National Injury Insurance Scheme: Motor Vehicle Accidents

Consultation Regulation Impact Statement

Submission by the
Young People In Nursing Homes National Alliance

May 2014

Introduction

The Young People In Nursing Homes National Alliance is pleased to contribute to this Consultation Regulation Impact Statement (RIS) and welcomes the fact that work on the National Injury Insurance Scheme (NIIS) is proceeding. We complement PwC on what is a well researched and well written document.

While it is no surprise that the Consultation RIS concentrates on Compulsory Third Party (CTP) motor vehicle reform, we are somewhat disappointed that this RIS provides no guidance on the wider development of the entire National Injury Insurance Scheme. This is an issue needing a broader strategy around the NIIS than just this piece of work.

The NIIS is an essential companion to the NDIS and the lack of detail about the plan of works across and within jurisdictions to develop it fully, is of great concern.

As well as completing the national reform to provide national no-fault cover for all Australians who acquire a disability, the NIIS provides an important contribution to the overall financing of the NDIS – something that has been a point of debate in recent months.

Since reading the RIS for the first time, the Alliance has become aware that RIS for other areas of the proposed National Injury Insurance Scheme, including medical indemnity, sporting and general accidents may be developed in the future. However, we believe that all parts of the NIIS (medical injury, workers compensation, general injury) need to be developed concurrently, so that the reform is complete and is timely.

Quite apart from the danger that these other, equally significant components of the NIIS may not be addressed with the urgency they require or even perhaps, at all, the simple fact is that Australians continue to be injured in every one of these complementary areas every day. The costs and misery that accrue to individuals, families and the wider community from our unfair and disjointed injury compensation system must be addressed as a priority.

The Alliance strongly urges state and federal Treasury officials to incorporate *all classes of injuries* the NIIS is being developed to cover, in one clearly articulated reform process.

The Young People In Nursing Homes National Alliance (YPINH Alliance)

The YPINH Alliance is a national peak organisation that promotes the rights of young disabled Australians with high and complex health and other support needs living in residential aged care facilities or at risk of placement there (YPINH); and supports these young people to have choice about where they live and how they are supported.

The Alliance's membership is drawn from all stakeholder groups including YPINH, family members and friends, service providers, disability, health and aged care representatives, members of various national and state peak bodies, government representatives and advocacy groups.

We encourage a partnership approach to resolution of the YPINH issue by State and Commonwealth governments; develop policy initiatives at state and federal levels that promote the dignity, well being and independence of YPINH and their active participation in their communities; and ensure that young people living in nursing homes and their families have

- A voice about where they want to live and how they want to be supported;
- The capacity to participate in efforts to achieve this; and
- 'A place of the table', so they can be actively involved in the service responses needed to have "lives worth living" in the community.

As the pre-eminent national voice on this issue, the National Alliance's primary objectives are to

- Raise awareness of the plight of YPINH;
- Address the systemic reforms required to resolve the YPINH issue and address the urgent need for community based accommodation and support options for young people with high and complex needs;
- Work with government and non-government agencies to develop sustainable funding and organisational alternatives that deliver 'lives worth living' to young people with high and complex clinical and other support needs;
- Provide on-going support to YPINH, their friends and family members.

Since its inception in 2002, the Alliance has argued for a lifetime care approach to development of supports and services for disabled Australians; and for collaborative arrangements between programs and portfolio areas including health, disability, aged care and housing, to provide the integrated service pathways required by YPINH and others with lifelong health and disability support needs.

