce a statutory limitation period for matters to be referred to CARS

## Limits on legal expenses

Question 10 – Should there be limits to legal expenses, especially for small claims, and should legal expenses be linked to the work performed or the value of the claim?

It is vital to ensure that the structure adopted by the Government protects against undesirable practices such as claim farming which is threatening the sustainability of the scheme. IAG supports the retention of legal representation for those with common law claims and in limited circumstances for those receiving defined benefits.

### Defined benefit claims

In a first party defined benefit compensation scheme, benefits for those with minor injuries would be certain, which would change the nature and need for legal representation. However, there will be situations where it will remain appropriate for an injured person to obtain legal representation. For example, where an injured person has sought an internal review by the insurer of an adverse decision to cease their ongoing wages, but believes that this decision is incorrect. In this scenario, legal fees should be calculated according to a regulated event-based fee structure. IAG considers this model should be favoured over a model which links to the value of a claim as it would ensure unnecessary work is not undertaken to drive up the value of claims.

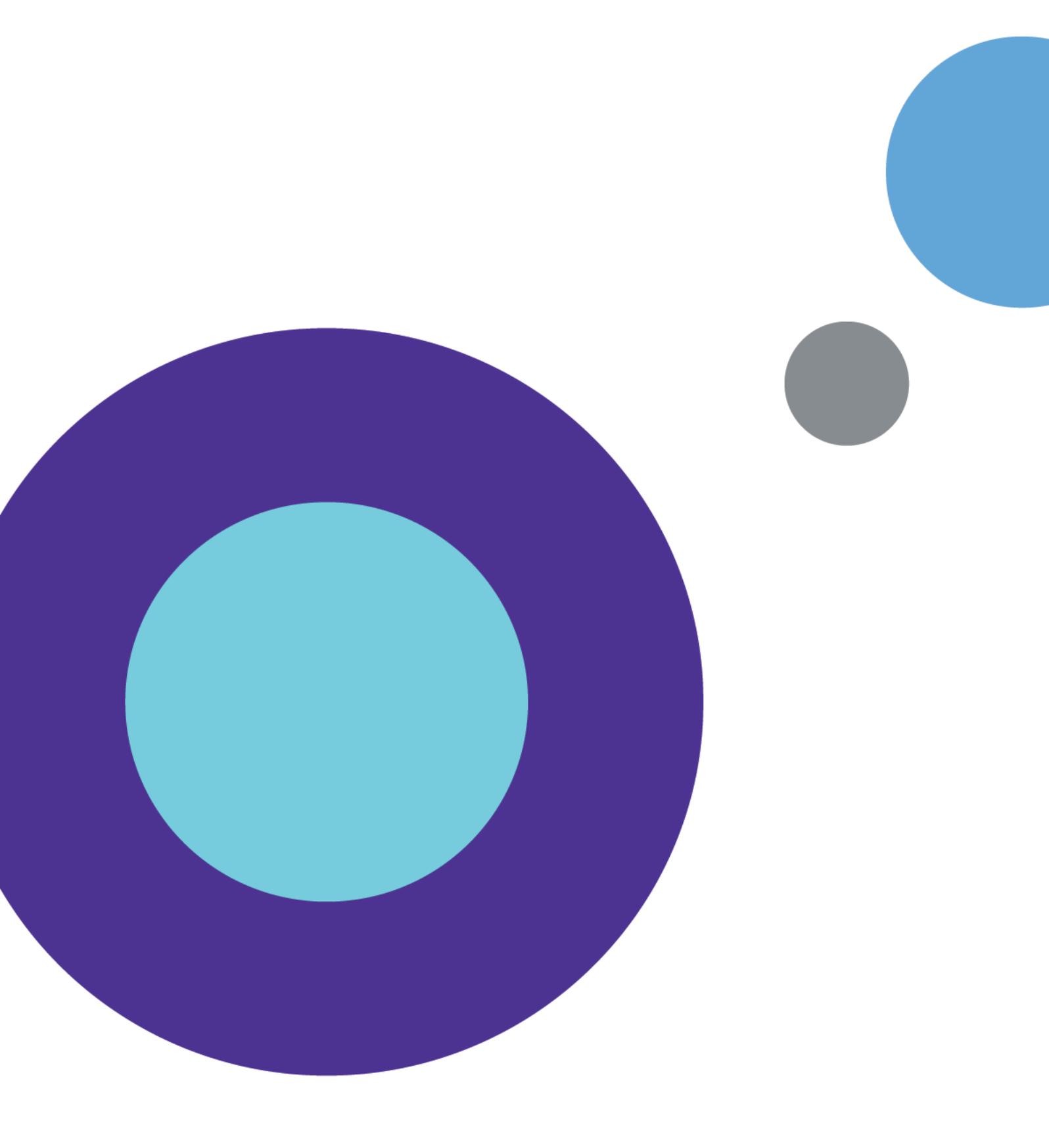
### Common law claims

IAG supports the retention of common law benefits for people seriously injured in motor vehicle accidents who were not at fault. Noting the complexity of such cases, it is appropriate for solicitors to retain the right to contract out of the party/party fee structure to be paid for work that has been undertaken. However, we support the introduction of a cap to limit the maximum amount of legal fees that can be charged related to the value of the claim. This would ensure legal fees do not erode an injured person's benefits.

### Administrative law

Both MAS and CARS are administrative decision-making bodies. If assessors make any errors in their decisions, this requires administrative review by the Supreme Court. Administrative law proceedings are expensive and delay the resolution of the claim. A streamlined administrative review could be developed which places a greater reliance on written submissions rather than face to face hearings, as well as setting timeframes and regulating legal fees to ensure disputes are resolved promptly and fairly.

In a first party defined benefit compensation scheme, benefits for those with minor injuries would be certain, which would change the nature and need for legal representation.



