

INQUIRY INTO 2022 REVIEW OF THE COMPULSORY THIRD PARTY INSURANCE SCHEME

Organisation: State Insurance Regulatory Authority (SIRA)

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SIRA

2022 Review of the Compulsory Third Party insurance scheme

Submission to the Standing
Committee on Law and Justice

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**State Insurance
Regulatory Authority**



The Hon Christopher Rath MLC
Chair, Standing Committee on Law and Justice
Parliament of NSW

Dear Mr Rath

Thank you for your invitation to make a submission to the 2022 Review of the Compulsory Third Party insurance scheme. I am pleased to attach SIRA's submission.

In July 2021, the three-year Statutory Review of the *Motor Accident Injuries Act 2017* commenced reviewing all aspects of the 2017 CTP Scheme. In November 2021, the final report was tabled in Parliament by the Hon. Victor Dominello, then Minister for Customer Service. The report also considered the recommendations made by the Standing Committee on Law and Justice in its 2020 Review of the CTP insurance scheme. Recommendations made in the Statutory Review include changes that could extend benefits for the injured person and improve the operation of the 2017 Scheme.

SIRA's submission provides data and information on the current performance of the 2017 Scheme and progress on work that responds to the recommendations of the 2021 Statutory Review.

I would welcome the opportunity to appear before the Committee to give evidence about these important issues and provide further assistance to your inquiry.

Sincerely

Adam Dent
Chief Executive

23 September 2022

1. About SIRA

The State Insurance Regulatory Authority (SIRA) was established in 2015 to steward and regulate NSW's statutory insurance and care schemes — motor accidents Compulsory Third Party (CTP) insurance, workers compensation insurance and the home building compensation scheme. SIRA is a customer-centric, intelligence-led, risk-based regulator whose core purpose is to ensure that NSW insurance schemes protect and support the people who need them, now and in the future.

SIRA's role in the State's insurance and care schemes is to:

- ensure that access to compensation is balanced with affordability of insurance and the efficiency and viability of the 2017 Schemes
- minimise the cost to the community of motor accident and workplace injuries, and the risks associated with the injuries
- ensure access to treatment that will assist in injured persons' recoveries
- lead the strategic development and effective oversight of NSW insurance and care schemes
- promote the effective management of claims and any disputes or complaints that may arise
- promote injury prevention, effective injury management and return to work measures and programs
- oversee and monitor compliance with legislation
- collect, analyse and publish data relating to performance
- advise the Minister on appropriate strategies, policies, and practices.

Pursuant to section 20(4) of the *State Insurance and Care Governance Act 2015*, SIRA is not, in the exercise of its functions, subject to the control and direction of the Minister.

SIRA launched a new strategy, SIRA2025, in March 2022. The strategy outlines SIRA's goals and strategic priorities until 2025. Holding regulated entities to account for outcomes, putting the customer at the centre, and data and digital, are important elements of the strategy. Through this strategy SIRA will use the full range of scheme stewardship, design, and regulatory functions to deliver better outcomes for customers.

In December 2021, SIRA made adherence to its Customer Service Conduct Principles a licence condition for all insurers operating in the 2017 Scheme.

SIRA holding regulated entities to account for outcomes is through its new Regulatory Publishing Policy. This policy commits SIRA to publishing more information about insurers, employers, healthcare providers, and other regulated entities. The policy will improve transparency and, in turn, the accountability of insurers and regulated entities, deterring sub-standard performance and increasing compliance. Ultimately, this leads to better outcomes for customers.

SIRA continues to make detailed scheme performance data available via an interactive Open Data Portal on its website. SIRA also publishes quarterly scheme actuarial reports, regulatory activity updates and measures of insurer performance. It also publishes the results of an annual survey of customers, which shows customers' experience with the claims process, trust in the system, and the extent to which insurers uphold SIRA-mandated Customer Service Conduct Principles.

SIRA is investing heavily in its regulatory intelligence, data, and analytics capability. This work aims to ensure that SIRA has the right data and insights to inform its regulatory actions and scheme design to deliver optimal outcomes and impact.

2. Introduction

CTP insurance, or ‘Green Slip insurance’, is mandatory for motor vehicles registered in NSW. CTP insurance protects vehicle owners from liability where their vehicle causes the injury or death of another person.

SIRA licenses and regulates private insurers that underwrite the current CTP Scheme (2017 Scheme) as well as the previous 1999 Scheme under the *Motor Accidents Compensation Act 1999* (MAC Act).

Lodgement of claims under the MAC Act ended on 31 May 2018, six months after the last accident, however late claims are permitted. The 1999 Scheme will continue to operate until all claims for accidents prior to 1 December 2017 are finalised. As of June 2022, 2,869 active claims remain.

The 2017 Scheme was established in 2017 under the *Motor Accident Injuries Act 2017* (MAI Act). The 2017 Scheme resulted from a reform of the previous motor accidents scheme and sought to enable broader coverage and a more affordable system. The 2017 Scheme reforms have reduced complexity, sped up the payment of benefits, provided for internal review of insurer decisions and reduced premiums by an average of \$153. There are approximately six million policies operating within the 2017 Scheme. SIRA currently licenses and regulates six private insurers that underwrite the 2017 Scheme.

The 2017 Scheme reforms addressed insurer ‘super profits.’ In 2021, the transitional excess profits and excess losses (TEPL) review triggered a return of \$91 million to the 2017 Scheme. A third TEPL assessment cycle is currently underway. This will examine three accident years: 2018, 2019 and 2020.

Further changes to the 2017 Scheme resulted in the introduction of the *Personal Injury Commission Act 2020* which established the Personal Injury Commission (the Commission) to deliver improved customer service and dispute resolution, and the extension of functions of the Independent Review Office (IRO) to provide assistance to injured persons under the CTP scheme.

The three-year Statutory Review of the Motor Accident Injuries Act 2017 (2021 Statutory Review), undertaken by Clayton Utz and Deloitte in July 2021, considered all aspects of the 2017 Scheme, including its framework, objectives and implementation. It also considered recommendations arising from the 2020 Legislative Council Standing Committee on Law and Justice Review of the 2017 Scheme. The Reviewers had the benefit of feedback regarding the 2017 Scheme from 31 organisations or individuals, including insurers, legal practitioners, peak bodies, medical and allied health professionals, and individual injured motorists.

The final report was tabled in the NSW Parliament in November 2021. The report made 73 recommendations. The response by SIRA and the NSW Government to the recommendations is progressing as detailed in Section 3 and detailed responses in Appendix B.

The 2017 Scheme is still maturing, as the first claims in the Scheme reach their five-year legislative milestone in December 2022, in addition to changes currently being implemented in response to various reviews.

This submission provides the Committee an update on how the scheme is evolving, current scheme performance, insurer performance and how injured people are supported to ensure positive outcomes for them.

2.1 2017 CTP Scheme

The 2017 Scheme provides benefits for pedestrians, passengers, cyclists, motorcyclists, drivers of other vehicles and, to a limited extent, the driver at-fault. Claims are managed by the CTP insurer of the at-fault vehicle. People injured on NSW roads by an uninsured or unidentified vehicle can also claim scheme benefits through the Nominal Defendant Fund which SIRA manages.

SIRA's functions are set out under section 10.1 of the MAI Act. The 2017 Scheme applies to injuries resulting from a motor vehicle accident occurring on or after 1 December 2017.

Benefits under the 2017 Scheme are fully funded by premiums. Premiums paid by motorists cover the cost of claims, insurers' administration and claims management costs, insurers' profit, GST and a fund levy, each of which appear as a separate charge on Green Slips. SIRA administers the fund levy which is comprised of:

- **Motor Accidents Operational Fund (MAOF)** which pays for initial public hospital and ambulance services for anyone injured on NSW roads; the costs of running the CTP insurance scheme including support services such as CTP Assist, the Commission, IRO and vocational and return to work support; and fees to Transport for NSW to administer the registration process.
- **Lifetime Care and Support Scheme (LTCS) Fund** which covers the lifetime treatment, rehabilitation and care of people who have been severely injured on NSW roads regardless of who was at fault. To be eligible for the LTCS Scheme, severe injury criteria must be met.
- **Motor Accident Injuries Treatment and Care Benefits Fund (MAITCB)** which is vested in the Lifetime Care and Support Authority (LCSA) to cover payments and costs relevant to treatment and care under the CTP Care program which provides treatment and care for people with needs five years after the motor accident, or earlier by agreement.

The 2017 Scheme has been designed to support recovery from injury by providing fast access to payments for treatment, care, and loss of income to assist people to return to work or their other pre-injury activities.

Eligible injured people have access to statutory benefits and common law for an award of damages, including:

- Statutory benefits include weekly income payments (if the person is an earner and has lost time from work due to the accident), treatment costs and commercial attendant care.
- People with 'minor injuries' as defined in the MAI Act (that is, soft tissue and/or minor psychological or psychiatric injuries) or those who were wholly or mostly at-fault in the accident are limited to 26 weeks of weekly payments of statutory benefits.
- The maximum weekly payment period for injured people whose injury is not minor and who were not the person mostly at-fault in the accident, is up to 104 weeks unless the injured person has a pending damages claim.
- A claim may be made for damages for economic and non-economic loss. No damages may be awarded to an injured person if the person's injuries resulting from the motor accident were minor injuries. Permanent impairment thresholds must be met to be eligible for non-economic loss.
- An injured person who has a pending claim for damages may claim statutory benefits for loss of earnings or earning capacity for up to 156 weeks if the degree of permanent impairment as a result of the injury is not greater than 10 per cent, and 260 weeks if the degree of permanent impairment as a result of the injury is greater than 10 per cent.
- After five years from the date of the accident (or earlier by agreement), icare's CTP Care will become responsible for paying for reasonable and necessary treatment and care instead of the CTP insurer.
- Reasonable funeral expenses, regardless of fault.
- Compensation to close relatives who were dependent on a person who died as a result of a motor accident in NSW and was not at-fault.

Table 1a: 2017 Scheme benefits and damages entitlements at a glance – At fault claims

At fault claims: Benefits/damages type	All
Ambulance and hospital emergency treatment	Available for anyone injured in a motor vehicle accident
Weekly benefits payments for loss of earnings	Up to 26 weeks
Damages for future economic loss	No
Damages for non-economic loss (e.g. pain and suffering)	No
Treatment and care benefits	Up to 26 weeks
Funeral expenses	Available whether at fault or not at fault
Damages for dependants in compensation to relatives claims	No
Legal and other expenses	Available as prescribed under the MAI Act and Regulations

Table 1b: 2017 Scheme benefits and damages entitlements at a glance –Not at fault claims

Not at fault claims: Benefits/damages type	Minor injuries ¹	Non-minor WPI ² ≤ 10%	Non-minor WPI > 10%
Ambulance and hospital emergency treatment	Available for anyone injured in a motor vehicle accident	Available for anyone injured in a motor vehicle accident	Available for anyone injured in a motor vehicle accident
Weekly benefits payments for loss of earnings	Up to 26 weeks	Up to 156 weeks	Up to 260 weeks
Damages for future economic loss	No	Yes (after 20 months)	Yes
Damages for non-economic loss (e.g. pain and suffering)	No	No	Yes
Treatment and care benefits	Up to 26 weeks	CTP Care after 5 years	CTP Care after 5 years
Funeral expenses	Available whether at fault or not at fault	Available whether at fault or not at fault	Available whether at fault or not at fault
Damages for dependants in compensation to relatives claims	No	Yes (WPI threshold not relevant)	Yes (WPI threshold not relevant)
Legal and other expenses	Available as prescribed under the MAI Act and Regulations	Available as prescribed under the MAI Act and Regulations	Available as prescribed under the MAI Act and Regulations

A key feature of the 2017 Scheme is to encourage early resolution of claims, and quick, cost effective and just resolution of disputes. An injured person can request an internal review of specified insurer decisions as a first step in resolving disputes. The internal review is required to be conducted independently of the original decision maker, and provides an opportunity to resolve disputes early, without the need to progress to the Commission.

¹ Soft tissue and/or minor psychological or psychiatric injuries

² Whole Person Impairment

2.2 Reviews and reforms

There have been further scheme design and operational changes, with more proposed since the commencement of the 2017 Scheme.

2021 Statutory Review of MAI Act

In November 2021, the final report of the three-year Statutory Review of the MAI Act was tabled in the NSW Parliament. The independent reviewers (Clayton Utz and Deloitte) made 73 recommendations.

Clayton Utz focussed on whether the design and terms of the MAI Act, Regulations and Guidelines continued to meet the policy objectives of the 2017 Scheme, making 49 recommendations.

Deloitte focussed on the implementation of the MAI Act with reference to specific key performance indicators and made 24 recommendations and 20 suggestions which relate to SIRA's supervision and oversight of insurers as well monitoring and data collection.

Progress on the Government's response to the recommendations and more details are provided in Section 3 and detailed update to each recommendation is in Appendix B.

Personal Injury Commission

From 1 March 2021, the Commission was established as an independent statutory tribunal responsible for resolving disputes between people injured in motor accidents and workplaces in NSW, and insurers and employers. Prior to that, SIRA's Dispute Resolution Service provided for resolution of disputes for NSW CTP insurance.

SIRA is currently leading the Statutory Review of the *Personal Injury Commission Act 2020* to determine whether the policy objectives remain valid. The Minister is required to table the outcome of the review in both Houses of Parliament no later than 12 months after the commencement of the Statutory Review.

Independent Review Office

From 1 March 2021, the IRO commenced oversight of CTP complaints raised by injured people about their insurer in relation to their claim. SIRA manages complaints relating to all other aspects of the 2017 Scheme, including complaints from customers in relation to their CTP Green Slip.

SIRA closely monitors the complaints it receives about insurers, working closely with the IRO through a [Memorandum of Understanding](#) to ensure customer issues and complaints are addressed and appropriate regulatory action taken.

Legal supports review

In September 2021, SIRA published the [Review of Legal Support for People Injured in the NSW CTP Scheme](#) report by Taylor Fry. SIRA commissioned Taylor Fry to undertake an independent review to assess whether the current legislative, regulatory, and service provisions of legal support promote the objects of the MAI Act, including encouraging the early resolution of motor accident claims and the quick, cost-effective and just resolution of disputes. The report identified eight options for SIRA to consider in relation to changes to the legal support framework in the 2017 Scheme.

In response to this review, SIRA expanded the scope of services provided by CTP Assist from January 2022 and is assessing the feasibility and cost implications of the other options.

A work value assessment undertaken by DGT Costs Lawyers is in its final stages. This work is required to inform any recommendations to the access point and amount of legal costs fees in the 2017 Scheme. This work forms part of an overall program that considers the legal, procedural and other supports available to injured people. Consultation on supports, including legal supports and any review of scheduled fees, will occur in early 2023.

Authorised Health Practitioners framework

In October 2021, SIRA published its findings of the [Post-Implementation Review of the Authorised Health Practitioner Framework](#). The review considered the effectiveness of the framework and how it encourages better experience and outcomes for claimants. In addition, SIRA also conducted person-centred research by interviewing injured people with experience with medico-legal providers managing their claims.

Workshops with insurers and the legal stakeholders were also conducted. Proposed enhancements to the framework were consulted on as part of version 9 of Motor Accident Guidelines.

Findings from this review will now inform SIRA's response to the recommendations in the 2021 Statutory Review, specifically recommendation 29.

Regulation of health service providers

In June 2022, amendments to the *State Insurance and Care Governance Act 2015* will enable SIRA to take action on a small number of health providers who engage in practices that adversely impact the health and return to work outcomes of injured people. The supporting Regulation and Guidelines are currently being drafted and will be the subject of public consultation in September 2022.

Point to Point premium determination

In June 2022, amendments to the *Motor Accidents and Workers Compensation Legislation Amendment Act 2021* provided greater clarity for CTP insurers and the point-to-point transport industry in terms of premium determination, collection and payment. The amendments also enabled insurers to have access to necessary information to accurately calculate premiums for taxis and hire vehicles. SIRA is currently consulting with the industry on the form and content that will operationalise these changes.

More details on point-to-point are in section 4.3.5.

2.3 Future Transport Strategy

The NSW Government's Future Transport Strategy sets the strategic directions for Transport for NSW to achieve world-leading mobility for customers, communities, businesses, and people. New technologies and transport services, including automated vehicles and micro mobility devices such as electric scooters, will shape how we move and will increasingly become a part of neighbourhoods. To achieve diverse and accessible transport options, the strategy sets a vision for a multi-modal ecosystem where different transport services are seamlessly integrated.

SIRA is currently monitoring a shared-scheme electric scooter trials in NSW, which will help to fulfil the NSW Government commitment to investigate the benefits and issues around emerging micro-mobility devices. SIRA will consider future scheme impacts and CTP arrangements.

SIRA has been working with other jurisdictions through the Board of Treasurers Working Group formed in 2020 to consider options for insuring automated vehicles (AVs). SIRA is also represented on the NSW Automated Vehicle Policy Working Party chaired by Transport for NSW. The National Transport Commission is leading work to support the development of an end-to-end regulatory framework for AVs. The intent is to ensure national consistency on essential requirements for AV manufacturers and automated driving system entities. SIRA will continue to work collaboratively with other NSW agencies and jurisdictions to progress AV policy.

3. 2021 Statutory Review of Motor Accident Injuries Act 2017

The Review, conducted by Clayton Utz and Deloitte, was informed by stakeholder feedback from 31 organisations or individuals, including insurers, legal practitioners, peak bodies, medical and allied health professionals, and individual injured motorists. Submissions to the 2020 Law & Justice Review were also considered.

Clayton Utz focused on whether the design and terms of the MAI Act, Regulations and Guidelines continued to meet the policy objectives of the 2017 Scheme, making 49 recommendations. Overarching considerations guided their review:

- the framework for the 2017 Scheme must be considered against the Objectives of the Act, balancing benefits available, ease of access, affordability and validity of claims
- the design of the Act to support injured persons financially and with treatment and care rather than compensating injured persons in full for their loss
- the statutory benefits scheme is intended to be non-adversarial
- measurement of implementation of the 2017 Scheme is important to guide analysis of the framework, noting the importance that data and analysis about the 2017 Scheme is reviewed critically.

Deloitte focussed on the implementation of the MAI Act with reference to specific key performance indicators and made 24 recommendations and 20 suggestions which relate to SIRAs supervision and oversight of insurers as well as monitoring and data collection.