The Alliance has also led Australia wide moves for delivery of a national no fault catastrophic injury insurance scheme, consistently arguing for a scheme that would

- Provide cover where none currently exists for injures received in sporting and general accidents (including assaults and drug overdoses), whether at home or in the community

- Deliver a national approach to motor vehicle accidents that moves existing state fault based motor vehicle schemes to a no fault, 'reasonable and necessary' response basis
- Unify the various state work cover schemes through adoption of consistent benchmarks for work related accidents
- Support development and delivery of world's best practice clinical treatment and rehabilitation services protocols, particularly in those states with limited or no rehabilitative capacity at present
- Deliver optimal care and rehabilitation to injured Australians, no matter what state of the commonwealth they are injured in
- Use the 'gold standard' of the Victorian Transport Accident Commission as the NIIS' minimum benchmark for all state no fault motor vehicle schemes
- Deliver a truly national approach that provides world's best practice rehabilitation and life time care for catastrophically injured Australians regardless of where or how they are injured.

In 2007, the Alliance convened Australia's first National Summit on No Fault Catastrophic Injury Insurance. Key peak organisations and senior state and federal public servants came together to discuss the need for reforms around catastrophic injury insurance generally; and collaboration on development of a catastrophic injury insurance scheme for the nation.

As well as the Australian Medical Association, the Summit was strongly supported by a range of national peak organisations including National Disability Services (NDS), Brain Injury Australia and Spinal Cord Injuries Australia.

The Summit Resolution that calls for establishment of a national working party to progress efforts in this regard is contained in Appendix A of this document as well as a media advisory and statement of need. All Summit participants unanimously agreed to the Summit Resolution.

In arguing for a national catastrophic injury insurance scheme, the Alliance has also made submissions to and appeared before a range of parliamentary and other inquiries, including

- Hogan *Review of Aged Care* (2003)
- *Senate Inquiry into Aged Care* (2004)
- *Senate Inquiry into the Sale of Medibank Private* (2006)
- *Senate Inquiry into the Funding and Operation of the CSTDA* (2006)
- *Senate Inquiry into the Living Longer Living Better Aged Care Bills* (2013)
- *Senate Inquiry into the Care and Management of Australians living with Dementia* (2013)
- Productivity Commission's *Inquiry into Disability Care and Support* (2010)
- Department of Health and Ageing's *Review of the Aged Care Funding Instrument* (2010).

We would recommend that the Treasury group examine these to get a full sense of the Alliance's work in this area. These documents can be accessed at www.ypinh.org.au/reports

Response to the Consultation Regulation Impact Statement for Motor Vehicle Accidents (NIIS)

Need for a National Injury Insurance Scheme

Question 1
The Alliance supports the establishment of the NIIS and the statement of the current issues related to the range of scheme rules and care offerings across the jurisdictions.

In section 2.2, the RIS refers to the fact that people ineligible for compensation in fault-based systems rely on public health and disability services. However a significant number of people in the group of non-compensated people are forced to reside in residential aged care services as well.

The gaps in service in both the health and disability service systems are profound for this group of people, particularly those with Acquired Brain Injury (ABI). There is very little in the way of specialist ABI rehabilitation in the public sector; and the disability services system is not well designed to meet the needs of people with acquired disability who have lifelong health needs.

This is a significant gap and is one that cannot be filled through the substitute provision of aged care services, additional disability services from existing programs, or the introduction of the NDIS. The non provision of specialist rehabilitation services in most jurisdictions does not mean that they are not needed. The RIS rightly points out that they have great value in the context of lifetime care and support.

Many injured people who are ineligible for compensation also find themselves outside the disability services system because of its lack of capacity to support people with lifelong health AND disability support needs. These people often require regular nursing support and other health services that are rarely available within disability or community services in any jurisdiction.

As a result, they end up living either in residential aged care or, increasingly in some jurisdictions, in acute care hospital beds. In this respect, aged care and more latterly the health system, are continuing to operate as a safety net for the disability system, in a long chain of cost shifting.

