

HOW DOES MOTOR VEHICLE ACCIDENT INSURANCE WORK IN THE ACT?



ACT
Government



Motor Accident
Injuries
Commission



COVERAGE FOR PERSONAL INJURY

MOTOR ACCIDENT INJURIES (MAI) INSURANCE

Compulsory: You are required to pay a MAI Insurance premium to an MAI insurer as a part of your vehicle registration. It replaced the Compulsory Third Party (CTP) Insurance premium. You cannot opt out.

WHAT DOES IT COVER?

- ✔ **Covers anyone injured in a motor accident in the ACT on or after 1 February 2020:** Provides access to defined benefits, including payments for treatment and care, and lost income for up to 5 years.
- ✔ If someone dies from motor accident injuries, their family may access defined benefits for funeral expenses and death benefits to support dependants.
- ✔ For accessing defined benefits, it doesn't matter who was at fault and it includes motor accidents where no one was at fault (for example, an accident caused by a kangaroo on the road).
- ✔ There are also other entitlements for injuries of a permanent nature.

IT DOES NOT COVER:

- ✘ If someone is convicted or found guilty of a serious offence or multiple driving offences.
- ✘ Some benefits are also limited when there is a conviction for a single driving offence.
- ✘ Property damage.

NOMINAL DEFENDANT

- Where the motor vehicle at fault does not have MAI Insurance or is unidentified, an injured person will be covered by the Nominal Defendant (an ACT Government service) standing in as the MAI insurer.
- An at fault uninsured person that is injured also has limited access to defined benefits.
- An uninsured person is liable to pay back any amount paid out by the Nominal Defendant to other persons injured in the accident.

LIFETIME CARE AND SUPPORT (LTCS) SCHEME

Compulsory: You are required to pay a levy for this cover as part of your vehicle registration. You cannot opt out.

WHAT DOES IT COVER?

- ✔ **Covers anyone catastrophically injured in motor accident in the ACT on or after 1 July 2014:** Provides access to ongoing payments for the treatment and care of a catastrophically injured person.
- ✔ A catastrophic injury includes a spinal cord injury, traumatic brain injury, multiple amputations or serious burns.
- ✔ Injured people get the treatment and care they need for their whole life (this can be hundreds of thousands of dollars).
- ✔ It doesn't matter who was at fault in the accident—everyone is covered if catastrophically injured.

IT DOES NOT COVER:

- ✘ Injuries that do not meet the definition of catastrophic.
- ✘ Property damage.
- ✘ Lost income or payments to recognise the impact of injuries on your quality of life. These payments are available via MAI Insurance, with LTCS participants accessing the benefit from an MAI insurer.

PERSONAL INJURY/ ACCIDENT INSURANCE

Optional: You can choose to buy this cover from an insurer. This is an optional policy.

WHAT DOES IT COVER?

- ✔ **Covers you for injuries in an accident:** In the case of a motor accident, this may include additional payments where the coverage exceeds your MAI entitlements (subject to the limitations of your particular personal injury/accident insurance policy).
- ✔ It may cover gaps in your private health insurance or payments for certain kinds of non-permanent injuries.

IT DOES NOT COVER:

- ✘ Property damage unless this is specifically offered under your policy.



OPTIONAL COVERAGE FOR PROPERTY DAMAGE

THIRD PARTY PROPERTY INSURANCE

Optional: You can choose to buy this cover from an insurer. This is an optional policy.

WHAT DOES IT COVER?

- ✔ **Covers damage to other cars** and property where you are found to be at fault in an accident.
- ✔ Some insurers offer other benefits, such as cover for fire and theft.
- ✔ It is usually a less expensive option than comprehensive insurance if you are not worried about covering damage to your car or property.

IT DOES NOT COVER:

- ✘ If your car is damaged in an accident.
- ✘ You or anyone else for any injuries caused by the accident.
- ✘ Your car for fire and theft unless you choose this as an optional extra.

COMPREHENSIVE INSURANCE

Optional: You can choose to buy this cover from an insurer. This is an optional policy.

WHAT DOES IT COVER?

- ✔ **Covers your car against fire, theft and accident damage**, even if you are found to be at fault in an accident.
- ✔ **Covers damage to other cars** and property where you are found to be at fault in an accident.
- ✔ Covers everything that is covered by a third party property insurance policy.

IT DOES NOT COVER:

- ✘ You or anyone else for any injuries caused by the accident.

Where are the gaps? If you were not eligible for payments via Motor Accident Injuries Insurance or the Lifetime Care and Support Scheme, you would have to access support for your injuries via public health, private health, social security and/or aged care services. Limits and eligibility criteria also apply to these services.

Where are the gaps? Unless you choose to buy this type of insurance, you are not covered for damage to your car or someone else's car if the accident is your fault. You may have to pay the other person a significant amount of money, depending on how much damage is done and the type of car they drive.