Overall, it was found that the 2017 Scheme is meeting its objectives for those aspects of the 2017 Scheme where there is sufficient experience to date to make an assessment.

Areas for improvement were identified, including 10 key priority recommendations in respect of implementation of the Scheme. These are:

- Conduct an independent claim file review
- Conduct a review on internal review case selection
- Improvements to the Personal Injury Commission
- SIRA to investigate the level of claimant understanding or scheme and entitlements
- Review whether CTP Assist complex claim team would further enhance capability of CTP Assist
- Additional monitoring such as claimants that have not recovered or been able to return to work
- SIRA maintains its discretion to trigger the TEPL mechanism
- Review data to help create a link to claim reporting patterns for vulnerable people
- SIRA to engage with insurers and the NSW Police Force on accessing information and data on fraudulent claims
- Investigation into the extent and nature of fraud and potential fraud to define responsibilities of Scheme participants to deter fraud.

SIRA has made progress on many of the recommendations. A full overview of the recommendations for the Clayton Utz and Deloitte Statutory Reviews is at Appendix B.

3.1 Proposed changes to legislation

SIRA is currently consulting on a Government-approved package of legislative reforms that respond to a number of the recommendations. In addition, several other recommendations will be addressed through changes to the Motor Accident Guidelines, which will be informed by public consultation.

The Government has prioritised legislative recommendations that extend and allow speedier access to benefits for certain cohorts of injured people.

The reform package responds to feedback from scheme participants regarding the need for increased access to, and availability of, rehabilitation and trauma supports for injured people.

It also includes other scheme and regulatory enhancements that will improve the operation of the 2017 Scheme without the risk of unintended consequences or a material impact on scheme affordability.

It does not respond to all of the recommendations for legislative changes where:

- more substantial design changes would be required at a time when the 2017 Scheme is still maturing
- there may be an increased risk of unintended consequences or significant premium increase.

In some cases, the intended outcome of the recommendations will be achieved through the response to another recommendation or by a change in policy through administrative means.

SIRA will continue to monitor the performance of the 2017 Scheme with reference to any of the recommendations that are not included in this priority legislative package.

3.2 Recommendations that have been actioned

SIRA has progressed several recommendations through administrative actions. This includes:

- Enhancements to CTP Assist from January 2022 to deliver increased outbound calls to people from non-English speaking backgrounds and people who are self-employed.
- Several changes to the Motor Accident Guidelines, including changes to clarify that the insurer is required to issue its decision in relation to treatment or care within 10 days of receipt of the claimant's request, and include contact details and description of service for the IRO.
- Publication of SIRA's [Regulatory Publishing Policy](#) in June 2022, which sets out the types of information SIRA publishes and the criteria that guide publishing decisions.
- Development of a forward Insurer Claims and Conduct Assurance Program (ICCAP) with release of the supervision roadmap for FY 2022/23 to CTP insurers.
- Process improvements and market guidance in relation to the Innovation Support process established by [Motor Accident Guidelines - Transitional excess profits and transitional excess losses](#), including a streamlined application form for insurers from July 2022.
- Recovery through work performance data now published in the quarterly Insurer Claims Experience and Customer Feedback Comparison as of June 2022.

Detailed update to each recommendation is in Appendix B

3.3 Activities in progress

SIRA has undertaken further review and consultation to inform changes to incentivise joint-medico legal assessments, which includes stakeholder forums and conducting interviews with 25 injured people with a CTP claim and who had gone through a medico-legal assessment process. Insights and feedback are informing a program of work which includes a review of medico-legal fee structures and proposed further changes to the Motor Accident Guidelines.

Proposed changes to the Motor Accident Guidelines are being finalised following public consultation which concluded in early September. The changes respond to several recommendations and SIRA is aiming to publish version 9 of the Guidelines before the end of 2022.

To inform SIRA's response to the Legal Supports Review, a work value assessment by DGT Costs Lawyers is in its final stages. In addition, SIRA is conducting a holistic review of legal and other procedural supports available in the 2017 Scheme which will include a consideration of any additional enhancements required to CTP Assist.

Other administrative actions currently being progressed include:

- Scoping the design of a provider survey to enable a better understanding of barriers to provider participation in the CTP scheme.
- Enhancements to SIRA's Scheme Performance Framework with identification of key scheme performance metrics which may be utilised for future reporting.
- A review of SIRA's educational animations has commenced, with planned updates to ensure currency of information to better assist claimants navigate the CTP scheme.
- An insurer forum to gain insurer feedback on innovation guidance material scheduled for October 2022.
- Experience and Customer Feedback Comparison as of June 2022.

3.4 Actions to deter fraud

The Review found that the 2017 Scheme is not in a position to meet its objective to deter fraud due to barriers that currently exist to identify and detect fraud, lack of clear accountabilities, roles and responsibilities in respect of fraud deterrence, and a lack of overall fraud detection and prosecution within the 2017 Scheme and visibility of this.

SIRA is progressing a range of projects to enhance fraud monitoring and is actively working across government, co-regulators and industry to better deter, detect and respond to fraud.

SIRA is currently:

- collaborating with insurers via an industry wide fraud forum to develop a fraud framework that will cover end-to-end, from policy to claims
- continuing its relationship with the NSW Police Force with a focus on the MAI Act
- strengthening requirements in the Motor Accident Guidelines around insurer reporting to deter, detect and respond to fraud
- conducting deep dive data analysis on some key scheme data points where fraud may be present.
- developing scheme fraud indicators, including strengthening its analytical capabilities to identify fraud and leakage.

4. CTP Scheme performance

4.1 Scheme performance snapshot

Since commencement up to June 2022

\$13.348 billion total premium collected (includes GST and levies)

26,738,267

CTP Greenslip policies

50,903

total claims reported from commencement

7,997

At fault claims

7,275

Damages claims

46,036

Statutory benefit claims

\$91 million

Excess profit recovered from insurers in 2022

59% scheme efficiency

\$1.853 billion total claim payments

% of expected claim payment paid as at June 2022

54%

First accident year

40%

Second accident year

22%

Third accident year

12%

Fourth accident year

2.1%

Fifth accident year

From 1 July 2021 to 30 June 2022

\$2.945 billion total premium collected (includes GST and levies)

6,042,200

CTP Greenslip policies

2.7 million

Completed price checks on SIRA's CTP Green Slip website

6,964

CTP Assist successful calls to claimants

960

Complaints received by SIRA

+24

CTP Assist Net Promoter Score (NPS)

96.6% claims accepted

7,446

internal review requests

80% of claim decision upheld

19% of internal review decisions overturned in favour of injured person

94% people accessing treatment and care within 4 weeks of lodgement

95% of people receiving weekly benefits within 13 weeks of lodgement

69.2% people who stayed at or returned to work within 26 weeks

5,281 Dispute applications received

3,304 Disputes finalised

\$482 Average premium (all vehicles)

\$153 Average premium saving in 2017 Scheme

4.2 Scheme performance summary

Since the commencement of the 2017 Scheme on 1 December 2017, premiums in the market (including levies and GST) have reduced from an average of \$635 to \$482. Affordability of CTP insurance has improved, with CTP premiums falling from 37 per cent of average weekly earnings in 2017 to 22 per cent as of 30 June 2022. Competition has also increased with the entry of Youi into the NSW CTP market in December 2020, the first new entrant in over 20 years.

The volume of CTP claims continues to reduce over the longer term in line with road casualty statistics. This is likely to be a result of improvements in vehicle and road safety. In addition, there have been specific periods in March–June 2020 and July–September 2021 where casualties and claims have been up to 30 per cent lower than typical levels, as a result of COVID-19 related travel restrictions in NSW. Following the end of these restrictions, casualties and claims have reverted to close to typical levels. The combined effect of these short and longer term trends is a gradual reduction in the CTP claims frequency.

As at June 2022, there have been over \$1.85 billion in total claim payments since the commencement of the 2017 Scheme and close to 51,000 claims lodged. There have also been 7,275 claims for damages lodged. The majority of all payments to date are for treatment (27 per cent) followed by loss of income weekly payments (23 per cent). Average claim sizes for these benefit types have increased gradually since the start of the scheme. This may be due to injured people accessing benefits faster as insurer processes have become more established, injured people seeking increased benefits over time, or a combination of both. This will not be known with certainty until the profile of these more recent injuries matures to enable like-for-like comparison with older injuries. Award for damages (which cover non-economic loss and past & future economic loss) currently make up 38 per cent of claim payments. Over time as the 2017 Scheme matures, it is expected that more than 65 per cent of payments will be for damages.

The average cost of claims for not at-fault minor and at-fault claims has generally been increasing since the commencement of the 2017 Scheme. This has partially offset some of the downward pressure on premiums from the general decline in the number of claims. The cost of damages claims continues to remain highly uncertain as the majority of claims have yet to be settled even for the very first accident year of the 2017 Scheme. As at 30 June 2022, it's estimated that only 45 per cent of total expected award of damages payments have been made for injuries that occurred in 2018. The legislated waiting period of 20 months before damages claims can be lodged (other than claims where Whole Person Impairment is greater than 10 per cent) contributes to the timing of this process.

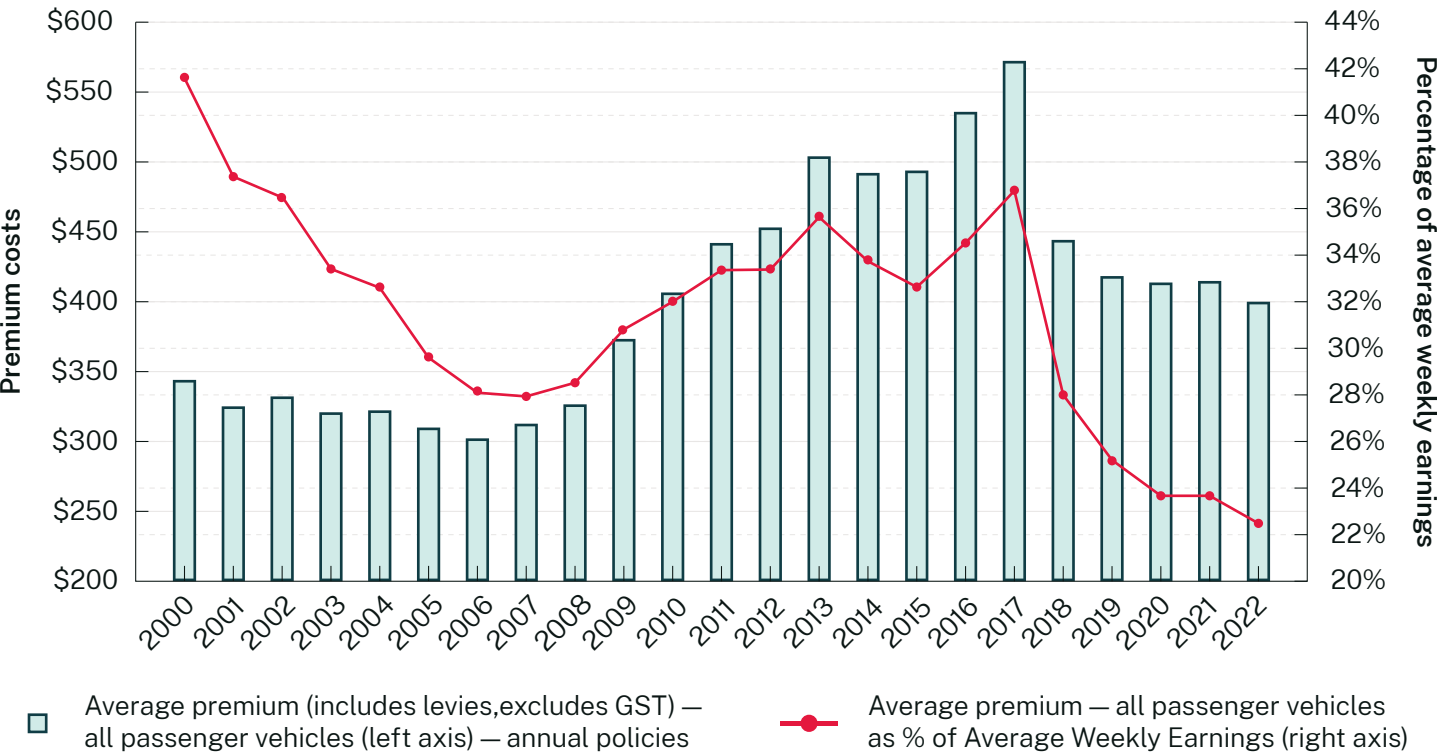
The profitability of the first three accident years of the 2017 Scheme has been assessed as being greater than the 10 per cent profit margin allowed. Last year this assessment triggered a \$91 million excess profit recovery from the first accident year of the 2017 Scheme. This profit was redistributed to NSW motorists through savings on Green Slips, contributing to an average savings of \$19 when they take out or renew a Green Slip from 15 January 2022. Following the completion of this year's profit assessment, any decision regarding the extent of any further excess profit recoveries from past accident years will be passed through to NSW motorists as lower levies.

The financial outlook of the NSW CTP Scheme will be heavily influenced by the settlement experience of damages claims which have only recently started to emerge, trends in vehicle usage as hybrid and remote working patterns stabilise, and the volatility in future inflation and discount rates with the ongoing uncertainty in the Australian and global economies. SIRA is closely monitoring this experience and the associated impacts to customers, premiums and Scheme profitability. SIRA is also working with icare to establish monitoring on the claims expected to access CTP Care as the first claims in the 2017 Scheme reach their five-year legislative milestones.

4.3 Affordability

An objective of the 2017 Scheme is premium affordability. SIRA’s benchmark for affordability is based on the average premium for all passenger vehicles (Class 1), excluding GST and levies. Affordability for the 2017 Scheme as of 30 June 2022 is around 22 per cent, compared to 37 per cent under the 1999 Scheme.

Figure 1: Premium affordability



Premiums

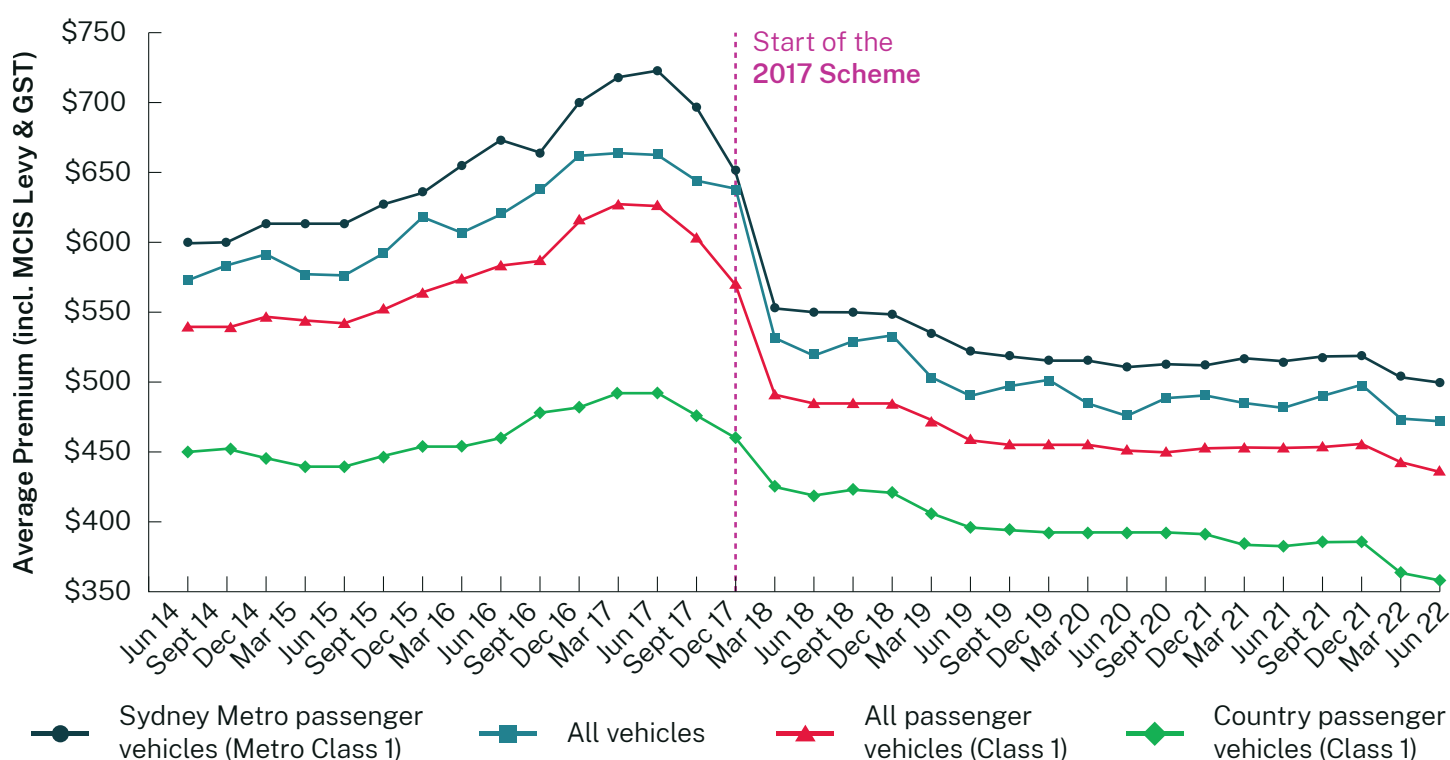
The 2017 Scheme is delivering the lowest premiums in over a decade. Average CTP premiums have been substantially and sustainably reduced, meaning customers are paying less for their CTP Green Slips. Before the 2017 Scheme, the average CTP premium was \$635, compared with \$482 currently - an average saving of \$153.

Since the commencement of the 2017 Scheme, premiums have continually reduced across all vehicles with the June 2022 quarter being the lowest to date.