The Queensland Public Advocate's recent Inquiry Report is worth quoting at length in this regard. It says

> The response to people with ABI in Queensland is characterised by a 'bed blocked' system with a 'ripple effect' of subsequent consequences both economically for the state and personally for individuals who do not get access to the crucial rehabilitation they need following a catastrophic injury. Many places that were intended as slow-stream rehabilitation

> services have unfortunately become long-term destinations with many people residing in these services for 15 to 20 years. This prevents these facilities from operating as short-term rehabilitation services, services that are sorely needed in Queensland.
>
> Many people with ABI now 'live' in facilities that were meant for intensive short-term rehabilitation with others residing in acute hospital beds and mental health services. The bed blockages in the rehabilitation services (or downstream blockages) mean that pressure starts to build up in acute hospitals to the extent that the next wave of people with ABI have nowhere to go once the acute phase of their care has passed.
>
> This creates a situation where many people with ABI are discharged from hospital into the care of their families without appropriate rehabilitation or support. They may also be discharged into aged care facilities. A by-product of not receiving appropriate rehabilitation support and/or being discharged to inappropriate environments is the potential for readmission to acute care facilities, or institutionalised models of support being implemented to address the gap between a person's needs and the available levels of care.
>
> These bed blockages have serious impacts, both economically for the public health system and for the long-term recovery and rehabilitation of individuals with ABI.[1]

The Alliance supports the view of the Productivity Commission quoted on page 4 of the RIS, that:

> *…the adequacy of care should be defined by certainty, timeliness and quality of access.*

We further support the view that access to lifetime care and support should not be based on the causation of someone's catastrophic injury, but should be based on need.

The Alliance agrees with the points made in section 2.3 in regard to the current design limitations of fault based CTP arrangements. Many of our members are people who are institutionalised in aged care and other facilities. As well as being unable to live the lives of meaning in the community they want, these individuals

[1] Office of the Public Advocate *People with intellectual disability or cognitive impairment residing long-term in health care facilities: Addressing the barriers to deinstitutionalisation - A systemic advocacy report*, Brisbane 2013: ix

have also been denied the opportunity to recover their capacities to the best of their abilities.

One of the key drivers of the National Disability Insurance Scheme (NDIS) campaign, this view was reflected in Prime Minister Julia Gillard's comments when she announced the initial launch sites for the NDIS in 2012. In referring to the inadequacies of the current system compared to the benefits the new scheme would deliver, she said

> *"… you basically get a ticket in what can be a very cruel lottery…where access to services and support depends on your postcode or on the cause of your disability rather than on your need."*[2]

This general statement covers the ambition of both the NDIS and the NIIS, and the reform that has followed has equity and fairness at its heart. If governments believe in the principles of the NDIS then there should be no question about progressing the NIIS to include no-fault motor vehicle CTP schemes. The fact that there is some equivocation is disturbing.

Question 2

The need for the NIIS has been and unfortunately continues to be a sleeper issue in the community. It is a reality that injury insurance/NIIS and the NDIS have been conflated in movement towards the NDIS. The public understanding about the NIIS has never been good and from what the Alliance is hearing in the community, many people continue to think that the NDIS is comprehensive and covers all people, including those suffering catastrophic injury.

It also continues to be the case that people commonly think they are already covered through Medicare and/or their CTP charge. This makes it difficult to generate a public appetite for reform at the State/Territory level.

The fact that we have had some movement in SA and the ACT is a credit to those governments who have delivered genuine reform. The remaining States are not being pressured by their communities for this reform as yet. This means that these reforms may unfortunately be considered only optional. The design of the NDIS bilateral agreements should have locked the jurisdictions into the NIIS more fully.

Instead of understanding that their access to the health and other resources required to maximise recovery from a catastrophic injury will depend on what state people are injured in; where the vehicle in which they are injured is registered; as well as the fault or no fault basis of the respective state's Compulsory Third Party motor vehicle scheme, most Australians presume they will receive the care and

[2] Lunn, S. "Disability scheme to battle 'cruel lottery' of care", *The Australian*, May 1 2012.

attention needed to advance their recovery should they have the misfortune to suffer a catastrophic injury in a motor vehicle accident.

