

## Motor Accident Injuries Act 2019

### Three-year Review

#### Terms of Reference

Review the operation of the Motor Accident Injuries Scheme legislation, including associated guidelines, and report on the extent to which they are working in practice, with regard to the requirements of section 493(2) and the objects in section 6 of the *Motor Accident Injuries Act 2019* (the Act) as follows:

1. MAI Scheme general statistics.

This is to include:

- a. number of defined benefit applications and the potential impact COVID has had on the Scheme
- b. participant statistics such as role in accident, age ranges, types of injuries, injury severity

2. Ensure defined benefits are available to support all people injured in motor accidents on a no-fault basis.

This is to consider the quantum of benefits provided to MAI Scheme applicants and the processes for ensuring the timely determination and payment of defined benefits entitlements and include:

- the initial application process, including information required from applicants to determine eligibility on a no-fault basis and decision timeframes
- information required from applicants when requesting approvals and payments
- obligations on applicants receiving income replacement benefits
- an analysis of the quantum of benefits paid
- the timeliness of defined benefit payments (for income replacement, funeral, dependant death benefits, and quality of life benefit entitlements)
- the process for accessing a quality of life benefit

*Matters relating to the approval and payment of treatment and care benefits will be covered under the following section.*

3. Encourage early and appropriate treatment and care, to achieve optimum recovery and return to pre-accident levels of activity and work.

This is to include:

- the amount and incidence of allowable expense payments
- treatment and care approvals, including factors in section 120 of the Act relating to deciding what is reasonable and necessary
- conduct in relation to treatment and care needs assessments
- recovery plan development and engagement
- the timeliness of delivery of treatment and care
- the amount, and timeliness of treatment and care benefit payments
- the progression of motor accident injury claims

4. Support access to defined benefits.

This is to include the:

- availability of information and support to access defined benefits under the MAI Scheme, including whether there are barriers for some individuals in engaging with the scheme
- provision of services by the Defined Benefits Information Service

5. Promote and encourage the early, quick, and cost-effective resolution of defined benefit disputes.

This is to include:

- the process of complaints handling by insurers
- the nature and outcomes of complaints to insurers (but not in relation to internal review applications under part 2.10 of the Act)
- the number of applications under part 2.10 (Defined benefits—dispute resolution) for internal review and ACAT (ACT Civil and Administrative Tribunal) review of decisions by insurers relating to applications for defined benefits and the outcomes of those applications
- information reported to the MAI Commission under section 469 in relation to legal fees and related costs for applications for external review before the ACAT
- the number, nature, and outcome of complaints to the MAI Commission

6. Continue to improve the system of motor accident injury insurance, and the scheme of statutory insurance for uninsured and unidentified vehicles, operating in the ACT.

This is to include:

- a. Improvements made to the MAI Scheme since it began operation

7. Keep costs of motor accident injury insurance at an affordable level, and provide a framework that allows competition in setting premiums for motor accident Injury insurance policies.

This is to include:

- changes in premiums from the commencement of the MAI Scheme
- changes in insurer market share and price impacts on market share
- the affordability of the scheme
- how MAI premiums compare to other jurisdictions
- the amount of premium surplus refunds paid to vehicle owners due to the transition from the Compulsory Third-party Insurance Scheme

8. MAI premiums efficiency.

This is to include the:

- percentage of MAI premiums used to pay defined benefits, including for treatment and care, for people injured in motor accidents during the review period
- percentage of payments by benefit type, including direct and indirect recovery payments, for people injured in motor accidents during the review period
- percentage breakdown of the components of the total scheme average MAI premium over the review period as contained in insurer premium filings
- range of the annual expected MAI insurer profit margin (percentage terms) included in insurer premium filings during the review period

9. Provide for the licensing and supervision of insurers providing motor accident injury insurance.

This is to include:

- a. compliance activities of the MAI Commission since the MAI Scheme commenced operation

10. Establish and keep a register of defined benefit applications and motor accident claims to assist with the administration of the MAI Scheme and the detection of fraud.

This is to include:

- a. information on the collection of data and how the data is used by the MAI Commission

11. Support and promote the prevention of motor accident and the safe use of motor vehicles.

This is to include:

- a. information on the activities of the MAI Commission in this area