# Policy considerations

## Expanding the safety net

Question 1 – Should there be support or a safety net for anyone injured on the roads by vehicles that are not part of the insurance system (like bicycles) even if that increases the overall cost of CTP?

IAG recognises the societal value in providing support to all people who are injured in motor vehicle accidents, but does not believe expanding the motor accident compensation scheme to cover those injured by bicycles and other unregistrable vehicles should occur.

Two key objectives of the Government in undertaking scheme reform are to reduce the cost of Green Slip premiums and to increase the proportion of benefits provided to the most seriously injured. These objectives are unlikely to be met if the scheme is expanded to include accidents involving vehicles not currently part of the CTP Scheme.

With respect to the inclusion of bicycles, the actual impact on the cost of Green Slip premiums is unknown, but could be significant considering that coverage would be extended to all cyclists. The potential impact is illustrated by the results of the 2013 National Cycling Participation Survey conducted by the Australian Bicycle Council. The survey sample consisted of 4,388 households and revealed “16 per cent of residents ride a bicycle in a typical week, equating to around 1.9 million residents riding a bicycle in a typical week.”<sup>22</sup> Cover against damage caused to third parties in an accident involving a bicycle is available through other insurance products such as personal liability insurance and home and contents.

When considering coverage for anyone injured on our roads, it is critical to note that bicycles are only one type of vehicle used on roads and road related-areas that fall outside the safety net of the motor accident compensation scheme. Advancements in technology have resulted in new modes of transport. Including these vehicles in the CTP scheme would place further pressure on the cost of Green Slips in the future and would unfairly burden motorists in NSW particularly low-income earners.

## Making a claim

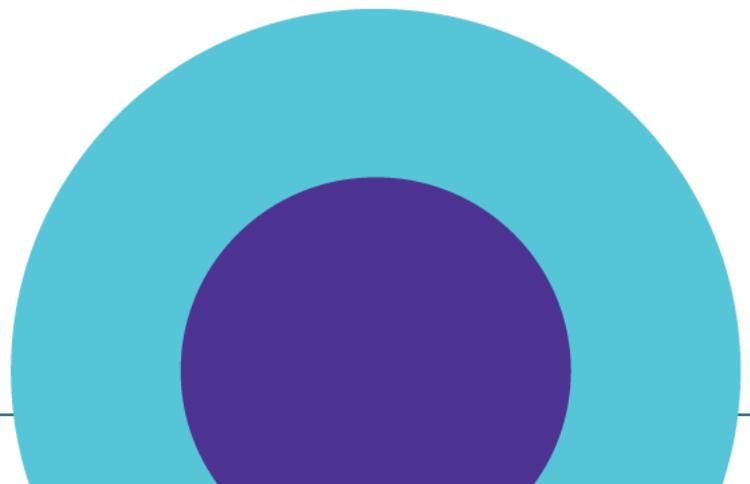
Question 2 – Is it better to make a claim against your own insurer as opposed to the insurer of the at-fault driver?

IAG supports a first party scheme where the injured person lodges a claim with the insurer of the vehicle they were travelling in. The claim would be managed by the first party insurer for the duration of the claim. An exception to this is that pedestrians or cyclists would lodge a claim on the at fault vehicle.

This meets consumer preferences, as our research<sup>23</sup> reveals the majority of people would prefer their own insurer manage their claim.