Table 2: Average premium comparisons pre and post 2017 Scheme reform

Average CTP (incl. of levies and GST)	Average premium pre-2017 reforms	Average premium 2017 Scheme (FY 2021/2022)	Savings
All NSW vehicles	\$635	\$482	\$153
Metropolitan taxi	\$7,881	\$3,016	\$4,865
All NSW motorcycles	\$353	\$328	\$25

Figure 2: CTP premiums over time 2014–2022

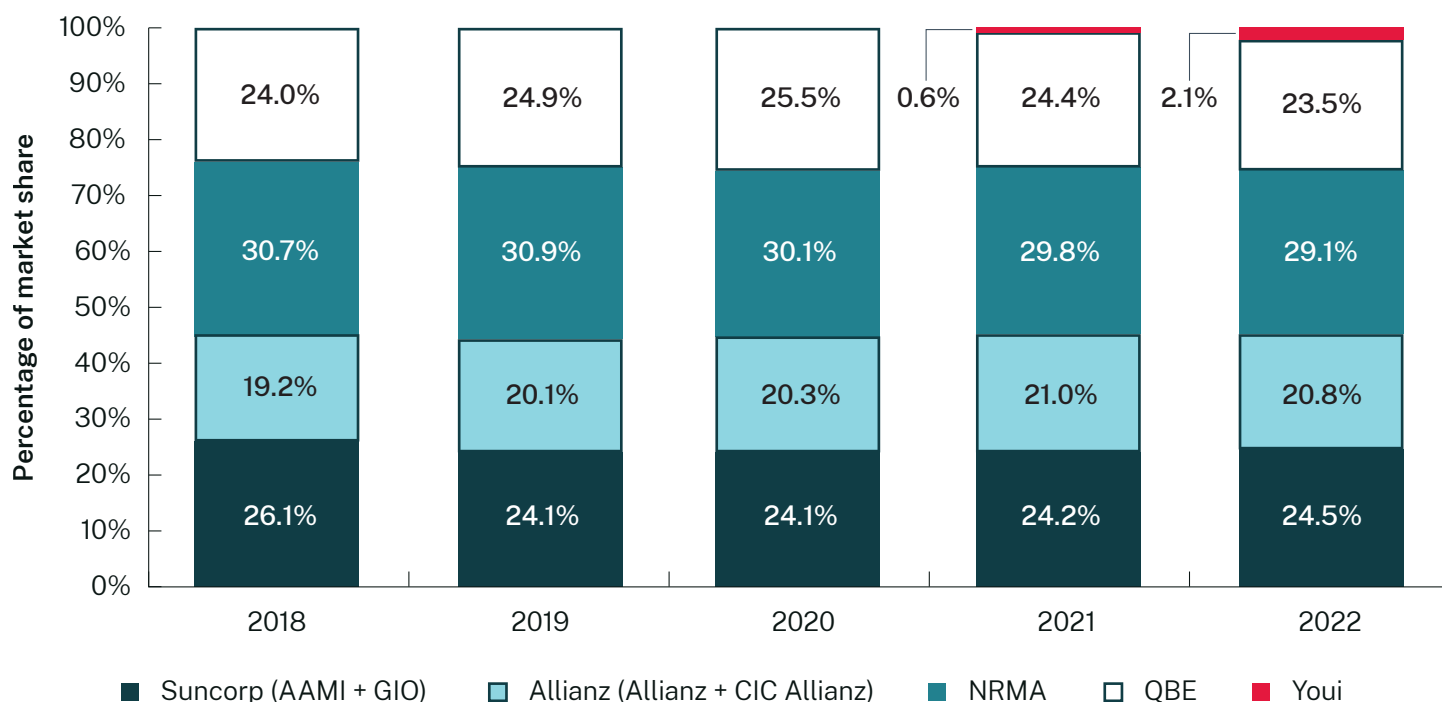


Market trends

To promote competition and innovation by insurers, SIRA allows risk-based pricing, within limits, to keep premiums affordable. The premium framework blends risk-based and community-based approaches to ensure social equity in a compulsory system.

Insurer premium market share remains fluid indicating increased competitiveness. There was increased competition during 2020-2022 with Youi entering the NSW CTP market effective 1 December 2020.

Figure 3: Market share (premium) by insurer as at June 2022



SIRA has reviewed over 55 insurer filings (excluding levy changes) since Scheme inception, which provides another indication of insurer price competition occurring in the market. SIRA also maintains the [Green Slip Price Check website](#) with the most up-to-date prices, which allows customers to find the best deal on their Green Slip across all insurers and contributes to market competition.

Profit normalisation

A key feature of the 2017 Scheme is the ability for SIRA to normalise insurer profits. The reform gave SIRA, via the TEPL mechanism, the powers to retrospectively recoup excess profits (greater than 10 per cent) or manage excess losses (below 3 per cent).

Under the TEPL mechanism, SIRA can return excess insurer profits to motorists through reduced CTP fund levies. Similarly, excess insurer losses may result in increased levies to reimburse insurers for a component of their losses. As reforms of the 2017 Scheme continue to take effect, NSW motorists are benefiting from cheaper Green Slip fund levies.

SIRA has completed two TEPL assessment cycles to date. The first in 2020, SIRA did not proceed with applying the TEPL mechanism for the first (2018) accident year because of insufficient claims experience and significant uncertainty in the level of industry profitability.

In 2021, following an assessment for the first (2018) and second (2019) accident years SIRA activated the TEPL mechanism for the first time to claw back almost \$91 million in insurer profits. This profit was redistributed to NSW motorists through savings on Green Slips, where it contributed to an average savings of \$19 when they take out or renew a Green Slip from 15 January 2022.

As the Green Slips levy varies by vehicle type and region, the savings are applied as a 35 per cent reduction in the levy so that the savings can be shared fairly among motorists for a period of 12 months from 15 January 2022.

The third TEPL assessment cycle is currently underway. This will examine three accident years: 2018, 2019 and 2020. The outcome of this assessment will be available by the end of 2022.

Innovation

SIRA may grant innovation support to an insurer up to a maximum of three per cent of insurer TEPL earned premium in respect of an accident period for innovations with final approval given when the innovation delivers measurable benefits to scheme participants.

To receive final approval and to retain a share of profit, insurers must have evidence that the innovation has delivered measurable benefits to scheme participants. To date, SIRA has granted preliminary approval for five applications.

SIRA continues to engage with insurers on this process. SIRA will convene an innovation forum with insurers before the end of 2022 to streamline the application process and obtain feedback to inform further amendments to the Motor Accident Guidelines.

Premium determination for Point-to-Point industry

Legislative changes have given SIRA the ability to establish a framework to provide greater clarity for CTP insurers and the point-to-point transport industry in terms of premium determination, collection, and payment. CTP insurers already have access to information that helps accurately calculate premiums for taxis and hire vehicles, ensuring that premiums are fair and reflective of the risk they bring to the 2017 Scheme.

SIRA is in the process of finalising the Motor Accident Guidelines: Determination of Insurance Premiums for Taxis and Hire Vehicles Version 2 to reflect these changes.

4.4 Scheme efficiency

Scheme efficiency refers to the proportion of premium dollars going to injured people (GST and levies are excluded as these are not managed by the insurer). This is a long-term measure based on actual experience and the 2017 Scheme Actuary estimated view of ultimate claims costs.

As of January 2022, the 2017 Scheme efficiency is projected at 59 per cent. This means there is more of the premium dollar going to injured people in the 2017 Scheme compared with 44 per cent of the 1999 Scheme.

As only 54 per cent of expected claim payments have been made for the first accident year, and 40 per cent for the second accident year, it is too early for scheme efficiency to be assessed with a high degree of certainty as payments for complex and severe injuries can take 10 or more years to finalise.

Another measure of efficiency is timeliness. The intent of the 2017 Scheme is to reduce the time it takes to resolve a claim and ensure timely and early support for injured people.

As of 30 June 2022, 94 per cent of injured people are receiving treatment and care within four weeks from the date a claim was lodged and 95 per cent are receiving weekly payments within 13 weeks. On average, insurers are accepting claims within two and a half weeks, ahead of the requirement under the MAI Act to determine liability within four weeks.

4.5 Claims experience

From 1 December 2017 to 30 June 2022, a total of 50,903 claims have been reported. A further 2,035 claims are expected to have been incurred but not yet reported for accident periods up to 30 June 2022.

Ninety-nine per cent of expected claims for damages have been lodged for the first accident year (1 December 2017-31 December 2018) and 84 per cent for the second accident year.

Due to the COVID-19 lockdown, reported claims over specific periods in March–June 2020 and July–September 2021 are expected to be lower. However, it is expected that claim numbers will return to pre-COVID 19 levels,

with the impact of COVID-19 reflected in the overall claims experience for the third and fourth accident years.

All key legislative milestones have now passed for claims arising from accidents occurring between 1 December 2017 to 30 October 2020, of these, all not at-fault non-minor claims are now eligible to make claim for damages.

Claims continue to transition between different claim types during claims management process.

Further information is available in the 2017 [CTP Scheme Quarterly Actuarial Monitoring 30 June 2022](#).

Figure 4: Claims reported from 2017 to 30 June 2022³



³ [2017 CTP Scheme Quarterly Actuarial Monitoring 30 June 2022](#), SIRA website

In the quarters not disrupted by COVID-19 travel restrictions or the inception of the 2017 Scheme, claims reported to date for first, second, third and fourth accident years are close to expected claims as projected by the Scheme Actuary. For the fifth accident year, reported claims are less than 50% of expected because there are still many claims which are yet to occur or be reported.

Table 3: Actual number of claims versus expected ultimate claims per accident year

Accident year	Claim type	Not at-fault minor claims	Not at-fault non-minor claims	At fault claims	All statutory benefit claims	Non statutory benefit claims	All claims	Claims for damages
1st accident year (13 months)	Reported to date	6,148	3,920	2,140	12,271	992	13,797	2,876
	Expected ultimate	6,207	3,924	2,142	12,273	1,026	13,832	2,915
2nd accident year	Reported to date	5,533	3,729	2,116	11,438	899	12,818	2,706
	Expected ultimate	5,567	3,768	2,133	11,469	987	12,932	3,204
3rd accident year	Reported to date	4,848	3,128	1,849	9,890	634	10,733	1,517
	Expected ultimate	4,878	3,245	1,879	10,003	732	10,935	2,979
4th accident year	Reported to date	4,357	2,648	1,561	8,670	515	9,444	165
	Expected ultimate	4,340	2,901	1,638	8,880	729	9,853	2,700
5th accident year	Reported to date	1,302	795	331	3,767	148	4,111	11
	Expected ultimate	5,194	3,379	1,943	10,517	891	11,811	2,871

Claim numbers and type

Table 4 shows the number of claims as of 30 June 2022 by claim type. Ninety per cent of claims have a statutory benefit component, and 14 per cent of these claims have also lodged a claim for damages. Payments for statutory benefits total \$1.2 billion (65.6 per cent of payments).

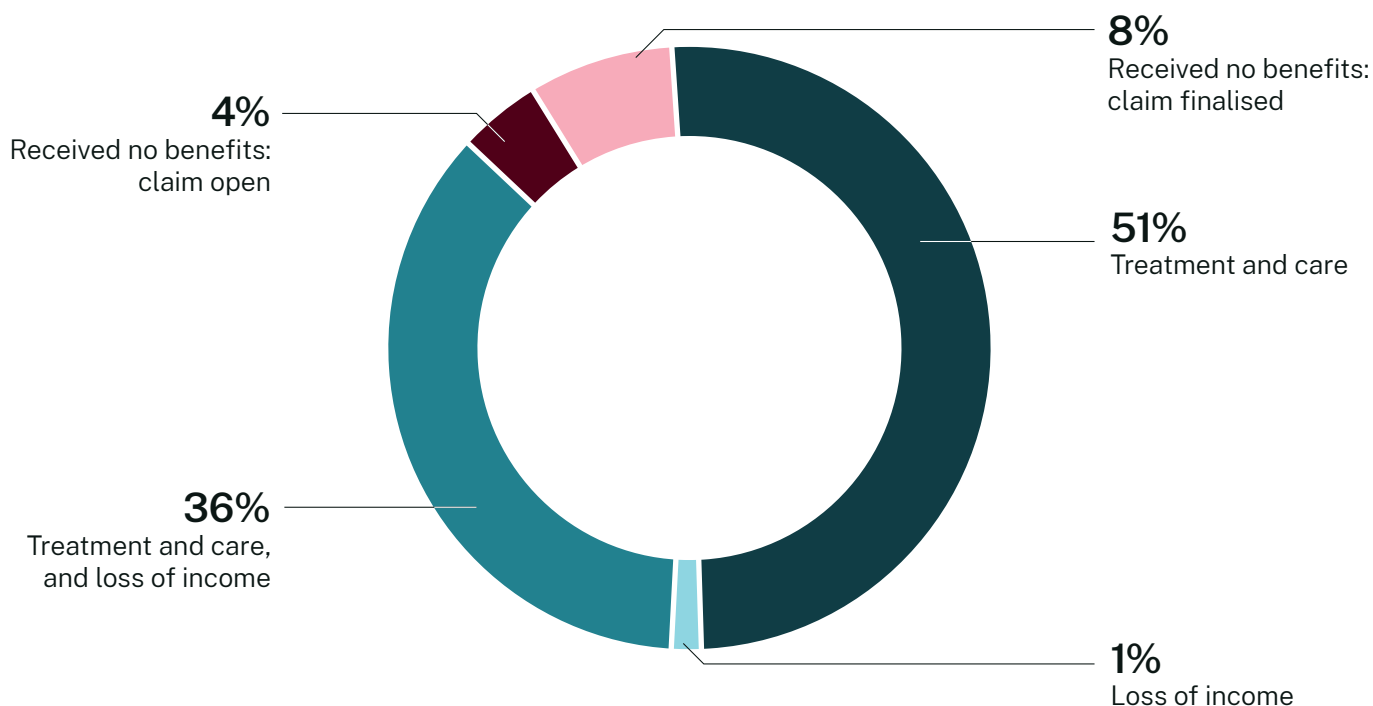
Early notification claims are matters where the injured person accesses pre-claim support without making a formal claim. These make up three per cent of claims. Compensation to relatives and funeral benefits represent almost two per cent of claims reported and almost three per cent of payments.

Table 4: Number of claims reported and payments made by claim type from Scheme commencement to 30 June 2022

Claim type	Number of claims	% of total claim type	Payments to 30 June 2022	% total payments by claim type
Statutory benefits	38,761	76.1%	\$478,153,559	25.8%
Statutory benefits with claim for damages	7,275	14.3%	\$1,215,146,485	65.6%
Early notifications	1,679	3.3%	\$136,527	0.0%
Interstate	1,461	2.9%	\$82,052,600	4.4%
Compensation to relatives and funeral	979	1.9%	\$52,470,241	2.8%
Workers compensation	686	1.3%	\$18,239,306	1.0%
Interstate/workers compensation	62	0.1%	\$6,824,318	0.4%
Overall	50,903	100.0%	\$1,853,023,036	100.0%

There have been 46,306 claims lodged for statutory benefits. Just over 50 per cent received treatment and care benefits and a further 36 per cent received both weekly benefits and treatment and care benefits.

Figure 5: Statutory benefit claim types to June 2022



There have been 7,275 damages claims lodged to 30 June 2022. The expected average payment for a claim for damages when the injured person has a permanent impairment of ten per cent or less is \$130,000. This compares with \$485,000 for those with a permanent impairment of greater than ten per cent. As at 30 June 2022, only 45 per cent (\$413 million) of expected payments for damages claims for the first accident year have been paid, and 27 per cent (\$239 million) of expected payments for damages claims for the second accident year. Further payments are expected as damages claims settle.

Minor injury claims

As at 30 June 2022, there were 22,188 not at-fault minor claims, which includes 1,188 of claims not yet determined and finalised. For the recent accident years, some current not at-fault minor claims are expected to transition to not-at-fault non-minor following the completion of dispute processes.

Average minor injury claim payments have increased from \$5,500 (1 December 2017) to \$8,800 (30 June 2022). At-fault claim payments have increased from \$16,600 (1 December 2017) to \$21,800 (30 June 2022).

Treatment and care benefits can continue beyond 26 weeks for at-fault and not-at-fault minor injury claims if the insurer accepts that treatment will improve the injured person's recovery or their return to work or usual activities.

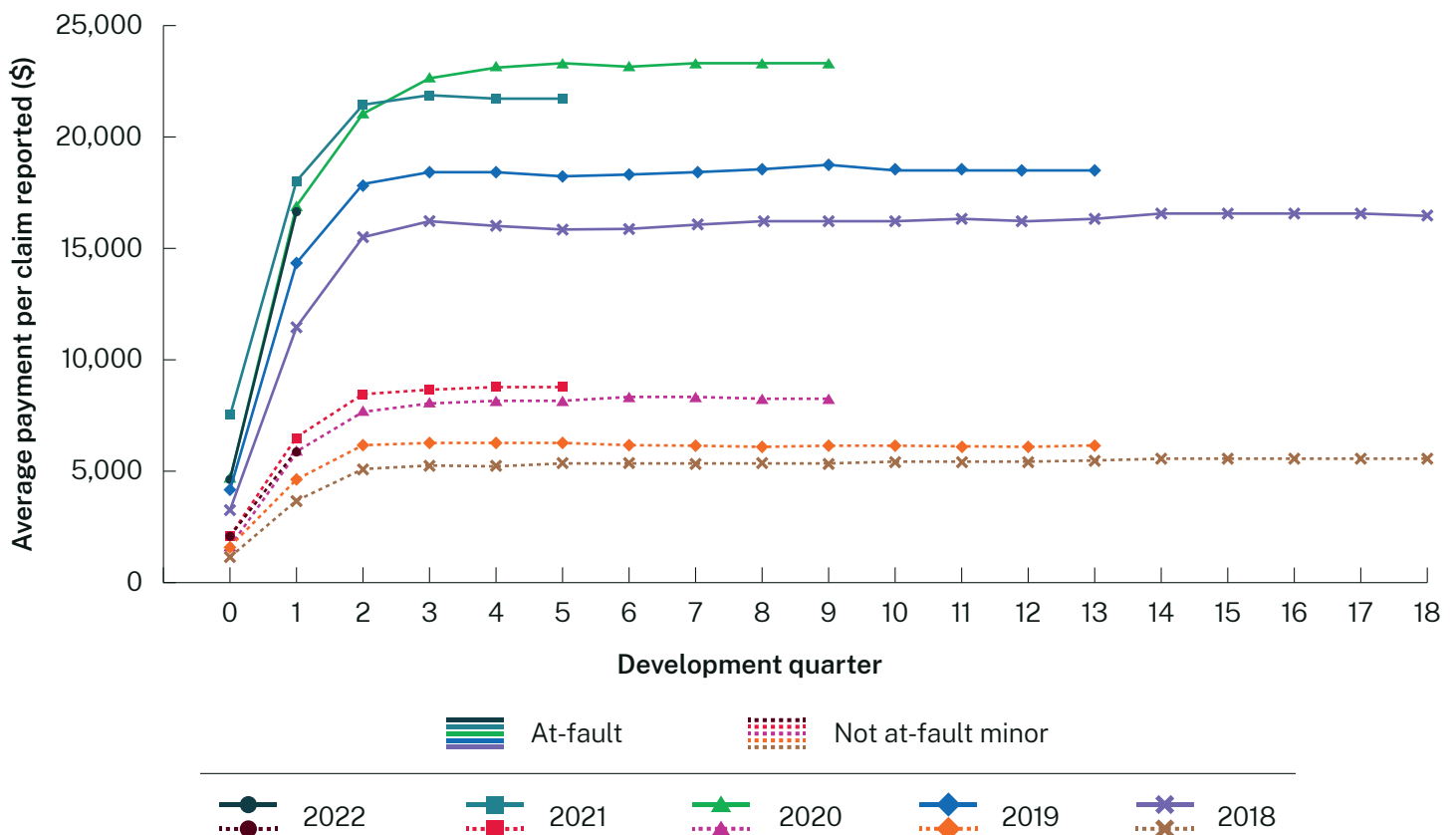
Close to 33 per cent of not at-fault minor injury claims continue to receive treatment and care benefits more than 26 weeks after the accident. For those at-fault, nearly 24 per cent continue to receive treatment and care.

