



# FAIRNESS IN CLAIM DETERMINATION

**CTP Citizens' Jury – Witness Workshop**

**Madeleine Hibberd**  
Manager, Regulatory Policy

# WHAT IS OUR INTEREST?

- Providing CTP insurance in the ACT since its beginning in 1948
- Sole CTP insurer between 1980 and 2013
- Market share for FY2016-17 was **56%**
- Around **160,000** CTP customers
- **463** CTP claims lodged in FY2016-17
- We also provide CTP insurance in NSW and South Australia

*We are committed to the development of a fair, efficient and affordable personal injury scheme that will meet the needs of the ACT community into the future.*

# OUR VISION FOR THE ACT

No Fault

- **Immediate support** for all injured people if they need it, regardless of fault

Statutory  
Benefits

- **Fast, simple access to benefits for medical treatment** so they can get back to pre-accident activities
- **Timely income loss payments** so people can continue to meet day-to-day expenses while recovering from their injuries

Common  
law

- **Lump sum payments available to people with serious injuries,** who are not at fault to cover them for any losses and needs into the future

# DISPUTES / DELAYS / DOLLARS

- The **more disputes** there are in claims, the **longer** the process is and the **more expensive** the claim is to manage.
- **Delays are stressful** for injured people. And of course, it means they wait longer to receive benefits.
- By reducing potential areas for dispute, you can make things **easier, faster and less expensive**.

No fault access to statutory benefits would make things *faster* for injured people but there are also other changes which could be made to make the scheme more efficient.....

# WHAT ELSE COULD BE DONE?

**Reduce the time  
frame to make a claim**

**Regulate legal costs**

**Prescribe rates for  
treatment and care**

**Introduce a threshold  
for access to General  
Damages**

**Fix levels for  
contributory  
negligence**

**Remove access to  
compensation for  
gratuitous care**

# BUT WHY?

-  To improve health outcomes for injured people through earlier access to treatment and a focus on recovery, not compensation
-  To reduce the time it takes to resolve a claim
-  To ensure more of the compensation dollar goes to the seriously injured
-  To ensure premiums are affordable for ACT motorists
-  To reduce overcompensation and incentives for exaggeration of claims

# CASE STUDY

- 52 year old female, driver
- Accident in October 2014
- Insured driver failed to give way and collided with the front left side of claimant's car
- Casually employed as an administration assistant
- No time off work following the accident

# PHOTOS OF DAMAGE



Car able to be driven from accident scene

Airbags did not deploy



# INJURIES & TREATMENT

- Soft tissue injury to back
  - Soft tissue injury to neck
  - Pain in left hip
  - Bruising to left knee
- 
- GP visits
  - Physiotherapy
  - Steroid injection - left hip
  - Pain and anti-inflammatory medication

All coded as minor injuries

# SETTLEMENT & COSTS

- The claim took **17 months** to resolve
- The claim settled for **\$45,000** plus costs and disbursements of **\$12,639**
- The claimant's opening offer had been \$95,000 plus costs
- Settlement included **General Damages of around \$30,000**
- A portion of the settlement may have also been payable to the claimant's solicitor for **solicitor/client costs**

# POTENTIAL IMPACT

Under the changes we are suggesting for the ACT, our case study would not be eligible for General Damages as the injuries sustained were minor.

However, **her recovery would be paramount.** Our case study would be eligible for immediate benefits:

- To help pay all necessary medical costs so she could recover sooner; and
- To replace any lost income, giving her confidence that she could continue to meet living expenses while recovering from her injuries.

This would enable her to recover, get back to her pre-accident activities and resolve her claim much sooner.