

# CTP Scheme Reform Research

## Quantitative survey results Research summary

A well functioning CTP scheme requires a balance across a range of factors including: the time taken to finalise claims, percentage of premiums paid to injured people and cost of CTP premiums. This research was able to determine the order of importance of these factors plus some others according to NSW road users and policy holders.

### Key conclusions



Timeliness in payment of benefits and settlement of injury claims is most important

- Strong view that injury claims should be finalised in under 2 years
- On average, people expect injury claims to be finalised 1.5 years after the accident
- Currently a person injured in a motor vehicle accident can wait between 3 and 5 years for their claim to be resolved\*



The percentage of premium dollars collected available for payment to injured people is second most important

- Expectation that on average 67% of premium dollars should go to injured people, compared to the current 45%\*



There is concern about annual increases in Green Slip prices

- People expect the average Green Slip price at the end of 2016 to be less than the current average price of \$637 (Dec 2015)\*. This compares with the estimated \$90 increase in 2016\*



A 'no-fault' scheme is viewed more positively than the present fault-based scheme, provided it contributes to a quicker, more efficient and affordable outcome. The following definitions of these two options were shown to respondents:

- Fault-base scheme: Injured person only able to make a CTP claim if they can show the accident was caused through fault of another driver
- No-fault scheme: All road users covered by CTP insurance if injured by a registered vehicle, regardless of who was at fault

### Research project overview

- Commissioned by SIRA to gauge views of the CTP scheme by NSW road users and policy holders.
- Undertaken by research company AMR
- Initial qualitative research phase March 2016
- Quantitative research phase April/May 2016
  - Sample size ~ 1,200
  - Sample weighted to match NSW population aged 17+ for age, gender and location
  - Three core sub-groups of respondents:
    - NSW vehicle owners aged 17+
    - NSW community road users aged 17+
    - Injured people: CTP claims resolved in last 12-24 months
  - Choice-based methodology to assess trade-offs in preferred model
  - Multiple survey modes used to ensure representative coverage of NSW population