Table 5: Actual CTP claims lodged per type per accident year

Actual CTP claims lodged	1st accident year (Dec 17–Dec 18)	2nd accident year (Jan 19–Dec-19)	3rd accident year (Jan 20–Dec 20)	4th accident year (Jan 21–Dec 21)	5th accident year (Jan 22–Jun 22)	Total
Early notification only	534	481	209	259	196	1,679
At-fault	2,140	2,116	1,849	1,561	331	7,997
Not at-fault minor	5,803	2,242	4,535	4,149	1,271	21,000
Not at-fault non-minor	3,920	3,729	3,128	2,648	795	14,220
Not yet determined (open)	63	60	65	104	1,339	1,631
Not yet determined (finalised)	345	291	313	208	31	1,188
Other ⁴	992	899	634	515	148	3,188
Total	13,797	12,818	10,733	9,444	4,111	50,903

⁴ Other includes interstate, compensation to relatives, funeral and workers compensation recovery claims.

Figure 6: Average payment per reported claim for not at-fault minor and at fault claims



Claim payments

Payments continue to progress as expected, with 54 per cent of the expected payments for first accident and 40 per cent for the second accident year already paid. However, there is still some uncertainty surrounding ultimate payments because not at-fault non-minor claims are eligible for statutory benefits for up to five years after the date of the accident, and for damages claims, although a number have now been lodged, the settlement experience is still emerging.

Table 6: Actual versus expected payment patterns per accident year

Year	Award of damages		Statutory benefit		Non-statutory benefit		% of expected* total payments paid
	Actual payments to date	Forecast of future payments	Actual payments to date	Forecast of future payments	Actual payments to date	Forecast of future payments	
2018	\$413.1m	\$508.2m	\$271.0m	\$85.2m	\$77.6m	\$49.3m	54%
2019	\$239.3m	\$644.2m	\$280.8m	\$132.5m	\$51.6m	\$76.9m	40%
2020	\$54.6m	\$872.9m	\$231.7m	\$166.0m	\$23.9m	\$81.0m	22%
2021	\$4.1m	\$932.2m	\$167.5m	\$241.6m	\$6.0m	\$99.1m	12%
2022	\$0.0m	\$889.8m	\$29.3m	\$379.8m	\$0.9m	\$107.8m	2%

4.6 Internal review and disputes

Internal review

Internal reviews are a feature of the 2017 Scheme. The review is conducted independently of the original decision maker, allowing the injured person and insurer to resolve the issue before bringing a dispute before the Commission.

For most internal reviews, the insurer must provide their internal review decision within 14 days of receiving the request for internal review. However, there are some medical assessment and miscellaneous claims assessment matters where this timeframe is extended to 21 days. The maximum timeframe for all internal reviews is 28 days if further information is required.

To June 2022, there were 22,643 internal reviews lodged, of which 18,787 have been determined.

Of the 18,787 number of internal reviews determined, 78 per cent original decisions have been upheld, with 21 per cent overturned in favour of injured person, one per cent overturned in favour of the insurer.

The proportion⁵ of internal review decisions being upheld has increased overtime with 75 per cent upheld in in 2019, 77 per cent in 2020 and as at June 2022, 80 per cent of internal reviews are being upheld. Of the 20 per cent overturned in 2022, 19 per cent are overturned in favour of the injured person.

This means that the internal review process resolves nearly a quarter of disagreements between insurers and injured persons, subsequently removing the need for the injured person to lodge a dispute in these matters.

Table 7: Internal review determinations per year

Financial year ending June	Number of applications	Number of determinations	Percentage upheld
2018	335	289	76%
2019	2885	2368	75%
2020	5004	4213	77%
2021	6985	5837	79%
2022	7472	6350	80%

⁵ Figures are rounded to the nearest whole percentage

SIRA continues to focus its supervision of insurers in relation to internal reviews and is scheduled to conduct a review of internal reviews in May 2023.

From 1 July 2021 to 30 June 2022, 98 per cent of all timeframes for internal review are being met by insurers. Supervision and regulatory actions have seen this significantly improve from a low of 65.6 per cent in 2020.

Most internal review type relates to the minor injury assessment, and the majority (88 per cent) of these have the original decision upheld (same outcome for customer) and the remaining 12 per cent decided in favour of the injured person (different outcome for customer).

Table 8: Determined internal reviews from scheme commencement to June 2022

Internal review type	Internal review sub-type	Decision upheld	Decision overturned in favour of customer	Decision overturned in favour of insurer	Total
Medical assessment	Minor injury	5,047 (88%)	713 (12%)	0 (0%)	5,760
	Is Treatment & Care reasonably necessary?	3,796 (71%)	1,454 (27%)	77 (1%)	5,327
	Permanent Impairment	2,179 (95%)	121 (5%)	0 (0%)	2,300
	Treatment improving recovery	879 (75%)	271 (23%)	28 (2%)	1,178
Merit review	Amount of weekly payments	437 (46%)	455 (47%)	66 (7%)	958
	Treatment & Care related to injury from accident	425 (80%)	106 (20%)	2 (0%)	533
	Statutory benefits claim time limits	180 (66%)	92 (34%)	0 (0%)	272
Miscellaneous claims assessment	Is the injured person mostly at-fault?	896 (77%)	264 (23%)	0 (0%)	1,160
Other	N/A	839 (65%)	437 (34%)	23 (2%)	1,299
Total		14,678 (78%)	3,913 (21%)	196 (1%)	18,787

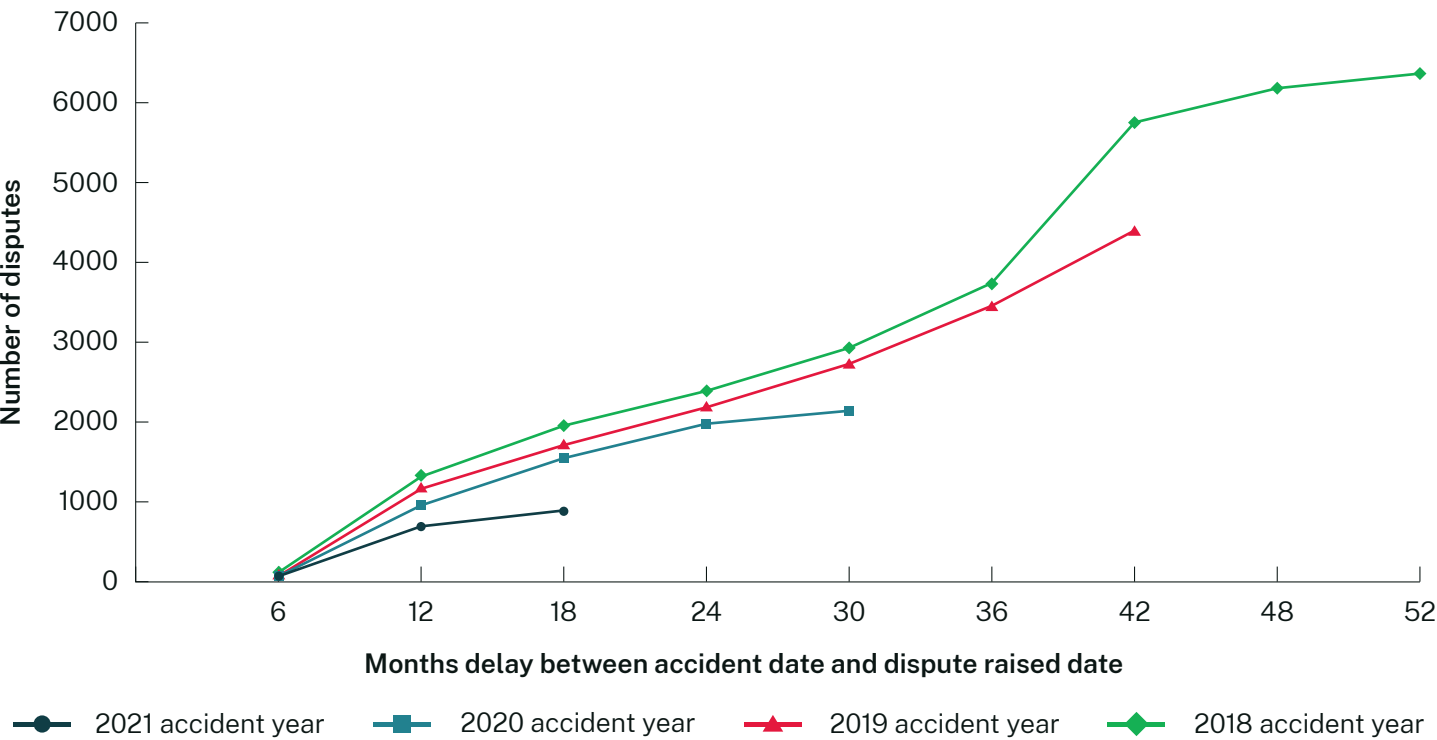
Disputes

In May 2021, SIRA requested the Scheme Actuary to review the [dispute projections](#) for the 2017 Scheme which is published on the SIRA website. The revised projections estimated that 8,600 (including panel reviews) was the ultimate number of disputes expected per accident year for the first few years following scheme commencement. The report states that the total dispute numbers for any given accident year could emerge over the next one to ten plus years as the claim progresses through the claims journey.

As at 30 June 2022, 6,351 disputes have been lodged for the 2018 accident year, and 4,390 for the 2019 accident year. It is also noted that injured people may raise multiple disputes for one claim. Fifty four percent of claimants who have disputes have raised just one, and 46 per cent have raised more than one.

The number of disputes for each accident year has been increasing steadily and is expected to continue to increase over time as more claims are lodged, and as existing claims pass through key legislative milestones and/or insurer processes which can trigger disputes.

Figure 7: Cumulative disputes by accident year



The table below shows the number of dispute applications received since 2018. In the financial year ending 2021, it is noted that the percentage of disputes finalised within 26 weeks since application dropped to 49 per cent compared to 80 per cent the previous financial year. Within 52 weeks, 84 per cent of disputes were finalised, compared to 96 per cent.

In 2021 and 2022, disputes related to medical assessments had the lowest finalisation rate within 26 weeks since application, compared to other types.

This may be due to a range of factors, including the impact of the lockdown and mandatory health orders impacting face to face assessments during the pandemic.

In 2022, 74 per cent of total disputes are being finalised within 52 weeks of application. More than 80 per cent of merit reviews and miscellaneous claims assessment disputes are being finalised within 52 weeks, and just under half are being finalised within 26 weeks.

Table 9: Dispute applications and finalisation timeframes

Assessment type	Financial year ending June	Total dispute applications	Total disputes finalised	% of finalised disputes finalised within 26 weeks since application	% of finalised disputes finalised within 52 weeks since application
Total	2018	88	11	100%	100%
	2019	1,659	1,064	92%	100%
	2020	2,561	1,694	80%	96%
	2021	4,714	2,404	49%	84%
	2022	5,281	3,304	40%	74%
Claims assessment	2018	0	0	0%	0%
	2019	20	14	100%	100%
	2020	103	55	89%	100%
	2021	1,265	363	92%	99%
	2022	1,870	1,069	63%	89%
Medical assessment	2018	68	2	100%	100%
	2019	1,318	828	91%	100%
	2020	2,010	1,298	79%	96%
	2021	2,936	1,640	37%	80%
	2022	3,129	1,881	26%	64%
Merit review	2018	9	5	100%	100%
	2019	135	92	98%	100%
	2020	240	180	83%	97%
	2021	302	237	68%	92%
	2022	131	175	46%	84%
Miscellaneous claims review	2018	11	4	100%	100%
	2019	186	130	94%	100%
	2020	208	161	75%	97%
	2021	211	164	52%	86%
	2022	151	179	47%	82%

5. CTP Insurer performance

SIRA regulates six insurers in the CTP schemes and supervises insurer compliance with their obligations and performance under the MAI Act and the Motor Accident Guidelines. SIRA uses data analytics and insights to hold insurers to account for their performance.

SIRA utilises a risk-based regulatory approach by focusing its supervision activities on issues that pose the highest risk to positive outcomes for injured people.

In December 2021, SIRA communicated its FY 2022-2023 supervision priorities to insurers which included:

- Return to work/activity and value-based care outcomes for injured people
- Customer Service Conduct Principles
- Complaints handling and dispute management practice
- Pricing, underwriting and market practice
- Data quality and reporting

On 3 December 2021, SIRA updated insurers licence conditions to ensure compliance to SIRA's Customer Service Conduct Principles.

Table 10: CTP insurer performance from 1 July 2021 to 30 June 2022

Category	Sub-category	AAMI	Allianz	GIO	NRMA	QBE	Youi	Total
Claim acceptance rates (Statutory benefit claims)	Claims received	871	1,628	1,371	2,558	1,797	120	8,345
	Acceptance rate	94.5%	96.6%	94.7%	97.9%	97.2%	97.5%	96.6%
Timeliness of accessing benefits	Treatment and Care (% of people receiving Treatment and Care within 4 weeks of claim lodgement) ⁶	94%	94%	94%	95%	94%	98%	94%
	Weekly Payments (% of people receiving Weekly Payments within 4 weeks of claim lodgement)	65%	73%	66%	65%	71%	36%	68%
	Weekly Payments (% of people receiving Weekly Payments within 13 weeks of claim lodgement)	95%	95%	94%	96%	95%	98%	95%
Internal review outcomes	Decisions upheld (% of Internal Review Decisions upheld)	77%	83%	77%	82%	79%	100%	80%
	Decisions changed in favour of the person (% of Internal Review Decisions overturned — in favour of the claimant)	23%	17%	23%	16%	21%	0%	19%
	Decisions changed in favour of insurer (% of Internal Review Decisions overturned — in favour of the insurer)	0%	0%	0%	2%	0%	0%	1%
Internal review timeliness	Internal review completion (% of internal review completed within timeframe)	99.2%	98.7%	99.3%	96.4%	99.7%	100%	98.3%
Recovery through work measures	Working Rates at 26 weeks ⁷ (% of earners who are at work at 26 weeks)	65.5%	72.0%	65.5%	72.5%	66.3%	78.1%	70% (average)
Complaints	CTP Assist Complaints per 1,000,000 Green Slips	12	9	12	12	8	14	10
	IRO Complaints per 100 open claims	4	2	4	5	4	3	4
Compliments	Compliments per 1,000,000 Green Slips	7	14	11	8	8	0	9

⁶ Includes injured people receiving pre-claim support

⁷ The 26-week Working rate is the percentage of earners who are at work at 26 weeks. It includes earners who have had at least one day off work and have subsequently returned to work and those workers who stayed at work. Data is from June 2020 to December 2021 based on data as at 30 June, to allow development time.

5.1 Insurer Conduct and Claims Assurance Program

SIRA undertakes the Insurer Conduct and Claims Assurance Program (ICCAP) to assess the performance and compliance of an insurer's operations and conduct in accordance with statutory requirements. ICCAP activities target existing or emerging risks and issues, with the forward plan responding to themes raised in the 2021 Statutory Review.

In FY 2021/2022, ICCAP activities included entitlement to damages, injury coding, and MAI Act self-assessment.

The ICCAP activity focused on ensuring injured people are given information about their entitlement to damages. SIRA reviewed claims of people injured in 2019 whose statutory benefits had been accepted as not at-fault or non-minor injury. The outcomes of the review included:

- It was identified that 94 per cent of injured people within this cohort received information about their entitlement to damages.
- SIRA required retrospective remediation where insurers did not demonstrate 100% compliance.
- SIRA wrote to all insurers to confirm its expectations that the communications of entitlements to damages must be evident on all relevant claim files.
- SIRA updated the MAI Act self-assessment tool to require insurers to report their compliance.
- SIRA will conduct a follow up activity in FY 2023-2024 to ensure ongoing compliance.

In addition, SIRA will continue to research and gather information on injured persons understanding of the information they receive in relation to their entitlements.

In FY 2022/2023, ICCAP the schedule includes:

1. Treatment and care decisions
2. Recovery planning
3. Inactive claims
4. Weekly payments
5. Internal reviews
6. Transition to Lifetime Care and Support

In August 2022, SIRA completed a treatment and care decisions ICCAP activity which identified areas of non-compliance with insurers treatment and care obligations. All insurers are required to implement a remediation plan, with consideration being given for further appropriate actions for non-compliance. There will be continued monitoring by SIRA with a further file review in January 2023 to ensure substantial compliance is maintained.

In the upcoming inactive claims ICCAP activity, SIRA will focus on insurer activity prior to classifying a claim 'inactive' on their claims system. This will include confirming with the injured person that there are no current treatment and care needs and ensuring that the injured person understands all ongoing entitlement to statutory benefits under the Act, and the relevant contact details for making a claim for any further statutory benefits.

5.2 Transparency of regulatory activities

SIRA regularly publishes its regulatory actions and performance of CTP insurers, in line with the Regulatory Publishing Policy.

SIRA publishes the quarterly Insurer Claims Experience and Customer Feedback Comparison report and quarterly Regulatory Updates.

5.3 Regulatory activities

SIRA issues regulatory notices where it identifies issues with the conduct or compliance of the insurers. The notices highlight the performance concern and outline SIRA's initial regulatory response.