The Alliance's work with a large number of catastrophically injured individuals and their families attests to the fact that, prior to the event, each person assumed they were 'covered'. As well as the trauma of a life changing injury, families then have had to confront the reality that public health and human services systems did not have capacity to provide long term rehabilitation and/or the support services required to maximise their loved one's recovery and support their long term needs.

Nowhere is this public ignorance more profound than in the area of motor vehicle accidents. Most Australians are ignorant of the fault/no fault status of their respective state CTP scheme. They are also equally ignorant of the implications of this status should they be injured in a motor vehicle accident.

The Alliance's experience is that, once they are aware of the implications, Australians want no fault CTP cover and are willing to pay an additional amount to have it. The fact that the current work on the NIIS has a low public profile in comparison to the NDIS is not assisting the prosecution of the case for reform in any public sense. (As a case in point, the Alliance believes that the RIS has not been well enough publicised, and we have worked to promote the consultation across Australia in the month this has been out).

No fault motor vehicle schemes are already in place in Victoria, NSW and Tasmania. From July 1 2014, South Australia will move to no fault status as will the ACT by joining with the NSW scheme. The Northern Territory is considering legislation to move its claims from a capped to a 'reasonable and necessary' basis.

As part of these states' efforts to deliver the NIIS, these significant realignments mean that only Western Australia and Queensland are left with fault based CTP schemes.

While both WA and Queensland clearly need to reform their schemes, there is little public awareness of the need for this important change. Without a dedicated public education campaign and widespread public support for this reform, there will be no incentive for reluctant State governments to act.

The Alliance would strongly recommend that the work of the Treasury working party have greater visibility at the both national and jurisdictional levels; and that commitment is made to a public awareness raising campaign of the need for these reforms and the benefits they will deliver across the board.

Questions 4 and 5

The Alliance largely agrees that the stated objectives are central to government action in this area.

We strongly believe, however, that this work should not simply be limited to motor vehicle scheme reform, but also to the other injury causes listed in the introduction to this RIS. As stated earlier, this work needs to escalate the work in these other areas to be done concurrently with the reform of motor vehicle schemes. It also needs to be more transparent and inclusive, and not reside solely within governments.

While it may be administratively convenient to work through the different areas sequentially, the Alliance strongly believes that there is a compelling case to work on the whole of the NIIS due to the public's widespread interest in the NDIS; the risk of aged care placement for people injured before (and if) the reform is completed; and the need to strategically address the lack of capacity in specialist rehabilitation across Australia.

At the very least, the Alliance believes the Treasury group needs to consult, agree, and publish a workplan for the entire NIIS reform, so that community participation and accountability for development of each component of the NIIS can be encouraged.

At this early stage of reform, the Alliance would note that *consistency with* the NDIS should be limited to the *objectives* of the NDIS. The NIIS should not aim to mimic the detail of the NDIS' structure or rules, rules that have been devised around the different structural imperatives of delivering a disability services (only) program.

We further believe that States and Territories should be able to design their schemes to include income benefits, impairment payments and common law provisions in their revised no-fault schemes as Victoria's CTP scheme (Transport Accident Commission) already does.

Because the NDIS was primarily about reform of disability support provision, the design of no-fault injury insurance schemes needs to take into account other factors and community expectations.

Question 5 and 6
The base case is well described in the RIS.

It rightly points to gaps in the design of the bilateral NDIS agreements that could be exploited by the states to avoid reforming their fault based CTP schemes, instead using the NDIS as a limited safety net. This is of obvious concern.

Because the NDIS has no legislative capacity to provide rehabilitation, injured individuals will have to depend on the limited resources of their already overburdened state health systems. As well as the latter's limited capacity to deliver slow stream rehabilitation, relying on the limited resources and structures of state health systems denies capacity to develop world's best practice rehabilitation services and responses in the state concerned.

It is precisely because of the existence of the Victorian TAC that Victoria now has what is recognised as the country's most highly developed rehabilitation sector, something acknowledged in the Australian Armed Forces recent decision to make Melbourne their designated rehabilitation centre.

