CTP
How are prices set

Insurers set their own Green Slip prices in a competitive market. There is legislation, regulations and guidelines that they must abide by. We regulate insurers to make sure they follow them.

In general terms, when calculating a Green Slip price for you, an insurer must charge enough to cover the cost of future claims as well as the costs of doing business. This is the 'base cost' of your premium.

An insurer then applies 'rating factors' (e.g. driver/owner age, demerit points, claims history, vehicle's age) that will either increase or reduce the cost of your premium. The rating factors differ between insurers, so it's best to shop around for a CTP policy. They then add the Fund levy and GST. More information is below or see our website.

Insurer's base cost + Insurer's rating factors + Fund levy + GST = CTP Price

Insurer's base cost

Includes:

- Cost of claims
- Costs of doing business
- Profit

Insurer's rating factors

Can include:

- Driver/owner's age
- Safety record
- Demerit points
- Claims history
- Vehicles age
- Where vehicle is kept
- If vehicle is comprehensively insured
- Risks across the scheme

Fund levy

Covers:

- Ambulance and hospital fees
- Lifetime care for the severely injured
- Preserves funding for future treatment and care for those who are seriously injured and not at fault

GST

CTP Price

*MAF: Motor Accidents Operational Fund **LTCS: Lifetime Care & Support Scheme Fund ***MAITC: Motor Accident Injuries Treatment & Care Fund

What is the Fund levy?

The Fund levy is shown separately on your Green Slip renewal notice and replaces the Medical Care & Injury Services (MCIS) levy, which was calculated as a percentage of your premium under the previous CTP scheme. This meant that if you paid a higher premium, you paid a higher levy.

The Fund levy is now a flat fee set by SIRA, based on vehicle type and garaging location. This means that some people will pay more and others will pay less towards the Fund levy under the new scheme. Overall, this is a fairer way of charging the levy.

Fund levy costs for Sydney metro passenger vehicles is shown in the table below

Levy component	Previous scheme costs for low risk policy holders[a]	Previous scheme costs for high risk policy holders[b]	New scheme costs for all policy holders
MAF Fund*	$48.86	$72.39	$50.49
LTCS Fund**	$80.13	$118.72	$80.51
MAITC Fund***	$0	$0	$11.01
Total levy	**$128.99**	**$191.10**	**$142.01**

a Low risk policy holders are generally more mature drivers (over 30 years old) with a good driving history and a late model vehicle
b High risk policy holders are typically younger drivers, or have a poor driving history (such as the demerit points, accidents etc)