Where performance and compliance issues are identified, CTP insurers are required to establish and implement a plan to demonstrate their approach for timely remediation of identified compliance or performance risk or issue.

In July 2022, SIRA communicated to CTP insurers its expectations on what is required for the remediation plan.

5.4 Special committee

Under section 9.10 of the MAI Act, SIRA established a special committee which is required to review matters where insurers may have contravened their licence conditions before civil penalty is imposed or letter of censure is issued to the insurer. The Committee will consider a matter with an outcome expected before the end of 2022.

Table 11: Number of regulatory activities from 1 July 2021 to 30 June 2022

Insurer	Regulatory action	1999 Scheme	2017 Scheme	Total
AAMI	Regulatory Notice	0	7	7
	Letter of Censure	9	0	9
	Civil Penalty	0	0	0
	Remediation Plan	0	2	2
Allianz	Regulatory Notice	0	1	1
	Letter of Censure	0	0	0
	Civil Penalty	0	0	0
	Remediation Plan	0	1	1
GIO	Regulatory Notice	0	9	9
	Letter of Censure	12	0	12
	Civil Penalty	0	0	0
	Remediation Plan	0	2	2
NRMA	Regulatory Notice	0	12	12
	Letter of Censure	0	0	0
	Civil Penalty	0	0	0
	Remediation Plan	0	5	5
QBE	Regulatory Notice	0	11	11
	Letter of Censure	0	1	1
	Civil Penalty	0	0	0
	Remediation Plan	0	7	7
Youi	Regulatory Notice	0	1	1
	Letter of Censure	0	0	0
	Civil Penalty	0	0	0
	Remediation Plan	0	1	1
Total		21	60	81

6. Customer support, experience and trust

6.1 CTP Assist

From 1 December 2017, CTP Assist has helped CTP injured people navigate the claims process and understand their entitlements. The CTP Assist Milestone program is a structured outbound call program which aims to connect with injured people at key points of their claim. This service provides injured people with support and advice and enables SIRA to monitor insurer compliance with regulatory requirements.

SIRA staff working in the CTP Assist Milestone program area combine their specialist customer care skills with knowledge of the 2017 Scheme, to deliver valuable and timely service to injured people, their families and representatives. Injured people are guided through the steps and processes as they progress through their claim journey.

The milestone team actively attempt to contact 100% of injured people at key points during their claim. During the support calls, insights are gathered about health, return to work and experience with their insurer. Information is given regarding their rights and entitlements, if required. In this regard, we note people who are well informed about their rights and entitlements and feel empowered in their claims journey will likely have better outcomes than people who don't have the information they need.

In the FY 2021/2022, CTP Assist made over 27,782 call attempts with a success rate of approximately 25 per cent.

Table 12: CTP Assist milestone program

Outbound calls	Phase	First 6 months Statutory Benefits		Scheme Exit — Those not continuing		More support to recover Statutory Benefits		Preparation to claim Common Law Damages		Claim Common Law Damage	
	Timing in weeks	3 weeks	10 weeks	23 weeks	26 weeks	75 weeks	20 months	2 years	3 years	3 months	5 years
	From	Lodgement	Accident	Accident	Accident	Accident	Accident	Accident	Accident	Lodgement	Accident
Discussion	Entitlements	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗
	Liability decisions	✓	✓	✗	✗	✗	✗	✗	✗	✓	✗
	Change in benefits	✗	✓	✗	✗	✓	✗	✓	✓	✗	✓
	End of claim continuing	✗	✗	✓	✗	✗	✗	✗	✗	✗	✗
	Lodging claim for damages	✗	✗	✗	✗	✓	✓	✓	✓	✗	✗
Measures	Health	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Return to work	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Insurer experience	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Case study: CTP Assist

A claimant who had been in the ICU had no idea who their case manager was, because a friend had been helping them with their claim when they were unwell. CTP Assist was able to contact the insurer on their behalf and spoke to the case manager. Because the claimant had provided consent for CTP Assist to contact the case manager, the team

member provided the case manager with all the necessary details and requested the case manager to contact the claimant. The case manager agreed to contact the claimant to introduce himself and to discuss options, including life-time care with them as they would most likely be accepted.

6.2 CTP Assist expansion

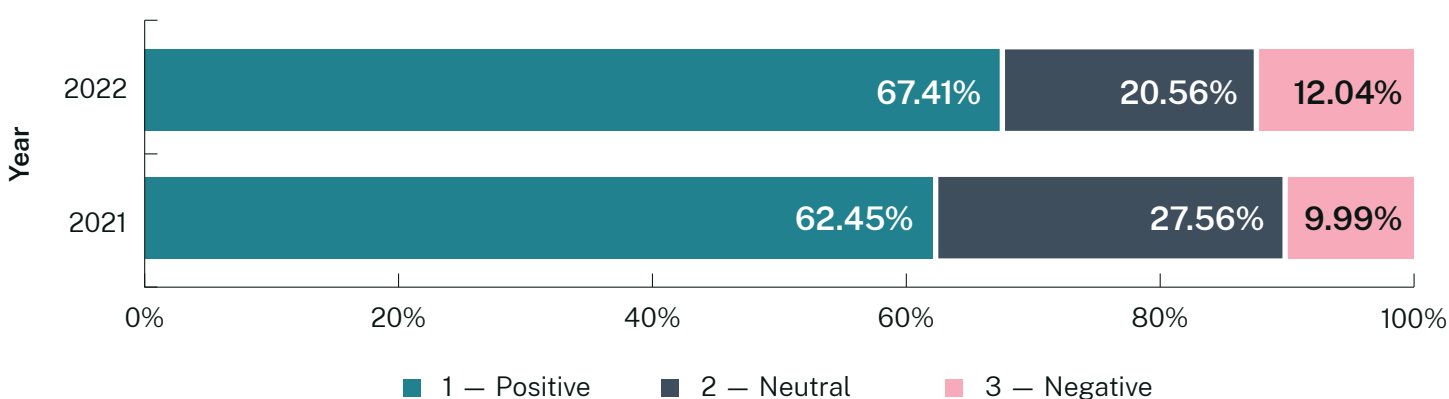
In response to the Legal Support Review, CTP Assist expanded its services in January 2022 to include extra support calls in addition to the scheduled regular milestone calls. The expansion resulted in an additional 1,782 support calls between January and June 2022. The additional support calls include those made to our customers who are from culturally and linguistically diverse (CALD) background.

Further work is underway which will enable improved tracking of at-risk claimants via additional support calls. SIRA will consider any further enhancements as recommended by Statutory Reviewers as part of our Legal Supports program review.

6.3 Customer feedback

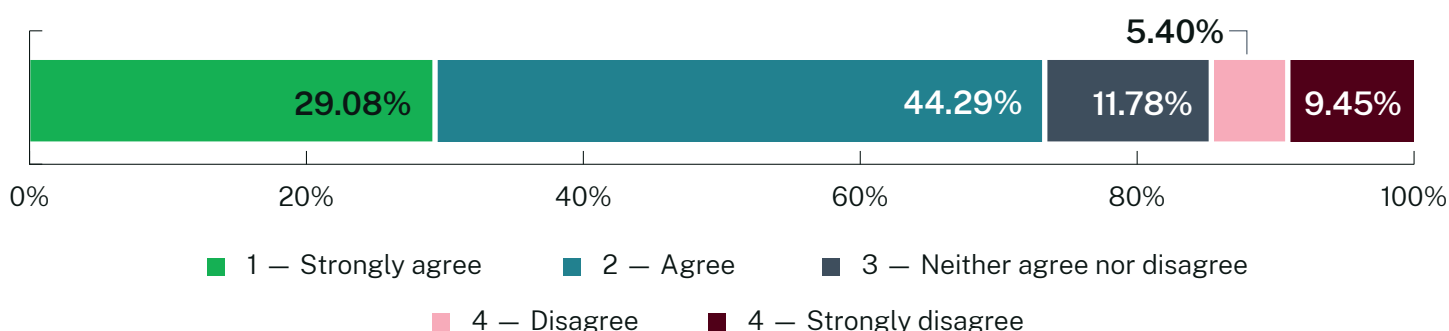
At every milestone call made by the CTP Assist team, SIRA asks the injured person about their experience with the CTP insurer. In FY 2021/2022, 1,598 calls were completed during that time and 67 per cent reported a positive experience with the insurer.

Figure 8: How would you describe your experience with the insurer so far? (23-week milestone call)



To continue to monitor customer outcomes and ensure CTP Assist continues to meet the needs of injured people, SIRA has implemented a customer touchpoint survey program. Between 1 July 2020 to 30 June 2022 SIRA received over 2000 survey responses and 888 customer comments. In FY 2021/2022, 902 responses were received specifically on CTP and the overall positive trust score is 73%.

Figure 9: To what extent do you agree or agree that you trust the CTP scheme to help those injured get back to work or usual activities?



In November 2020, SIRA reported on the outcomes of its first Customer Experience and Outcome Study, and among the factors measured was the extent to which injured people trusted the 2017 Scheme to help them get back to work or usual activities. Just over half of respondents reported high trust in the CTP scheme. SIRA is currently conducting a follow up independent Customer Experience and Outcome Survey which is due to report by end of 2022.

Results include a Net Promoter Score of +36 (this indicates we have 36 per cent more customer promoters than detractors of the service SIRA provides) and a Customer Effort Score of four out of five, indicating customers found it easy to get the help they need.

6.4 Customer complaints

SIRA frontline staff monitor comments or questions that indicate there may be a complaint. Support is then provided to customers to discuss this in more detail and in some matters this results in an actual complaint being lodged.

In March 2021, the IRO was established and took over handling complaints from an injured person about the way their insurers are managing their claim. The IRO deals with complaints for both workers compensation and CTP insurers. SIRA handles complaints that are non-insurer related.

In FY 2021/2022, 727 complaints were received for CTP of which 664 complaints were for IRO and 62 were for CTP Assist.

The top three reasons for complaints about insurers relate to:

- timeliness of insurer decision
- level of service and insurer communications practices
- decisions made by insurers

Non-insurer related complaints would relate to service provider claim payments and CTP policy matters.

7. CTP Care

People injured in a motor accident on and from 1 December 2017 who require treatment and care and statutory benefits more than five years after the relevant motor accident will, for the purposes of the payment of treatment and care benefits be transferred to the Lifetime Care and Support Authority (LCSA) as the relevant insurer as provided for under sections 3.2 and 3.45 of the MAI Act. CTP Care is administered by the LCSA and refers to the functions exercised by the LCSA as the relevant insurer under the Act.

SIRA has engaged extensively with CTP Care and licensed insurers to enable oversight and monitoring of the smooth transition of claims. This has included:

- Monthly Steering Committee and Operational meetings with icare’s CTP Care program to ensure governance and preparedness.
- Regular engagement and discussion with licensed insurers, including a review of the transition notices to injured persons to ensure appropriate and consistent messaging.
- Provision of operational guidance for LCSA’s business readiness to function as a relevant insurer for treatment and care statutory benefits.
- Allocating technical support and resource to assist the LCSA deliver on its technology capabilities as the relevant insurer.

In December 2022, the first cohort of injured people will transfer to CTP Care (except those who transitioned prior to five years after the motor accident subject to the Early by Agreement arrangement). CTP Care Early by Agreement enables an early transfer of an injured person if it is likely that there will be a requirement for ongoing treatment and care more than five years from the date of the accident.

In FY 2021/22, 35 claimants have been transferred by agreement to CTP Care. It is anticipated that 70 injured persons who currently have active treatment and care needs will transition to CTP Care in December 2022.

These injured persons were notified in June 2022 of the upcoming transition and will be further notified two weeks prior to their transition date. Current treatment and care service providers will also be notified at least two weeks before CTP Care becomes the relevant insurer.

In addition, CTP Assist will proactively contact the relevant injured persons three weeks before their transition to ensure injured people understand their entitlements and support them through to CTP Care.

SIRA will conduct an ICCAP activity in June 2023, to review the insurers compliance to their obligations related to the transition of claims to LCSA.

8. Commitment to road safety, value-based healthcare and research

8.1 Partnership with the John Walsh Centre for Rehabilitation Research

In 2021, SIRA and icare granted \$9.6 million over five years to the John Walsh Centre for Rehabilitation Research (JWCRR) to help improve the lives of people living with injury related disability. The agreement funds core senior academic positions within the Centre to undertake work in rehabilitation research, knowledge translation and evaluation.

Two studies underway will provide insights into the experience of injured people in NSW CTP: Factors Influencing Social and Health (FISH) outcomes after motor vehicle crash injury and the new CTP Scheme Cohort Study (NCTP).

The NCTP measures recovery of injured people following commencement of the 2017 Scheme. Early findings indicating important improvements in psychosocial health and pain in people injured which will translate into long term health gains for injured motorists, now and into the future.

SIRA is also working in partnership with the JWCRR to update the Motor Accident Guidelines for the management of acute whiplash associated disorders for health professionals. The new guidelines will translate the current evidence base into clinical practice recommendations for the best possible management of whiplash injury, and for the first time will also include chronic whiplash. SIRA established an expert group of healthcare professionals, industry representatives and technical experts to review the evidence and recommendations.

8.2 Road Safety

With the release of the NSW Government's 2026 Road Safety Action Plan - Towards zero trauma on NSW Roads, Transport for NSW and SIRA has entered into a new agreement under the Road Safety Partnership Memorandum of Understanding 2022/26. SIRA has committed a total of \$3 million to the NSW Centre for Road Safety to fund projects that will improve road safety, help achieve the objectives of the NSW 2026 Road Safety Action Plan, reduce costs of road crashes, and improve the efficiency of the CTP Scheme.

The funding commitment will support the delivery of 13 projects targeting priority road user groups including young and disadvantaged drivers, older and regional drivers, as well as motorcyclists, pedestrians, local councils, and community.

SIRA is also working with the National Road Safety Partnership Program, which is a collaborative network established to support Australian organisations—both private and public—to implement a positive road safety culture. The program aims to improve the safety of all workers and, in so doing, help reduce the nation's road trauma.

8.3 Value-based healthcare

SIRA is implementing the value-based healthcare (VBHC) program to transform healthcare of people injured at work and on the road. Value-based healthcare in the CTP and workers compensation schemes will support recovery and improve return to activity, return to work and quality of life outcomes for people injured at work and on the road.

SIRA published an implementation plan for VBHC in December 2021, informed through an extensive co-design process with scheme participants. This implementation plan includes a range of initiatives focused on improving outcomes for injured people.

SIRA is progressing work against these initiatives, including implementing the following actions:

1. promoting of the use of standardised outcome measures in the compensation schemes to demonstrate treatment effectiveness
2. developing a new form for insurer approval of allied health treatments to reduce administrative burden
3. development of a back pain model of care to promote best practice across both compensable systems, and
4. updating SIRA's whiplash guidelines with new evidence. These guidelines will improve healthcare value by translating the latest research evidence into clinical guidance.

Implementation of VBHC requires transformational change in the sector. To assist this work SIRA is establishing a VBHC Advisory Committee, bringing together a coalition of influential people from different organisations to work as a team to build momentum to implement VBHC across organisations. Membership includes key senior leaders in insurance, healthcare delivery, clinical experts, employers, people with lived experience and other scheme participants. The Insurance Council of Australia has been invited to take part in the Advisory Committee, with the first meeting scheduled for October 2022.

9. Appendix A: Progress update on recommendations from the 2020 Standing Committee Law and Justice Review of the CTP insurance scheme

Recommendation 1:

That the current Statutory Review of the Motor Accident Injuries Act 2017 closely consider the following issues for reforms to the scheme, as part of the response to the statutory review the Government has included several recommendations in a proposed Bill:

- whether the no fault statutory benefit period should be expanded to a minimum of 52 weeks
- how the minor injury definition can be amended to ensure it does not exclude those with genuine minor injuries, including in relation to psychological claims
- whether the 20-month cooling off period should be reduced or abolished, to facilitate the faster resolution of some claims
- the provision of legal support to claimants in the scheme, particularly in relation to disputes, including the internal review process
- how to improve transparency and accountability in relation to insurer profits and premium setting

Government response:

Supported: Clayton Utz and Deloitte (independent reviewers) considered the issues listed by the Committee as part of the [Statutory Review](#) of the Act.

Table 13: Subject to consultation as part of a package of legislative amendments: Progress to date on the recommendations from the 2020 Law & Justice Review

Recommendation	Progress
whether the no fault statutory benefit period should be expanded to a minimum of 52 weeks	<p>Clayton Utz Recommendations 37 and 40 respond to this part of recommendation 1.</p> <p>A response to this recommendation is included in a draft Bill that will amend the <i>Motor Accident Injuries Act 2017</i> to respond to 2021 Statutory Review recommendations 37 and 40.</p> <p>Consultation on the draft Bill is currently underway, and subject to that consultation, a Bill maybe taken to Parliament this year.</p>
how the minor injury definition can be amended to ensure it does not exclude those with genuine minor injuries, including in relation to psychological claims	<p>Clayton Utz Recommendations 34 and 46 respond to this part of recommendation 1.</p> <p>Changes to the minor injury definition are not included in the current legislative package. However, included in the draft Bill are provisions that would extend statutory benefits to 52 weeks for people with minor injuries (including psychological injuries), and provide that psychological injuries resulting from the death of a family member are not a minor injury.</p> <p>Consultation on the draft Bill is currently underway, and subject to that consultation, a Bill maybe taken to Parliament this year.</p>
whether the 20-month cooling off period should be reduced or abolished, to facilitate the faster resolution of some claims	<p>Clayton Utz Recommendation 17 responds to this part of recommendation 1.</p> <p>Subject to consultation as part of a package of legislative amendments:</p> <p>A response to this recommendation is included in a draft Bill that will amend the <i>Motor Accident Injuries Act 2017</i> (MAI Act) to respond 2021 Statutory Review recommendation 17.</p> <p>Consultation on the draft Bill is currently underway, and subject to that consultation, a Bill maybe taken to Parliament this year.</p>
the provision of legal support to claimants in the scheme, particularly in relation to disputes, including the internal review process	<p>Clayton Utz Recommendation 30 responds to this part of recommendation 1.</p> <p>Consultation on legal and other supports, including any review of scheduled fees will occur in early 2023.</p> <p>A work value assessment undertaken by DGT Costs Lawyers is in its final stages. This work is required to inform any recommendations to the access point and amount of legal costs fees in the scheme, and it forms part of an overall program that considers the legal, procedural and other supports available to injured people.</p>
how to improve transparency and accountability in relation to insurer profits and premium setting	<p>Clayton Utz Recommended 33 responds to this part of recommendation 1.</p> <p>This is now complete.</p> <p>SIRA has published its Regulatory publishing policy on 17 June: https://www.sira.nsw.gov.au/hub/raising-the-bar-on-transparency-and-accountability-in-nsw-insurance-schemes</p>

10. Appendix B: Progress update on recommendations from the Statutory Review of the Motor Accident Injuries Act 2017

Table 14: Progress update on recommendations from the Statutory Review of the Motor Accident Injuries Act 2017

#	Recommendation	Progress
1	The legislature considers amending the Act to require the Minister to review the Act (and the regulations and guidelines under the Act), on terms similar to the current section 11.13(1), as soon as practicable after the period of 8 years from commencement of the Act and every 5 years thereafter.	Subject to consultation as part of a package of legislative amendments: SIRA is currently consulting on a draft Bill that will amend the <i>Motor Accident Injuries Act 2017</i> (MAI Act) to respond to this recommendation. Subject to that consultation a Bill maybe taken to Parliament year.
2	SIRA consider developing, implementing and reporting on measures of insurers' procedures to comply, and actual compliance, with overarching obligations relating to statutory benefits claims including under clauses 4.5, 4.48 and 4.76-77 of the Guidelines, and Division 6.2 of the Act.	In progress: The Insurance Claims and Conduct Assurance Program (ICCAP) is a rolling program of work; the forward schedule will include compliance activity related to the clauses identified in this recommendation and addressed over the next 18 months.