Being able to lodge claims with your own insurer also:

- Returns control to the injured person to engage with their chosen insurer, at their most vulnerable time.
- Reduces delays which may be caused by the injured person making enquiries to ascertain the insurer of the at-fault vehicle.
- Allows the injured person to have all of their insurance claims managed by their insurer of choice.
- Provides consistency and certainty for the customer when making insurance claims, regardless of the product, as evidenced in the first party v third party diagram on page 15.



A first party model also offers a number of other benefits, not provided by the current third party scheme, which have the potential to achieve the Government's key objectives and promote innovation in the scheme:

- Insurers can better support their customers to make a claim, as they can provide information about the claims process when a Green Slip is purchased.
- Insurers are incentivised to resolve the claim quickly and help return the injured person to optimal health, in order to retain the customer.
- Encourages new product design to meet current gap in customer needs.

A sharing mechanism will be required to recover costs relating to the common law components for the not at fault claims being managed. We are confident that such sharing agreements can be reached, without any additional cost to the scheme.

## Underwriting mechanism

### Question 3 – Should Government retain competitive underwriting, or give consideration to a return to public underwriting delivery?

IAG believes that competitive, private underwriting should be maintained within the NSW CTP scheme. Private insurers have considerable experience assessing risk factors and using premiums to appropriately manage risk.

A review of the scheme's history also supports the retention of competitive underwriting. In 1989, the NSW CTP scheme was publicly underwritten and had significant underfunded liabilities. This deficit was rectified, in part, through a stamp duty at a level of \$43 for certain categories of motorists for more than ten years.<sup>24</sup> This occurrence, if repeated, would place additional financial pressure on low-income motorists and undermine the current reform objective to reduce the cost of Green Slip premiums.

In a well-regulated environment, competitive private underwriting has a number of significant advantages over public underwriting including:

#### Promoting customer choice

In a privately underwritten CTP scheme, customers can choose their own insurer. This choice allows customers to respond directly to poor service, inefficient pricing and lack of product innovation.

#### Innovation in a changing environment

Over the next decade, there will be considerable change within Australia's transport and infrastructure including the introduction of more automated vehicles to our road and a continued growth in the use of car sharing and ride sharing (for example GoGet and Uber). These changes will impact insurance provision. A privately underwritten scheme is more adaptable because it is in insurers' best interests to recognise trends in the market and to invest in innovations to improve efficiency and develop products to maintain their competitive advantage.

#### Reduced financial risk to government and taxpayers

Competitive underwriting must comply with Australian Prudential Regulation Authority (APRA) requirements. This factor, combined with the need for insurers to provide satisfactory returns for shareholders, protects against privately underwritten schemes falling into deficit. The same level of protection does not exist for publicly underwritten schemes, as they are excluded from compliance with APRA requirements under the Commonwealth Insurance Act 1973.

APRA requires the industry to hold three billion dollars<sup>25</sup> of capital for CTP in NSW. While the NSW Government might not need to hold the same amount of capital, it is nonetheless still exposed to the same level of risk.

#### Improved capital management

Substantial capital is required to underwrite CTP schemes. Although private insurers are unable to access capital as cost effectively as Government, they can diversify their insurance and asset holdings to ensure capital is used efficiently and leverage more innovative forms of finance. IAG also believes the capital required for CTP is best provided by insurers, so government funds can be more appropriately directed towards alternate essential services.



### Premium customisation

Insurers are investing in data analytics to ensure greater accuracy in premium pricing for customers. IAG is able to use its broad motor vehicle insurance experience to better understand driver behaviour and motor vehicle safety for refining risk pricing. Additionally, greater flexibility in CTP pricing would allow insurers to incentivise safe driving and fairly reward low risk drivers. However, we recognise the need to keep premiums accessible for all motorists, and we are therefore open to mechanisms that support insurers in underwriting high-risk motorists to ensure the scheme remains affordable for all motorists.

It is critical that the NSW CTP scheme be designed to ensure long-term sustainability for all stakeholders. That is why we would welcome a long-term commitment by the Government to retain competitive private underwriting given the significant allocation of capital required by private insurers in preparing to operate in a new scheme

## Fault, illegal acts and contributory negligence

Question 4 – How should Government best deal with fault (including injuries without another party to sue), illegal acts and contributory negligence in any reform?

### Fault

The Nominal Defendant scheme should be retained to ensure that those who are injured by an uninsured vehicle or by an unidentified vehicle continue to have access to benefits under the scheme.

