What benefits should be payable?

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First questions

- Old system was intended to cover financial risks of insured drivers who were at fault;
- This left these same drivers with no compensation when they were harmed;
- Between one and two thirds of drivers will not be covered if they suffer harm;
- New alternative is to focus on the needs of all people harmed in motor accidents without the need to prove fault.
Overall Goal

- To minimise the human and financial costs associated with traffic accidents by:
  - Prevention of harm;
  - Rehabilitation from harm
  - Covering costs of harm
Benefit design aims

- To create the best circumstances to maximise the recovery of all people harmed in traffic accidents;
- To meet the costs of harm incurred as they arise in a manner similar to the loss suffered;
- To reduce stress and worry through timely payment and clarity of coverage
Costs and Losses

- Loss of income
- Costs of ambulance, medical and hospital treatment;
- Rehabilitation and recovery treatment costs;
- Medication co-payments;
- Aids, appliances, home and vehicle modifications;
- Household services eg child care, house and garden services;
- Accident-related travel and accommodation costs.
When maximum recovery is achieved

- If someone has a permanent disability from a traffic accident, should there be a payment for that impairment?
- Periodic or lump sum?
- Costs of reasonable adjustment eg for hobbies/leisure activities?
- Resilience and alternatives where restoration is not possible, but all direct costs are being met?
Last questions

- Loss of income for non-earners
- What, if any limits on loss of earnings?
- % of earnings?
- Waiting period?