

The Handling of Funeral Benefits Applications under the ACT MAI Scheme

Scope of the Policy

The Motor Accident Injuries Commission has expressed their expectation to MAI insurers that they are to receive applications from injured persons and family members although they may not be the correct insurer for an accident. They should not require injured persons and family members to contact the insurer that is the 'at-fault' third-party insurer if they are the first to receive an application.

This policy applies when a motor accident occurs in the ACT that results in a person's death and there is a Funeral Benefits Application to an ACT MAI insurer, as a person may require the funeral benefit before these details (such as who is at fault or registration numbers) are available. The policy is an interim measure ahead of formalising arrangements in an amendment to the Insurance Industry Deed.

Handling of a Funeral Benefits Application - No Wrong Door

1. The first MAI insurer to receive a Funeral Benefits Application is to accept the application even if they are not identified by the applicant as the most at-fault insurer or as having a vehicle involved in the accident.
2. The first MAI insurer must pay the Funeral Benefits if the application discloses that an accident occurred within the ACT and at least one vehicle had a connection to the ACT (for example, garage address, partial registration number). The insurer may refer to any publicly available information to be able to decide the application.
3. The first MAI insurer is to pay, as soon as is practicable, the funeral expenses in accordance with Section 9 of the *Motor Accident Injuries (Defined Benefits Application) Guidelines 2021* up to the maximum amount payable under section 182 of the MAI Act (applying the correct AWE indexed amount).
4. If another insurer is later identified as the relevant insurer for the application, the first MAI insurer may transfer the application under section 69 of the *Motor Accident Injuries Act 2019*.
5. The relevant insurer must reimburse the first MAI insurer for all funeral expenses paid out in relation to the application.

Other Measures Supporting Implementation of the Policy

- The Funeral Benefits Application form no longer requires the family member to include the registration number of the vehicles involved in the accident. Instead, if this information is available, the form has a prompt to include this information along with other information describing the vehicles in the accident.
- Insurers should carefully consider the discretion provided to them under Section 5.1.5 of the *Motor Accident Injuries (Defined Benefits Application) Guidelines 2021* to use additional sources of information (for example, media reports) when deciding if they can accept a Funeral Benefits Application as complete and how it may assist them in implementing this policy.
- Insurers should, where possible, request any additional information required for a funeral benefit application from third parties rather than requesting this information directly from the applicant.