



Communiqué from the first meeting of the NSW CTP Fraud Taskforce

Thursday 24 March 2016

The State Insurance Regulatory Authority (SIRA) hosted the inaugural meeting of the CTP Fraud Taskforce (the Taskforce) on Friday 18 March 2016. Chaired by Anthony Lean, SIRA Chief Executive, the Taskforce comprises the member organisations listed below:

- AAMI & GIO
- Allianz & CIC Allianz
- Australian Lawyers Alliance
- Australian Medical Association
- Health Care Complaints Commission
- Insurance Council of Australia
- IAG (NRMA Insurance)
- NSW Bar Association
- NSW Data Analytics Centre
- NSW Fair Trading
- NSW Police
- Office of the Legal Services Commissioner
- QBE Insurance
- The Law Society of NSW
- Zurich

The Taskforce states categorically that it has zero tolerance for fraud within the NSW CTP scheme. Fraud not only drives up scheme costs, thus affecting motorists, but also unfairly tarnishes those claimants and other scheme stakeholders pursuing legitimate, genuine claims. The Taskforce acknowledges that the significant majority of claims, and the efforts of medical and legal practitioners in managing those claims, are genuine.

The Taskforce members recognise that fraud and claims exaggeration are complex issues with multiple causes requiring a comprehensive set of solutions, bringing together their diverse range of skills and strengths.

Specifically, the taskforce members:

- support the Minister for Innovation and Better Regulation's call for a cooperative approach to tackle the urgent and emerging issues facing the CTP scheme
- agree to the Terms of Reference
- acknowledge the serious deterioration in aspects of the scheme which has triggered the creation of the Taskforce
- will share their experiences, views, ideas and actions to date to help identify focus areas for future action
- agree to partner with SIRA and other representatives of the Taskforce to address the relevant focus areas.

The Taskforce considered a range of options for deterring, detecting and responding to fraudulent and grossly exaggerated claims, with a commitment to developing and implementing agreed priority actions.

The Taskforce agreed that tactical actions are required now to deter fraud, whereas strategic solutions are required to protect the NSW CTP scheme against fraud in the future.

As a priority, SIRA is working with the insurers, other regulators and NSW Police to develop a targeted strategy to address the unusual claiming and service provider patterns that have been identified as being of most concern.

The Taskforce identified actions in four key priority areas including:

- building and linking enhanced data mining and analytics to better understand the problem at an industry wide level, and seeking opportunities to share information and insights
- community education on the impact of CTP fraud and communications campaigns to complement the recently announced CTP Fraud Hotline (1800 600 444) – targeted at community groups, medical professionals, lawyers, as well as the broader community.
- strengthening of responses by stakeholders, and of regulatory enforcement and investigation powers, and better coordination and resourcing of regulatory efforts
- consideration of regulatory and legislative amendments needed now and in the future.

The Taskforce agrees to meet regularly and form working parties as necessary.