### Illegal acts

IAG believes the current statutory protection, which precludes a person who has committed a serious offence and whose conduct contributed materially to the injury from accessing treatment expenses and lost earnings should be retained.<sup>26</sup> This is consistent with the approach taken for other insurance lines.<sup>27</sup>

### Contributory negligence

When an allegation of contributory negligence is made, there are often disputes as to whether the allegation has merit and the extent of the injured person's culpability. These disputes can be lengthy and delay the resolution of the claim. We suggest prescribed levels of contributory negligence apply for the common law component, for offences such as failure to wear a seatbelt or helmet. The Government could adopt the South Australian<sup>28</sup> approach in this area, which prescribes fixed percentages for certain acts and omissions by the injured person.

## Increasing competition

Question 5 – What changes to the CTP scheme could increase competition?

In recent years, there have not been any new entrants into the NSW CTP market, despite many new insurers entering other insurance markets within Australia. The 2015 Report of the Independent Review of Insurer Profit within the NSW Compulsory Third Party Scheme (Profit review) cites potential reasons for this, including the capital-intensive nature of CTP and the various regulations that apply to the NSW CTP scheme. While the Profit review suggests no single solution will necessarily increase competition in the market, IAG believes any change to the scheme, which addresses one (or more), of the barriers to entry will ultimately increase competition. We envisage some of the recommendations would facilitate greater competition and we are supportive of those measures.

IAG has identified changes which will help address some of the barriers to entry, namely the high capital requirements and long-tail nature of CTP. Both of these barriers can be reduced by moving to a first party, no fault, defined benefits scheme with common law access for the seriously injured not at fault. Under this benefit structure, the variability of claims cost will reduce, as many claims will be settled based on defined benefits. Furthermore, many claims can be finalised quickly, because there will be less need to determine fault, and less need to negotiate a lump sum settlement. This will reduce the long-tail nature of the current CTP scheme.

## Endnotes

- <sup>1</sup> Letter from Finity to the Insurance Council of Australia (5 May 2016), Assessment of NSW CTP Reform Options.
- <sup>2</sup> Letter from Finity to the Insurance Council of Australia (5 May 2016), Assessment of NSW CTP Reform Options.
- <sup>3</sup> Letter from Finity to the Insurance Council of Australia (5 May 2016), Assessment of NSW CTP Reform Options.
- <sup>4</sup> New South Wales Government (2016). On the road to a better CTP scheme, Options for reforming Green Slip insurance in NSW, page 8
- <sup>5</sup> Centre for Road Safety (2014). Road Traffic Crashes in New South Wales, Statistical Statement for the year ended 31 December 2014, Transport for NSW, p16.
- <sup>6</sup> The Legal Profession Uniform Law (2014), Replaces the Legal Profession Regulation (2005).
- <sup>7</sup> Motor Accidents Compensation Act (1999). Section 233.
- <sup>8</sup> Motor Vehicles (Third Party Insurance) Act 1942
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- <sup>14</sup> Insurance Act (1990)., Fault Determination Rules, Regulation 668.668, 1990.
- <sup>15</sup> Letter from Finity to the Insurance Council of Australia (5 May 2016), Assessment of NSW CTP Reform Options.
- <sup>16</sup> Motor Accidents Authority (2014). Guidelines for the management of acute whiplash associated disorders for health professionals. Retrieved on 28 April 2016 from [http://www.maa.nsw.gov.au/\\_\\_data/assets/pdf\\_file/0011/18956/Final-Guidelines-for-the-management-of-a~d-WAD-disorders-for-health-professionals-3rd-edition-2014-MAA32-0914-28-11-14a.pdf](http://www.maa.nsw.gov.au/__data/assets/pdf_file/0011/18956/Final-Guidelines-for-the-management-of-a~d-WAD-disorders-for-health-professionals-3rd-edition-2014-MAA32-0914-28-11-14a.pdf)
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- <sup>18</sup> Geoff Atkins (2103).Sustainability of Common Law, Presented at the Injury Schemes Seminar November 2013. Retrieved on 3rd May 2016 from: <http://actuaries.asn.au/Library/Events/ACS/2013/AtkinsCLSustainPaper.pdf>
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- <sup>23</sup> All that matters (2014). Exploring various topics surrounding CTP Insurance to inform NRMA strategy.
- <sup>24</sup> All that matters (2014). Exploring various topics surrounding CTP Insurance to inform NRMA strategy.
- <sup>25</sup> APRA Prudential Standard 110-Section 20.
- <sup>26</sup> Motor Accidents Compensation Act (1999). Section 47A.
- <sup>27</sup> Insurance Contracts Act 1985 (Cth).
- <sup>28</sup> Civil Liability Act 1936 (South Australia). Part 7.

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