#	Recommendation	Progress
3	<p>SIRA consider:</p> <p>amending Schedule 3A of the Guidelines to add an obligation requiring the insurer to report to SIRA on the outcomes of the processes and structures detailed in the insurer's business plan in accordance with clauses 3.16, 3.17 and 3.18 of Schedule 3A of the Guidelines; and</p> <p>if SIRA has concerns about risk culture and requires insurers to make changes or undertake remedial actions to address those concerns, publishing SIRA's concerns and requirements for insurers.</p>	<p>In progress:</p> <p>Consultation on the (the Guidelines), version 9 concluded in September. It included a new provision to respond to this recommendation.</p> <p>Version 9 of the Guidelines will come into effect by end of 2022.</p> <p>SIRA is working with APRA to better understand insurers risk culture. This will inform any further response.</p>
4	<p>The legislature consider amending the Act to authorise SIRA to issue Guidelines with respect to the qualifications, education and training, performance assessment, case-loads, and remuneration of insurer personnel involved in decision-making in relation to claims by injured persons.</p> <p>SIRA should use that power to issue Guidelines including minimum qualification, education, experience and training requirements, restrictions on the criteria for performance assessment and remuneration of such personnel, and standards in respect of case-loads.</p>	<p>Subject to consultation as part of a package of legislative amendments:</p> <p>SIRA is currently consulting on a draft Bill that will amend the MAI Act to respond to this recommendation.</p> <p>Subject to that consultation a Bill maybe taken to Parliament this year.</p> <p>SIRA will consult on the form and content of the Guidelines.</p>
5	<p>The legislature considers amending the Act to authorise SIRA to provide in the Guidelines for:</p> <ol style="list-style-type: none"> 1. types of treatment and care that are taken to be reasonable and necessary in the circumstances for the purposes of section 3.24(2) of the Act; and 2. treatment and care costs, incurred in defined circumstances, that are taken to be reasonable for the purposes of section 3.24(1)(a) of the Act. <p>SIRA should use that power to issue Guidelines specifying relevant types of treatment and care, and relevant treatment and care costs incurred in defined circumstances.</p>	<p>Subject to consultation as part of a package of legislative amendments:</p> <p>SIRA is currently consulting on a draft Bill that will amend the MAI Act to respond to this recommendation.</p> <p>Subject to that consultation a Bill maybe taken to Parliament this year.</p> <p>SIRA will consult on the form and content of the Guidelines.</p>

#	Recommendation	Progress
6	<p>The legislature consider amending the Act to provide that treatment or care recommended in writing by a treating practitioner is, subject to evidence to the contrary:</p> <ol style="list-style-type: none"> 1. presumed to be reasonable and necessary in the circumstances; and 2. if certified by the treating practitioner, presumed to relate to the injury resulting from the motor accident concerned. <p>The amendment should provide for SIRA to specify in the Guidelines circumstances in which one or both of the presumptions do not apply.</p>	<p>Not included in package of legislative amendments:</p> <p>SIRA will consider this recommendation in its ongoing program of work on value-based care.</p> <p>An Industry Advisory Committee is being established to guide SIRA's value-based healthcare program.</p>
7	<p>The legislature consider amending the Act, in relation to determining whether any treatment and care provided to the injured person in accordance with a written recommendation by their treating practitioner is reasonable and necessary in the circumstances or, if certified by the treating practitioner, relates to the injury resulting from the motor accident concerned:</p> <ol style="list-style-type: none"> 1. to prohibit insurers from requesting the injured person to undergo a medical or other health related examination; 2. to allow insurers to request additional information from a treating practitioner; and 3. to provide that an insurer who wishes the injured person to undergo a medical or other health related examination must lodge a medical dispute with the PIC. <p>The amendment should provide for SIRA to specify in the Guidelines circumstances in which the restriction in (a) does not apply.</p>	<p>Not included in package of legislative amendments:</p> <p>SIRA will consider this recommendation in its ongoing program of work on value-based care.</p> <p>An Industry Advisory Committee is being established to guide SIRA's value-based healthcare program.</p>

#	Recommendation	Progress
8	<p>SIRA consider:</p> <ol style="list-style-type: none"> (a) developing a panel of rehabilitation providers and occupational therapists, contracted to SIRA and not insurers, who would have responsibility to provide any: <ol style="list-style-type: none"> rehabilitation assessment; assessment to determine attendant care needs; or assessment to determine functional and vocational capacity; (b) amending the Guidelines to provide that, for the purposes of sub-sections (b) and (c) of section 6.27(1) of the Act, any assessment of these matters otherwise than by a treating practitioner must only be undertaken by a member of the panel (or an employee or contractor of a member of the panel). 	<p>Subject to consultation as part of a package of legislative amendments:</p> <p>SIRA is currently consulting on a draft Bill that will amend the MAI Act to respond to this recommendation.</p> <p>Subject to that consultation a Bill maybe taken to Parliament this year.</p>
9	<p>SIRA amend Part 4 of the Guidelines to:</p> <ol style="list-style-type: none"> prohibit insurers or any person appointed by insurers from attending a private consultation between an injured person and a treating practitioner occurring in the ordinary course of the injured person's treatment and care that relates to the injury resulting from motor accident concerned; and require insurers to give written notification to the injured person concerned of any communication (whether written or otherwise) between the relevant insurer and an injured person's treating practitioner, including the matters discussed and the outcome of the communication. 	<p>In progress:</p> <p>Consultation on the the Guidelines, version 9 concluded in September. It included a new provision to respond to this recommendation.</p> <p>Version 9 of the Guidelines will come into effect by end of 2022.</p>
10	<p>SIRA consider taking steps to ensure compliance by insurers with their obligations under clauses 4.76 to 4.90 of the Guidelines relating to recovery plans for injured persons, and to ensure that recovery plans are of a high standard and address not only return to work but also return to other activities.</p>	<p>In progress:</p> <p>The ICCAP is a rolling program of work; the forward schedule will include compliance activity related to the clauses identified in this recommendation and addressed over the next 18 months.</p> <p>ICCAP activity focussed on compliance with relevant clauses of the Guidelines has commenced.</p>

#	Recommendation	Progress
11	<p>SIRA consider:</p> <ol style="list-style-type: none"> 1. consulting with relevant medical stakeholders and, if considered necessary, undertaking research to determine the extent to which certain treatment and care is not reasonably available at AMA rates; and 2. whether it is necessary to amend clause 4.95 of the Guidelines to ensure that insurers pay the reasonable cost of treatment and care above AMA rates in circumstance where equivalent treatment or care is not reasonably available at AMA rates. 	<p>In progress:</p> <p>SIRA will consider this recommendation in its ongoing program of work on value-based healthcare.</p> <p>An Industry Advisory Committee is being established to guide SIRA's value-based care program.</p> <p>SIRA will consult on the form and content of the Guidelines.</p>
12	<p>SIRA consider undertaking research to determine precisely the barriers to participation in the Scheme by providers of treatment and care, and the measures that could be taken to remove or reduce those barriers, in order to enable injured persons to have the provider of their choice.</p>	<p>In progress:</p> <p>SIRA is currently scoping the design of a provider survey that would capture providers delivering services in the CTP and workers compensation schemes.</p> <p>The survey will be delivered in March 2023.</p>
13	<p>SIRA should amend clause 4.99 of the Guidelines to clarify that the insurer is required to issue its decision in relation to treatment or care within 10 days of receipt of the claimant's request, whether the request is for pre-approval to pay statutory benefits for the treatment or care or for the payment of statutory benefits for treatment or care that has already been provided.</p>	<p>Complete:</p> <p>Implemented in the Guidelines version 8, published 29 October 2021.</p>

#	Recommendation	Progress
14	<p>SIRA should undertake a review of the weekly payments framework, to assess what steps can be taken to enable a greater proportion of earners to receive their full entitlement sooner and to minimise disputes. The review should consider, among any other matters considered relevant, whether:</p> <ol style="list-style-type: none"> 1. the provisions for determining the appropriate amount of weekly payments for earners can be simplified, including consideration of whether weekly payments should be made on the basis of a set statutory rate, or rates dependent on the nature of the injured person's pre-accident employment or pre-accident training, skills and experience; 2. the provisions for calculating weekly payments in the post-second entitlement period remain appropriate; 3. the Act or Guidelines should be amended to enable faster and better access to relevant information by insurers for the purpose of calculating the required amount of weekly benefits; and 4. guidance is required as to how disputes in relation to weekly benefits should proceed in the PIC, having regard to the provisions currently in clauses 1(a) and 2(d) of Schedule 2 to the Act. 	<p>In progress:</p> <p>SIRA will continue to review and monitor the weekly payments framework, including identification of administrative options to support timely and accurate entitlement to weekly payments.</p> <p>The <i>Motor Accidents and Workers Compensation Legislation Amendment Bill 2021</i>, which received assent on 16 June 2022 made changes to the weekly payments framework to better enable injured people to have their benefits assessed and calculated.</p>
15	<p>The legislature consider amending the Act to make weekly payments of statutory benefits payable in respect of the period before the claim is made even if the claim is made more than 28 days after the date of the motor accident if the claimant provides a full and satisfactory explanation for the delay.</p>	<p>Subject to consultation as part of a package of legislative amendments:</p> <p>SIRA is currently consulting on a draft Bill that will amend the MAI Act to respond to this recommendation.</p> <p>Subject to that consultation a Bill maybe taken to Parliament this year.</p>
16	<p>SIRA should amend the Guidelines to clarify that the relevant insurer must begin weekly payments of statutory benefits immediately after determining that a claimant is an earner entitled to weekly payments under section 3.6(1), including by making interim payments if the full entitlement has not yet been determined.</p>	<p>In progress:</p> <p>Consultation on the (the Guidelines), version 9 concluded in September. It included a new provision to respond to this recommendation.</p> <p>Version 9 of the Guidelines will come in effect by end of 2022.</p>

#	Recommendation	Progress
17	<p>SIRA should undertake a review of the lodgement of damages claims under Part 4 of the Act which should:</p> <ol style="list-style-type: none"> 1. proceed on the basis that section 6.14 of the Act should be amended to remove the requirement for person's with whole person impairment 10% or less to wait 20 months before lodgement and section 6.23(1) of the Act should be amended to remove the 2-year prohibition on settling claims for damages; and 2. consider, among any other options considered appropriate for consultation, amendments to the Act would have the following effect: <ol style="list-style-type: none"> a. an injured person with non-minor injuries wishing to claim damages for past economic loss only (i.e. not seeking to claim damages for future economic loss or for non-economic loss) could do so at any time; b. insurers be required to assist injured persons who are unlikely to have been wholly at fault and unlikely to have whole person impairment greater than 10% to lodge a claim for damages of the above nature upon the injured person's return to work within the first 12 months after the motor accident concerned; and c. any persons wishing to claim damages for future economic loss or damages for non-economic loss (in addition to damages for past economic loss) could do so only 12 months or more after the motor accident concerned; and d. despite sub-paragraph (iv), if a person assessed within the first 12 months after the motor accident concerned as having a degree of permanent impairment greater than 10% as a result of the accident, then they may claim damages at any time. 3. consider whether section 6.25 of the Act should be amended in respect of the timing and content of the claimant's obligation to give particulars of a damages claim. 	<p>Subject to consultation as part of a package of legislative amendments:</p> <p>SIRA is currently consulting on a draft Bill that will amend the MAI Act to respond to this recommendation.</p> <p>Subject to that consultation a Bill maybe taken to Parliament this year.</p>

#	Recommendation	Progress
18	The Minister consider the making of a regulation under section 4.9(2)(a) of the Act to specify a discount rate lower than 5% and which properly qualifies the present value of future economic loss.	Changing the discount rate would impact scheme affordability at this time.
19	The legislature considers amending section 2.25 of the Act to align with Part 2 of Schedule 4 to the Act, to enable Guidelines made under section 2.25 to adopt the mechanism and procedure for profit adjustment in place under the TEPL Guidelines.	<p>Subject to consultation as part of a package of legislative amendments:</p> <p>SIRA is currently consulting on a draft Bill that will amend the MAI Act to respond to this recommendation.</p> <p>Subject to that consultation a Bill maybe taken to Parliament this year.</p>
20	The legislature consider amending clause 2 of Part 2 of Schedule 4 to the Act, to provide expressly that SIRA may exercise a power under clause 2 relating to third-party policies in force during the transition period, either during or after the transition period.	<p>Complete:</p> <p>The <i>Motor Accidents and Workers Compensation Legislation Amendment Regulation 2020</i> amended clause 2(4) of Part 2 of Schedule 4 to the MAI Act to allow the Authority to issue Guidelines to make provision for the adjustment of premiums for third-party policies issued and Authority Fund levies payable during or after the transition period, in order to avoid or minimise excess insurer profits and losses.</p>
21	<p>SIRA undertake a consultation to report on any barriers in the Scheme to innovation in the setting of premiums and other aspects of the conduct of CTP insurance business, and the extent and manner in which removal of those barriers would affect:</p> <ol style="list-style-type: none"> 1. affordability; and 2. the flexibility and incentive for insurers to innovate in ways that advance the objectives of the Act and encourage safer driving decisions. 	<p>In progress:</p> <p>SIRA is engaging with insurers and has delivered a streamlined application form to insurers in July 2022.</p> <p>An Innovation Forum is scheduled for October to commence the process of insurer feedback on the innovation framework.</p> <p>Subject to consultation, revised Guidelines will be issued in April 2023.</p>
22	The legislature consider amending section 6.2(2) of the Act to amend the minimum requirement for a satisfactory explanation for failure to comply with a duty to: a reasonable person in the position of the claimant would have been justified failing to comply with the duty.	Not included in package of legislative amendments.

#	Recommendation	Progress
23	The legislature considers amending section 7.9 of the Act to provide that Division 7.3 of the Act (Internal review) does not apply to a decision relating to the degree of permanent impairment of an injured person that has resulted from the injury caused by the motor accident (including whether the degree of permanent impairment is greater than a particular percentage).	<p>Subject to consultation as part of a package of legislative amendments:</p> <p>SIRA is currently consulting on a draft Bill that will amend the MAI Act to respond to this recommendation.</p> <p>Subject to that consultation a Bill maybe taken to Parliament this year.</p>
24	The legislature consider amending each of sections 7.11(3), 7.19(3) and 7.41(3) of the Act to provide that, in addition to the regulations already permitted by those sections, the regulations may prescribe circumstances in which section 7.11, 7.19 or 7.41 (as the case may be) does not apply (thus having the effect that, in the prescribed circumstances, a claimant may proceed directly from the insurer's initial decision on a matter to dispute resolution under Division 7.4, Division 7.5 or Sub-division 4 of Division).	Not included in package of legislative amendments.
25	The Minister consider the making of regulations under sections 7.11(3), 7.19(3) and 7.41(3) of the Act, as amended in accordance with Recommendation 24, to prescribe the circumstance where the claimant and relevant insurer are in a dispute of a category that has already been the subject of an internal review in relation to the claim.	Not included in package of legislative amendments.
26	The legislature consider amending the Act to provide that the Guidelines may prescribe maximum acceptable overturn rates in relation to a licensed insurer's statutory benefits decisions that are the subject of merit review, medical assessment and miscellaneous claims assessment under the Act on referral by the claimant.	Not included in package of legislative amendments.
27	SIRA should issue Guidelines setting maximum acceptable overturn rates in relation to statutory benefits decisions that are the subject of merit review, medical assessment and miscellaneous claims assessment under the Act on referral by the claimant.	<p>Not included in package of legislative amendments.</p> <p>SIRA will continue to monitor insurer internal review outcomes.</p>

#	Recommendation	Progress
28	The legislature consider amending Subdivision 3 of Division 7.6 of the Act to adopt a simpler approach to the drafting of the provisions governing miscellaneous claims assessment, in particular having regard to the current section 7.42(2). The drafting of the Act should not be more complex than needed to give effect to the scheme design	Not included in package of legislative amendments.
29	SIRA should undertake a consultation to determine changes to the Scheme that directly facilitate and incentivise the use of joint medico-legal assessments in relation to claims for damages, as well as a program of data collection to assess the efficacy of the changes.	<p>In progress:</p> <p>Consultation on the Guidelines), version 9 concluded in September. It proposed new requirements to respond to this recommendation.</p> <p>SIRA has undertaken a post-implementation review of the Authorised Health Practitioner Framework including interviews with injured people and workshops with key stakeholders to inform policy around joint medio-legal assessments.</p> <p>Version 9 of the Guidelines will come in effect by end of 2022.</p>
30	SIRA should develop and consult on recommended changes to the provisions of the Act and Regulations that govern the provision of legal support in the Scheme.	<p>In progress:</p> <p>SIRA has expanded the services of CTP Assist in response to the Legal Supports Review.</p> <p>A work value assessment undertaken by DGT Costs Lawyers is in its final stages. This work is required to inform any recommendations to the access point and amount of legal costs fees in the scheme.</p> <p>This work forms part of an overall program that considers the legal, procedural and other supports available to injured people.</p> <p>Consultation on supports, including legal supports including any review of scheduled fees will occur in early 2023.</p>