Because the NDIS is limited to individuals aged 65 years and under, relying on the NDIS as safety net also means that those over 65 years injured in a motor vehicle accident will be denied cover by the NDIS; or at least have treatment delayed while their at fault CTP eligibility is established.

Relying on the NDIS as safety net also leaves a significant time gap in the implementation of any necessary reforms. The earliest the base case could be implemented in Queensland is 2016 (although 2019 is more likely) with an unspecified date in WA at this point as they have not agreed to full NDIS rollout.

Given the deficits in the current arrangements for people with catastrophic injury, there is an extreme urgency to reform the CTP schemes to ensure those injured are not intstitutionalised and denied effective rehabilitation.

Quite apart from the problems mentioned above, the base case (as well as option 2) simply does not recognise this urgency. Based on the estimates in table 3 in the RIS, hundreds of individuals will be in this devastating situation before full NDIS rollout if option 1 is not pursued and done so immediately.

Question 7
The Alliance is firmly of the view that there are no non regulatory options to achieve the reform that is required. The very poor life outcomes that have resulted from the current fault based CTP schemes over long periods of time is evidence that, left to their own devices, jurisdictions may not drive the required change.

Minimum Benchmarks
The Alliance believes the Minimum Benchmarks need to be improved in the light of the patchwork approach to the NIIS to date. The Alliance is fully aware that these benchmarks are the result of significant negotiation.

However, we are firmly of the view that the Victorian TAC should be the overriding reference point for the minimum benchmarks and their standards, not the LTCSA scheme in NSW.

Because of the gaps in cover on the margins of current motor vehicle schemes, the Alliance believes there is an argument to extend these benchmarks in the interim to cover the full range of vehicle accidents that are not covered by any other measures in jurisdictions. Given the lack of any timeframe for bringing other insurance areas into the NIIS, a temporary expansion of cover must be built in now.

The benchmarks also need to specifically include a cross sector service coordination function to ensure seamless coordination of supports and services inside and outside

the schemes where appropriate. The 'traditional' inability of CTP and similar insurance schemes to link with community services to complement and improve the life opportunities of claimants, has been a major limitation to effective delivery of services and supports. Compensation schemes have struggled is to integrate their supports with other service areas in the community that are critical ingredients in the achievement of social and economic scheme goals for clients.

Question 8
The Alliance does not agree with the proposition on p19 that some individuals are 'double compensated' if they access public funding once their lump sum compensation amount has been expended.

The fact that a lump sum may be does not last a lifetime to meet the lifetime needs of a person is a systemic failing with that model of compensation, and has been recognized as such over time. It is not the fault of the individual needing lifetime support, and this type of characterization carries a risk of victim blaming and exclusion. Rather than double dipping, this short-funding is, in many ways, no more than a cost shift from one poorly designed system to another funding program.

Question 10
Faster access to rehabilitation and lifetime supports services is a key benefit for injured individuals and should be a key objective of this reform.

The reduction of stress and time delays in resolution of key decisions about health and lifetime support by accessing no fault benefits is also an important objective.

Question 15
Adoption of Option 1 would see the States and the Commonwealth save the lifetime costs of care and support currently provided to people over 65 injured in non compensable motor vehicle accidents who are reliant on the public system.

Questions 18-21
The Alliance has no specific data on scheme design issues.

We do, however, want to stress that the current considerations concerning regulation of motor vehicle schemes and the wider policy impacts contained in this RIS (including the need to improve the lifetime responses to injured people; to capacity build in the insurance sector and the services sector; for insurance pooling of reducing unreasonable cost shifts and harvesting potential efficiencies et al) needs to be cognisant of the other components of the NIIS that will follow this exercise.

It may be that under a fully implemented NIIS, CTP schemes in each jurisdiction could manage the no fault insurance arrangements (including premiums, claims management, provider management and service pricing).

What may create short term costs and barriers to the development of insurance and service infrastructure in isolated CTP reform may not be so bad when considered in

the context of the full scheme, given the other sources of income and cost sharing that would come into play over the long term.

