Taking care of people and place...
## Extraordinary claim costs each year

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Trauma</strong></td>
<td>Ambulance, public hospital trauma and recovery units</td>
</tr>
<tr>
<td><strong>Rehabilitation</strong></td>
<td>Private hospital, paramedical rehabilitation, vocational rehabilitation and equipment</td>
</tr>
<tr>
<td><strong>Compensation</strong></td>
<td>Includes common law, income and impairment</td>
</tr>
<tr>
<td><strong>Primary care</strong></td>
<td>GP, specialists, diagnostics, therapies and allied health</td>
</tr>
<tr>
<td><strong>Disability</strong></td>
<td>Attendant care, shared support accommodation</td>
</tr>
<tr>
<td><strong>Medico-legal</strong></td>
<td>Common law claims, legal fees and medico-legal costs</td>
</tr>
</tbody>
</table>
A simple approach...

Injury from accident demands attack on three fronts.

- The most important is obviously prevention.
- Next is the obligation to rehabilitate the injured.
- Thirdly, there is the duty to compensate them for their losses.

Sir Owen Woodhouse 1967

http://nzportraitgallery.org.nz/portraits
First principles...

- Community responsibility based on collective insurance
- Encouragement of safety – some roads pose greater risks, some people take greater risks and some people are more vulnerable
- Comprehensive entitlement to benefits
- Complete rehabilitation with full restoration of potential
- Real compensation for lost income
- Administrative efficiency, ensuring value for money.
Actuaries have described what’s needed...

- **Equity**: affordability vs. availability
- **Sustainability**: a durable, affordable program
- **Clarity**: clearly stated rules
- **Culture**: reinforcing desired behaviours
- **Administrative efficiency**: an efficient delivery system.
How do we make it work?

• Reinforce accident prevention – road trauma does not discriminate
• Control participation
• Engagement with contributors and stakeholders is critical
• Adequate compensation
• Avoid discrimination
• Avoid delays
• Control legal costs
• Prevent fraud, gaming and sharp practices
• Encourage rehabilitation.