#	Recommendation	Progress
31	<p>SIRA should amend the Guidelines to require the relevant insurer for a claim to include contact details for the Independent Review Office and a description of the service provided by the Independent Review Office in respect of complaints about insurers in:</p> <ol style="list-style-type: none"> 1. the written notice to the claimant under section 6.19(1) of the Act; and 2. each written notice to the claimant of a decision; <ol style="list-style-type: none"> a. to decline to pay a statutory benefit that was claimed, or to cease paying statutory benefits (including on the basis of minor injury or fault); b. not to approve treatment and care, or not to approve treatment and care in full; c. relating to the amount of weekly payments payable to the claimant, unless the decision to pay an amount equal to an amount that was claimed; and d. as to the degree of permanent impairment of the claimants, if the decision is not consistent with opinion submitted to the insure by or on behalf of the claimant. 	<p>Complete:</p> <p>Implemented in the Guidelines version 8, published 29 October 2021.</p>

#	Recommendation	Progress
32	<p>SIRA should develop and issue a public statement of its policy as to when it may comment publicly on its regulatory activities. SIRA's policy should include, among any other elements considered appropriate, its position on publication of the following, subject to circumstances in which it is against the public interest to do so:</p> <ol style="list-style-type: none"> 1. regulatory notices and letters of censure; 2. civil penalties and other formal regulatory action, together with an outline of reasons for their imposition;(c) an outline of any recommendation plan opened in relation to a regulatory notice; and 3. the outcomes of any remediation plan opened in relation to a regulatory notice; and 4. the outcome of any referral by the Independent Review Office to SIRA of a significant matter. <p>The policy should also address the circumstances in which SIRA may comment publicly, or will not comment publicly, on investigations.</p>	<p>Complete:</p> <p>SIRA has published its Regulatory publishing policy on 17 June: https://www.sira.nsw.gov.au/hub/raising-the-bar-on-transparency-and-accountability-in-nsw-insurance-schemes</p>
33	<p>SIRA should develop and issue a public statement of its policy for the publication of information about assessment of insurer profit under the TEPL Guidelines and section 2.25 of the Act (including information about insurer profit and SIRA's decision-making), as well as information about the application of Clause 8 ('Innovation Support') of the TEPL Guidelines</p>	<p>Complete:</p> <p>SIRA has published its Regulatory Publishing Policy on 17 June: https://www.sira.nsw.gov.au/hub/raising-the-bar-on-transparency-and-accountability-in-nsw-insurance-schemes</p>
34	<p>The Minister consider the making of an amendment to the regulations to remove 'adjustment disorder' from the definition of 'minor injury'.</p>	<p>Not included in package of legislative amendments.</p>
35	<p>SIRA should amend clause 5.4 of the Guidelines for clarity, so that the clause reads: Insurers should not require injured persons to undergo diagnostic imaging for the purpose of the insurer determining whether the injury related to the claim is a minor injury.</p>	<p>In progress:</p> <p>Consultation on the the (Guidelines, version 9 concluded in September. It proposed new requirements to respond to this recommendation.</p> <p>Version 9 of the Guidelines will come in effect by end of 2022.</p>

#	Recommendation	Progress
36	The legislature consider amending the Act to provide that all injured persons may claim damages if the injuries caused by the motor accident result in a degree of permanent impairment greater than 10%.	Not included in package of legislative amendments.
37	The legislature considers amending sections 3.11 and 3.28 in Part 3 of the Act to extend to 52 weeks the current 26-period of statutory benefits for persons with minor injuries only.	<p>Subject to consultation as part of a package of legislative amendments:</p> <p>SIRA is currently consulting on a draft Bill that will amend the MAI Act to respond to this recommendation.</p> <p>Subject to that consultation a Bill maybe taken to Parliament this year.</p>
38	SIRA should undertake a consultation to identify an alternative term for ‘minor injury’, with a view to proposing that the term be changed.	<p>Subject to consultation as part of a package of legislative amendments:</p> <p>SIRA is currently consulting on a draft Bill that will amend the MAI Act to respond to this recommendation.</p> <p>Subject to that consultation a Bill maybe taken to Parliament this year.</p>
39	The legislature consider amending the Act to provide that, in circumstances where an insurer wishes to reverse its decision – adversely to the claimant – as to whether the injuries caused by the motor accident are minor injuries exclusively for the purposes of Part 3 of the Act (Statutory benefits), and more than 18 months have passed since the motor accident concerned, the insurer must refer the matter to the Commission for medical assessment and must not cease paying statutory benefits (unless otherwise permitted to do so under the provisions of the Act) until such time as a medical assessor issues a certificate as to the matter, to the effect that the claimant’s injuries are minor injuries exclusively.	Not included in package of legislative amendments.
40	<p>The legislature consider amending Part 3 of the Act to:</p> <ol style="list-style-type: none"> 1. extend to 52 weeks the period for which statutory benefits are available to injured persons who are wholly or mostly at fault; or(b) remove altogether the restrictions on the entitlement to statutory benefits of injured persons who are wholly or mostly at fault. 	<p>Subject to consultation as part of a package of legislative amendments:</p> <p>SIRA is currently consulting on a draft Bill that will amend the MAI Act to respond to this recommendation.</p> <p>Subject to that consultation a Bill maybe taken to Parliament this year.</p>

#	Recommendation	Progress
41	The legislature considers amending the Act to allow SIRA to issue Guidelines providing for the payment of statutory benefits for treatment and care after 26 weeks to injured persons who are wholly or mostly at fault, in specified circumstances.	<p>Subject to consultation as part of a package of legislative amendments:</p> <p>SIRA is currently consulting on a draft Bill that will amend the MAI Act to respond to this recommendation.</p> <p>Subject to that consultation a Bill maybe taken to Parliament this year.</p> <p>SIRA will consult on the form and content of the Guidelines.</p>
42	SIRA should issue Guidelines specifying that, in circumstances of delay caused by non-compliance by the relevant insurer with claim handling provisions, statutory benefits for treatment and care after 26 weeks are payable to injured persons who are wholly or mostly at fault to the extent that the expenses are incurred after 26 weeks due to the insurer's delay	<p>Subject to consultation as part of a package of legislative amendments:</p> <p>SIRA is currently consulting on a draft Bill that will amend the MAI Act to respond to this recommendation.</p> <p>Subject to that consultation a Bill maybe taken to Parliament this year.</p> <p>SIRA will consult on the form and content of the Guidelines.</p>
43	The legislature considers amending the section 3.37 of the Act to provide that statutory benefits are not payable to an injured person after the person has been charged with or convicted of a serious driving offence that caused or contributed to the motor accident.	<p>Subject to consultation as part of a package of legislative amendments:</p> <p>SIRA is currently consulting on a draft Bill that will amend the MAI Act to respond to this recommendation.</p> <p>Subject to that consultation a Bill maybe taken to Parliament this year.</p>
44	The Minister consider issuing a public statement, through SIRA, of the outcome of Recommendation 6 made by the Law and Justice Committee in its 2018 review of the Scheme.	<p>Complete</p> <p>Published in SIRA's submission to the Standing Committee on Law and Justice 2020 Review of the CTP and Lifetime Care and Support Schemes, see Appendix 1,</p>
45	SIRA consider developing a panel of trauma support specialists with training and expertise in both trauma counselling and the Scheme. In the event of a death or catastrophic injury resulting from a motor accident, a trauma counsellor would be made available to assist family members of the deceased or injured person to take necessary steps in the period following the event to care for their psychological wellbeing as well as to assist in their early engagement with the relevant insurer.	<p>Subject to consultation as part of a package of legislative amendments:</p> <p>SIRA is currently consulting on a draft Bill that will amend the MAI Act to respond to this recommendation.</p> <p>Subject to that consultation a Bill maybe taken to Parliament this year.</p>

#	Recommendation	Progress
46	The legislature considers amending section 1.6 of the Act (Meaning of 'minor injury') to provide that a psychological or psychiatric injury resulting from the death or catastrophic injury of a family member is not a 'minor injury' for the purposes of the Act.	<p>Subject to consultation as part of a package of legislative amendments:</p> <p>SIRA is currently consulting on a draft Bill that will amend the MAI Act to respond to this recommendation.</p> <p>Subject to that consultation a Bill maybe taken to Parliament this year.</p>
47	<p>The legislature consider amending Division 9.4 of the Act to provide that, in addition to existing provisions requiring the Nominal Defendant to discharge the obligations of a person insured under a third-party policy issued by an insolvent insurer, the Nominal Defendant is to discharge the obligations of the insolvent insurer:</p> <ol style="list-style-type: none"> 1. under Part 3 of the Act; and 2. under any agreement entered into with the Lifetime Care and Support Authority under section 3.45(2) of the Act. 	<p>Subject to consultation as part of a package of legislative amendments:</p> <p>SIRA is currently consulting on a draft Bill that will amend the MAI Act to respond to this recommendation.</p> <p>Subject to that consultation a Bill maybe taken to Parliament this year.</p>
48	<p>The legislature consider amending section 9.10 of the Act to:</p> <ol style="list-style-type: none"> 1. remove the limitation on the section, so that it does not only apply "instead of suspending the insurer's licence"; 2. provide that the licensed insurer concerned must be given an opportunity to make written submissions to SIRA with respect to the alleged contravention; and 3. remove the requirement on SIRA to refer the matter to a special committee for advice 	<p>Subject to consultation as part of a package of legislative amendments:</p> <p>SIRA is currently consulting on a draft Bill that will amend the MAI Act to respond to this recommendation.</p> <p>Subject to that consultation a Bill maybe taken to Parliament this year.</p>
49	<p>The legislature consider amending the Act to insert a new object of the Act under section 1.3(2) in Division 1.1 as follows:</p> <ol style="list-style-type: none"> 1. to promote the prevention of motor accidents and safety in use of motor vehicles 	<p>Not included in package of legislative amendments.</p>

#	Recommendation	Progress
Deloitte 1	We recommend the ongoing use of independent claim file reviews as this provides the most effective means of assessing this objective. Some key areas we recommend that the independent claim file review cover includes declined claims for treatment and care benefits, claims that go through the dispute resolution process, and claims that are 'cash settled'. While the claims portfolio appears to have been fairly represented through existing independent claim file reviews, a deeper focus on reviewing claims in these key areas will provide the greatest insight for further improvement to the Scheme. We are of the position that SIRA is best placed to decide if SIRA engages an external independent body or if SIRA, as an independent authority, undertakes a review.	<p>In progress:</p> <p>This has been incorporated into the forward schedule of the ICCAP. ICCAP activity commenced June 2022, treatment and care decisions audit complete.</p> <p>Internal reviews will be covered in ICCAP activity scheduled for Q4 FY 2022/23.</p>
Deloitte 2	Suggestion: From a health outcomes point of view, recovery plans can be beneficial to the claimant. Further, given that there are reported inconsistent processes for the implementation of recovery plans across the Scheme, we suggest a review is conducted to understand best practice recovery plan processes and documentation and share this with all key stakeholders. This suggestion is aligned and in complement to Recommendation 10 of Clayton Utz's analysis.	<p>In progress:</p> <p>This has been incorporated into the forward schedule of the ICCAP.</p> <p>ICCAP activity focussed on compliance with recovery plans has commenced.</p>
Deloitte 3	Collect data separately for declinatures of weekly benefits and treatment and care benefits to monitor the declinature rates for these benefits for not at-fault nonminor claimants, after being on benefits for 26 weeks.	<p>In progress:</p> <p>SIRA already publishes quarterly scheme monitoring reports and the CTP Insurer Claims Experience and Customer Feedback reports.</p> <p>SIRA is progressing a review of its Scheme Performance Framework which will include consideration of this recommendation and whether the data is collected by insurer.</p>
Deloitte 4	Suggestion: Make available the data to measure this KPI. Further, we suggest monitoring the extent to which actual treatment and care provided to injured persons differs from medical advice, and the extent to which medical advice differs where multiple opinions are sought. This may be an area which can be included as part of claim file	<p>In progress:</p> <p>SIRA already publishes quarterly scheme monitoring reports and the CTP Insurer Claims Experience and Customer Feedback reports.</p> <p>SIRA is progressing a review of its Scheme Performance Framework which will include consideration of this recommendation and whether the data is collected by insurer.</p>

#	Recommendation	Progress
Deloitte 5	Suggestion: While complaints emanate from a small proportion of claims, we suggest more detailed monitoring and analysis of the underlying drivers of complaints to understand the extent and situations in which injured persons have not viewed their treatment and care was appropriate.	<p>Complete:</p> <p>IRO complaints data were presented to insurers at the August 2022 Quarterly Operational Meeting. Performance was discussed.</p> <p>Complaints workshops were held to understand complaint inputs. This has been incorporated into regular insurer performance discussions. SIRA will continue to monitor and publish data on complaints.</p>
Deloitte 6	Suggestion: in the ‘CTP Insurer Claims Experience and Customer Feedback Comparison’, we suggest that complaint volumes are expressed as a percentage of lodged claims rather than on all Green Slips. This would provide a more meaningful statistic since most complaints are in respect of lodged claims.	<p>Complete:</p> <p>Revised for June 2022 CTP Insurer Claims Experience and Customer Feedback Comparison report.</p>
Deloitte 7	NPS and CES scores indicate that CTP Assist has been an effective mechanism. Some stakeholder submissions and discussions indicated some areas for improvement in CTP Assist, including the accuracy of information provided, primarily related to more complex matters. We recommend a review of whether a complex claims case team with expertise in supporting matters such as weekly benefit calculations, would further enhance the capability of CTP Assist, in order to help injured persons better navigate the NSW CTP Scheme and understand their benefit entitlements. This recommendation is in complement to Recommendation 45 of Clayton Utz’s analysis.	<p>In progress:</p> <p>SIRA has expanded the services of CTP Assist from January 2022. It now delivers increased outbound calls to people from non-English speaking backgrounds and self-employed people. A further evaluation will determine any further changes to the services.</p> <p>Any further expanded role for CTP Assist will form part of an overall program of work underway that considers the legal, procedural and other supports available to injured people.</p> <p>Consultation on supports, including legal supports including any review of scheduled fees will occur in early 2023.</p>

#	Recommendation	Progress
Deloitte 8	We recommend, in-line with an option suggested by Taylor Fry in their Review of Legal Support, for CTP Assist to have an expanded role and be more proactively promoted as the first point of call for injured people. This is to ensure that more claimants are aware of all their benefits, including regarding disputes, and can navigate their claims journey more effectively.	<p>In progress:</p> <p>SIRA has expanded the services of CTP Assist from January 2022. It now delivers increased outbound calls to people from non-English speaking backgrounds and self-employed people. A further evaluation will determine any further changes to the services.</p> <p>Any further expanded role for CTP Assist will form part of an overall program of work underway that considers the legal, procedural and other supports available to injured people.</p> <p>Consultation on supports, including legal supports including any review of scheduled fees will occur in early 2023.</p>
Deloitte 9	Suggestion: We understand SIRA is currently working to develop RTW definitions and measures which may be aligned across the CTP and Workers' Compensation schemes. This will allow more effective measurement and monitoring of RTW rates to produce insights that may inform improvements which provide better outcomes for injured persons. Deloitte are supportive of this work.	<p>Complete:</p> <p>Recovery through work performance data is included in the June 2022 CTP Insurer Claims Experience and Customer Feedback Report.</p>
Deloitte 10	Suggestion: We suggest that as part of the development of RTW measures, that stay at work measures for 4, 13, 26 and 52 weeks are included as part of that process.	<p>Complete:</p> <p>Recovery through work performance data is included in the June 2022 CTP Insurer Claims Experience and Customer Feedback Report.</p>
Deloitte 11	Suggestion: We suggest that as part of SIRA's development of RTW measures, that return to pre-accident activities capacity is measured, including everyday activities but also activities that the injured had usually partaken in and enjoyed pre-accident (or continue to produce this report annually).	<p>In progress:</p> <p>SIRA already publishes quarterly scheme monitoring reports and the CTP Insurer Claims Experience and Customer Feedback reports.</p> <p>SIRA is progressing a review of its Scheme Performance Framework which will include consideration of this recommendation and whether the data is or can be collected by insurers.</p>

#	Recommendation	Progress
Deloitte 12	<p>Recommendation: We recommend analyses of the profile of declined claims, particularly those that lodged a late claim to understand whether these are vulnerable customers that need assistance, or due to another underlying reason, which will assist in assessing whether the current measures are sufficient for ensuring injured road users understand how to access the system and their entitlements.</p> <p>Some stakeholders submitted they had observed poor literacy and an inability to use email in some claimants. Some stakeholders submitted that some claimants have difficulty completing claim forms in the first month after the injury due to the physical and psychological effects of pain and pain medication, which may be exacerbated by more complex aspects such as calculations of weekly income earnings.</p>	<p>In progress:</p> <p>SIRA will undertake this analysis including through insurer file reviews and an analysis of CTP Assist interactions.</p>
Deloitte 13	<p>Suggestion: We suggest that SIRA updates the animation series to include information on the PIC to assist potential claimants navigate this element of the Scheme.</p>	<p>In progress:</p> <p>SIRA has commenced a review of all SIRA animations. This will be completed by end of 2022.</p>
Deloitte 14	<p>Recommendation: We recommend the collection of data on the timing of the first and second liability decision separately, to monitor compliance with both the first and second liability decision as per 6.19 of the Act.</p>	<p>In progress:</p> <p>SIRA already publishes quarterly scheme monitoring reports and the CTP Insurer Claims Experience and Customer Feedback reports.</p> <p>SIRA is progressing a review of its Scheme Performance Framework which will include consideration of this recommendation and whether the data is or can be collected by insurers.</p>

#	Recommendation	Progress
Deloitte 15	<p>Recommendation: The metrics and analysis reveal benefits are generally being paid consistent with legislative requirements, which provides for more benefits to be paid to more severely injured claimants.</p> <p>The metrics consider claimants that are on benefits. We recommend monitoring of the proportion of claimants that have not recovered or been able to return to work (not just those on benefits) from their injury and have not been paid benefits within each of the categories considered. We would expect this proportion to be small, except perhaps for minor and at-fault / mostly at-fault claims where benefits entitlements are limited, however it is for this proportion of claims that are potentially not receiving ongoing financial support that may be in need.</p> <p>Whilst our analysis does not consider the appropriateness of the duration of benefit payments in regard to the legislations, we support Recommendation 37 and Recommendation 40 of Clayton Utz's analysis which recommends changes to persons with minor injuries and those that were wholly or mostly at-fault.</p>	<p>In progress:</p> <p>SIRA already publishes quarterly scheme monitoring reports and the CTP Insurer Claims Experience and Customer Feedback reports.</p> <p>SIRA is progressing a review of its Scheme Performance Framework which will include consideration of this recommendation and whether the data is or can be collected by insurers.</p>
Deloitte 16	<p>Recommendation: Given 41% of insurer decisions are overturned, we recommend an independent claim file review consider whether claimants were provided adequate ongoing financial support for their particular needs and circumstances, focussing on claims that were not disputed at the DRS, however displayed similar characteristics to those that were overturned in favour of the claimant at the DRS to further glean insights into the appropriateness of insurer internal reviews.</p> <p>We are in support of Recommendation 26 and 27 of Clayton Utz's analysis which recommends the setting of maximum acceptable overturn rates in relation to statutory benefits decisions that are the subject of merit review, medical assessment and miscellaneous claims assessment under the Act on referral by the claimant</p>	<p>In progress:</p> <p>SIRA will conduct an Internal Review Insurer Conduct & Claims Assurance program (ICCAP).</p> <p>The internal review ICCAP activity will occur in quarter 4 FY22/23.</p>

#	Recommendation	Progress
Deloitte 17	<p>Suggestion: Consistent with the ICA submission, we suggest monitoring of:</p> <ul style="list-style-type: none"> the detection rate of non-compliance with registration and insurance requirements the annual number of breaches of the requirements for registration and insurance detected and actioned by NSW Police. <p>These measures will provide insights into both detection and compliance behaviour and may offer additional value when considered in concert with measures relating to affordability (such as utilisation of short-term registration).</p>	<p>In progress:</p> <p>SIRA already publishes quarterly scheme monitoring reports and the CTP Insurer Claims Experience and Customer Feedback reports.</p> <p>SIRA is progressing a review of its Scheme Performance Framework which will include consideration of this recommendation and whether the data is or can be collected by insurers.</p>
Deloitte 18	<p>Suggestion: Consistent with the ICA submission, we suggest monitoring of:</p> <ul style="list-style-type: none"> the utilisation of the nominal defendant Scheme measure of the number of claims received under the uninsured nominal defendant provision (to be used with the previous suggestion in objective (c)). 	<p>In progress by SIRA:</p> <p>SIRA already publishes quarterly scheme monitoring reports and the CTP Insurer Claims Experience and Customer Feedback reports.</p> <p>SIRA is progressing a review of its Scheme Performance Framework which will include consideration of this recommendation and whether the data is or can be collected by insurers.</p>
Deloitte 19	<p>Recommendation: CTP insurance is a product that provides benefits to society though sold for profit, and the ideal outcome is that all participants act with integrity to assist balancing those objectives. There is at least a perception through some stakeholder discussions and feedback amongst claimant representatives that the balance of power lies with the insurers on disputed matters. It is recommended that insurers continue to develop cultures where policyholders are treated fairly and compassionately.</p>	<p>Complete:</p> <p>As at November 2021 adherence to SIRA's Customer Conduct Principles is a licence condition for all insurers.</p> <p>Through SIRA's ongoing customer experience survey performance against the conduct principles is tracked and published. SIRA will monitor compliance with licence conditions.</p> <p>SIRA is working with APRA to better understand insurers risk culture. This will inform any further response.</p>

#	Recommendation	Progress
Deloitte 20	Recommendation: Given the relatively higher level of affordability of NSW CTP premiums, there is the potential that some premium increases may be absorbed by policyholders whilst still meeting the affordability objective. We recommend any review of premiums balances the Scheme objectives, including affordability, to encourage early and appropriate treatment and care, financial support for injured persons, to achieve optimum recovery of persons from injuries sustained in motor accidents, and to maximise their return to work or other activities	<p>Complete:</p> <p>Any changes to premiums are assessed against the objectives of the scheme.</p>
Deloitte 21	Recommendation: Conduct another review into the reasons for lower claims frequency in the Scheme compared to the original Schedule 1E parameters. For example, whether there is different experience observed in data from hospitals across different geographical locations, which may help create a link to claim reporting patterns for vulnerable people such as those who require an interpreter or other assistance. Further we recommend that SIRA make it a requirement that insurers accurately record for each claim the 'Interpreter Required' field, which may be used to support this analysis.	<p>In progress:</p> <p>This analysis is underway using a combination of NSW Health (Hospitals) and insurer Universal Claims Data (UCD) data to explore the theme of vulnerable claimants and access to benefits.</p> <p>SIRA will progress changes to the UCD insurer system to require completion of the 'Interpreter Required' field, and in the interim will work with insurers to encourage increased utilisation of this data field.</p>
Deloitte 22	Recommendation: We recommend that SIRA maintains its discretion to trigger the TEPL mechanism, with due reference to advice from the Scheme Actuary and Premium Committee. We are supportive of comments made by SIRA's chief executive at the Law and Justice Committee hearings that activation of the TEPL mechanism will be conducted at interim annual reviews once desired confidence levels are achieved.	<p>Complete:</p> <p>With due reference to advice from the Scheme Actuary and Premium Committee. The third assessment cycle is underway which will review whether insurers earned excess profit on the 2018, 2019 and 2020 accident years.</p>
Deloitte 23	Recommendation: Minor injury assessments are completed until up to around three months after being reported which can result in reclassification of claims. Given also that 55% of internal reviews were referred to the DRS (now PIC) and the operational and legal costs incurred for these claims, we recommend an independent claim file review is conducted to understand the drivers of minor injury claim disputes and the associated cost of these.	<p>In progress:</p> <p>SIRA will consider this as part of the Insurer Conduct & Claims Assurance program that will look at insurer decision making frameworks to ensure a systematic approach to compliance with obligations under the MAI Act and Guidelines</p>

#	Recommendation	Progress
Deloitte 24	Recommendation: We recommend that consideration be put forth to simplify both the full and interim premium filing process in the Motor Accident Guidelines. This can encourage competition amongst the market by increasing price competition amongst existing insurers and providing potential new entrants with less administrative burden.	<p>Complete:</p> <p>This is being addressed through the Digital Premium Regulation program, the first phase of which has been delivered in March 2022. The program will continue to enhance and simplify the premium filing process.</p>
Deloitte 25	Recommendation: We recommend that SIRA engage with insurers and NSW Police to identify the most efficient way of accessing the information and data pertaining to potentially fraudulent claims, and to the extent it will be released to the claimant. For example, a portal system could be set up for release of all police investigations relating to a matter in which a CTP claim is made, once investigations are completed. This would avoid the need for making multiple Government Information (Public Access) Act 2009 (GIPA) applications which require authorisation by the parties and lead to highly relevant police outcomes, particularly with regard to suspected fraudulent claims, being available to insurers in the early stages of investigating a claim.	<p>In progress:</p> <p>SIRA continues to liaise with the NSW Police Force with respect to systemic fraud.</p> <p>SIRA is currently working with industry to strengthen its approach to fraud. This includes engagement across NSW Government, with co-regulators, the Insurance Council of Australia and insurers.</p> <p>SIRA is committed to ensuring information related to fraud, or suspected fraud is accessible to insurers where appropriate. SIRA has established an ongoing insurer fraud forum to assist in the information being available to insurers at early stages.</p>
Deloitte 26	Recommendation: We recommend a thorough investigation into the extent and nature of fraud and potential fraud which will then form the basis of accountabilities, roles and responsibilities in respect of fraud deterrence across all Scheme participants.	<p>In progress:</p> <p>A review of the Scheme Performance and Monitoring Framework has commenced. This will be considered in the review to ensure fraud systematic monitoring and detection of fraud.</p> <p>SIRA is developing a SIRA wide approach to fraud with a mechanism for enhanced engagement between insurers and the Insurance Council of Australia.</p> <p>The first fraud forum was facilitated with insurers in September 2022.</p> <p>Using the intelligence from the Industry, SIRA has engaged Scheme Actuary to conduct analysis in relation to the nature and extent of fraud within the system. This analysis will inform the development of SIRA's Fraud Framework, including digital capabilities to identify key metrics to monitor fraud moving forward.</p>

#	Recommendation	Progress
Deloitte 27	<p>Suggestion: Monitor certain key metrics (detective), for example:</p> <ul style="list-style-type: none"> • Fraud investigations - Volume of investigations as a percentage of total claim volumes. • Fraud prosecutions - Volume of prosecutions annually and compared to volume of open claims. • Fraud recovery rates - Fraud recovery rates annually expressed as amount recovered in proportion to premiums. • Comparison against hospital data - Ratio of CTP claims that eventuate compared to the number of road accident victims that attend hospital. As described above, while this ratio is available at a high-level, the ratio for 2020 appears unusually low and more analysis is necessary. 	<p>In progress:</p> <p>SIRA is enhancing the Scheme Performance Framework for the CTP Scheme, including key scheme performance metrics and reporting. This will include fraud related metrics.</p> <p>SIRA will analyse hospital data to understand the ratio of CTP claims that eventuate from hospital admissions.</p>
Deloitte 28	<p>Suggestion: Implement specific fraud deterrence initiatives (preventative), for example:</p> <ul style="list-style-type: none"> • Dissemination of monitoring insights to the public. • Education around the criminality of exaggeration of injury or losses in insurance claims. 	<p>In progress:</p> <p>SIRA is developing a SIRA wide approach to fraud with a mechanism for enhanced engagement between insurers and the Insurance Council of Australia.</p>
Deloitte 29	<p>Suggestion: Monitor reasons for withdrawal of claims, applications for insurer internal reviews, and disputes with the PIC, for indications of fraudulent elements in claims.</p>	<p>In progress:</p> <p>SIRA already publishes quarterly scheme monitoring reports and the CTP Insurer Claims Experience and Customer Feedback reports.</p> <p>SIRA is progressing a review of its Scheme Performance Framework which will include consideration of this recommendation and whether the data is or can be collected by insurers.</p>
Deloitte 30	<p>Suggestion: We suggest that monitoring of average caseloads per claimant be formalised into reporting to understand the effect this may have on the resolution of claims. A balance should be targeted and incentivised with caseloads being set in a way that allows the resolution of claims, early and appropriately. This suggestion is viewed in complement to Recommendation 4 in Clayton Utz's analysis.</p>	<p>In progress:</p> <p>SIRA will consult on the form and content of the Guidelines. This recommendation will include consideration of any amendment to the MAI Act as per Clayton Utz Recommendation 4.</p>

#	Recommendation	Progress
Deloitte 31	Suggestion: We suggest that monitoring is conducted on the number or proportion of applications for additional costs outside what is permitted by the Regulations (16 monetary units which is currently the equivalent of \$1,660.16), where it is asserted that the matter involves ‘exceptional circumstances’ under s 8.10(4)(b), to gain insight into the nature of claims where this is most prevalent and therefore whether there are areas to improve in Scheme design and / or operation.	<p>In progress:</p> <p>This is under consideration as part of the Review of the Scheme Performance framework as well as the review of legal supports in response to Clayton Utz Recommendation 30.</p>
Deloitte 32	Suggestion: We suggest the rate of transition to common law claims is monitored which will impact the cost to the Scheme.	<p>In progress:</p> <p>SIRA already publishes quarterly scheme monitoring reports and the CTP Insurer Claims Experience and Customer Feedback reports.</p> <p>SIRA is progressing a review of its Scheme Performance Framework which will include consideration of this recommendation and whether the data is or can be collected by insurers.</p>
Deloitte 33	Recommendation: We recommend a reconsideration of the claimant information collection requirements to better inform claims decisions. This could include more detailed collection of the injured person’s pre-accident employment details or pre-accident training, skills, and experience. This recommendation should be considered with regard to Recommendation 14 from Clayton Utz’s analysis.	<p>In progress:</p> <p>SIRA will continue to review and monitor the weekly payments framework, including identification of administrative options to support timely and accurate entitlement to weekly payments.</p> <p>The <i>Motor Accidents and Workers Compensation Legislation Amendment Bill 2021</i>, which received assent on 16 June 2022 made changes to the weekly payments framework to better enable injured people to have their benefits assessed and calculated.</p>

#	Recommendation	Progress
Deloitte 34	<p>Recommendation: We recommend increasing the monitoring of a number of key aspects related to claim disputes including:</p> <ul style="list-style-type: none"> the number of disputes which progress from internal review to PIC in aggregate and for more granular reasons including WPI assessments, fault status, benefit types, and other key reasons etc. the number of notices issued to claimants where the insurer views the claimant is in breach of the laws and regulations, and the number of insurer applications to the PIC which allows insurers to recover some legal costs. the number and duration of matters in backlog that are currently before the PIC. 	<p>In progress:</p> <p>SIRA already publishes quarterly scheme monitoring reports and the CTP Insurer Claims Experience and Customer Feedback reports.</p> <p>SIRA is progressing a review of its Scheme Performance Framework which will include consideration of this recommendation and whether the data is or can be collected by insurer.</p>
Deloitte 35	<p>Recommendation: We understand the PIC has acknowledged concerns that the PIC portal has been ineffective as a tool to disseminate required information to relevant stakeholders and is aiming to address these issues in the short term. We are supportive of these activities being conducted in the short-term</p>	<p>Noted.</p>

#	Recommendation	Progress
Deloitte 36	<p>Recommendation: There are time limits set on claim lodgement, internal review related communications, and a number of other key processes, however, there does not appear to be any time limits on the PIC to resolve disputes. We understand from one submission that under the MACA Scheme there was a requirement for a decision to be made within 15 days of a hearing, and that this requirement has been removed. This extends, not only to decisions pertaining to statutory benefits, but to all certificates issued by the PIC, including medical assessment certificates. It was submitted that it is now frequently the experience of participants in the scheme that a Certificate is often issued three months after the actual date of assessment noted on the Certificate.</p> <p>In light of the above, we recommend setting KPIs for the PIC including targets for resolution of disputes (potentially set differently allowing for case type or complexity) within a certain time limit and monitor the turnaround time (number of days) for the PIC to make a decision. It is noted that the PIC is not governed by the MAIA Act (2017), however it is an integral part of the Scheme. Thus, this recommendation would be appropriate for the Initial Review of the Rules of the PIC of NSW being undertaken from September 2021 to the first half of 2022</p>	<p>Complete:</p> <p>The Personal Injury Commission's Key Performance Indicators (KPIs), effective 1 July 2022, have been published on the Commission's website.</p>
Deloitte 37	<p>Recommendation: We recommend the following data be collected and monitored to assess cost-effectiveness of the resolution of disputes:</p> <ul style="list-style-type: none"> • Cost of insurer internal reviews – average cost per insurer internal review as a proportion of average claim cost for claims that are settled via internal review and do not progress to PIC. • Settlements with or without dispute – costs of settlements for claims with a dispute compared to claims without a dispute. • Cost of escalation - average cost per review as a proportion of average claim cost for claims that escalate to PIC review, considering legal representation. 	<p>In progress:</p> <p>SIRA already publishes quarterly scheme monitoring reports and the CTP Insurer Claims Experience and Customer Feedback reports.</p> <p>SIRA is progressing a review of its Scheme Performance Framework which will include consideration of this recommendation and whether the data is or can be collected by insurers.</p>

#	Recommendation	Progress
Deloitte 38	Recommendation: We recommend that a review is conducted into the types of claims that are suitable for internal review vs. those that should proceed directly to the PIC. Medical disputes relating to whole person impairment appears to be one example where disputes should proceed directly to the PIC. The decision on the types of claims that may be considered suitable or optional to the claimant should balance the different Scheme objectives.	<p>In progress:</p> <p>As per Clayton Utz recommendation 23 which is subject to consultation as part of a package of legislative amendment.</p>
Deloitte 39	Recommendation: Given 43% of IIRs related to weekly benefit amounts are overturned in favour of the claimant, we recommend a review of weekly benefits calculation / processes to reduce the percentage of internal reviews related to the amount of weekly benefits.	<p>In progress:</p> <p>This will be considered as part of the broader review of the weekly payments' framework and potential administrative options in response to Clayton Utz recommendation 14.</p>
Deloitte 40	We recommend that SIRA investigate the level of understanding by claimants regarding the scheme and its entitlements, including disputation paths. Taylor Fry's report 'Review of Legal Supports' dated 3 September 2021 recommends a comprehensive survey of claimants would be suitable to achieve this.	<p>In progress:</p> <p>SIRA has an annual customer experience research program to understand injured peoples experience in the scheme.</p> <p>In 2023 SIRA will expand this program to gather information on their understanding of their entitlements and on their experience through the disputation pathways.</p> <p>SIRA has conducted interviews with 25 injured people who had gone through a medico-legal process following a CTP claim to inform the work on joint-medico legal assessments.</p>
Deloitte 41	Suggestion: We suggest an exercise to improve the quality, accuracy, and completeness of the UCD is performed to ensure accurate comparisons between insurers and reduce data errors that are not due to insurer errors. Input from insurers will help align data categories between insurers and reduce administrative burden in the future.	<p>In progress:</p> <p>Delivered through the CTP Data Assurance Program and education. SIRA will consult with insurers regarding any future UCD changes and ensure appropriate education to ensure consistency of interpretation.</p>

#	Recommendation	Progress
Deloitte 42	Suggestion: We suggest that SIRA, with stakeholder input, develop a suite of KPIs that will help facilitate the effective management of the Scheme.	In progress: <p>SIRA already publishes quarterly scheme monitoring reports and the CTP Insurer Claims Experience and Customer Feedback reports.</p> <p>SIRA is progressing a review of its Scheme Performance Framework which will include consideration of this recommendation and whether the data is or can be collected by insurer.</p>
Deloitte 43	Suggestion: We suggest that SIRA updates the Qlik manual to ensure all conditions and exclusions across each metric are documented and clearly understood. We note that in performing our work, we observed that the majority of metrics on Qlik were appropriately documented.	In progress: <p>Will be incorporated in SIRA's Regulatory Information and Analytics improvement program.</p>
Deloitte 44	Suggestion: We suggest that reconciles and are able to appropriately explain differences from Qlik to other work performed, such as from the Scheme Actuary. This will ensure that the analysis performed by SIRA and other parties do not generate conflicting insights and recommendations.	In progress: <p>Will be incorporated in SIRA's Regulatory Information and Analytics improvement program.</p>

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