Option 2

Option 2 is clearly described but falls short of what is required of universal no-fault injury cover that is aligned to the principles of the NDIS, the minimum benchmarks, and ubiquitous political comment on the NDIS (and by association, the NIIS), such as that made by the former prime minister quoted above.

The flexibility for jurisdictions to pick their own level of implementation of no fault arrangements should not be available to them, for the reasons identified in the RIS that relate to medical and rehabilitation services; and the potentially dire consequences for injured individuals if they are not covered. The attached case study details what is at stake for people in future if this occurs.

The Alliance holds the view that the bi-lateral agreements for the NDIS need to be revisited and revised to ensure that States have no option but to execute the necessary reforms for full implementation the NIIS in the most rapid timetable possible.

To make Option 2 as unattractive an alternative as possible, states that choose this option should be liable for full cost recovery by the NDIS for their infrastructure and staff costs as well as the cost of a care package for an injured individual.

The Alliance is keen to be involved in the NIIS reform process and would welcome any opportunity for a more formal involvement.

In particular, we are aware that this RIS has not had the exposure it deserves, and we are in a position to assist the Treasury Working Parties to engage more fully with individuals and groups in the health, disability and aged care sectors for a fuller discussion of these issues.

The collaborative consultation mechanisms used in the development of the NDIS stand as a guide for how the NIIS may be more positively approached to ensure there is strong community support for this most critical reform.

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Case Study

Carl's story

A trainee surveyor and a keen motor racing fan, Carl was just 21 years old when an oncoming car lost control on a bend and forced his car off the road.

Carl sustained horrific physical injuries in the accident but amazingly, didn't suffer any head injuries. He was taken to a local hospital's emergency department where he suffered a massive heart attack because of the trauma his body had been subjected to. A delay in resuscitation from the heart attack left Carl with a significant hypoxic Acquired Brain Injury that affected his physical capacities but left his cognition intact.

Two months later and while still in hospital, Carl suffered a stroke. The stroke left him with limited vision, almost no use of his legs and arms and significant impairment of his throat muscles that reduced his capacity to speak. Although again, his brain injuries did not affect his cognition, Carl was left trapped in a body that did not work.

Despite these significant impairments, hospital rehab saw Carl well on the way to learning to walk and speak again.

3 months after his injury and very early in his recovery, Carl was transferred from hospital to a sub acute "step down" service. When he entered the subacute service, Carl was able to do standing transfers and walk a few steps with assistance. He was well on the way to further improvement.

12 months after moving to the facility, however, Carl was told his rehabilitation would cease. The reason he was given for this decision was that his rehabilitation had plateaued, despite his good progress - and he should consider moving to an aged care nursing home. Carl refused and was supported in his decision by his parents. He remained in the facility and is still there today.

In the 10 years he has subsequently remained in the facility without further rehabilitation, Carl has gone backwards and lost the capacities he'd regained. Without the physiotherapy he needed, Carl became confined to a wheelchair. He also suffered crippling tendon contractures in both feet and hands that resulted in intense and constant pain.

These contractures eventually required tendon release surgery to both feet and his right hand to manage the crippling pain, meaning he would never be able to walk unaided again or have full control of his hand. Carl refused surgery on his left hand

as, despite the crippling pain he experiences, he would have lost the capacity to drive his electric wheelchair and his remaining independence.

Carl still suffers from excruciating contractures in his elbows, shoulders, wrists and every finger except his index finger.

He remains in the facility with little hope of the life he wants, with renewed pressure from the system to move into aged care. He has virtually no capacity to access the community and only has his parents as visitors. Old friends no longer visit and he is socially isolated. He has attempted suicide once, and has asked his parents for assistance to end his life on numerous occasions.

Impact of QLD's fault based CTP Motor Vehicle scheme

Under the Queensland Motor Accident Insurance Commission's (MAIC) rules, Carl had to prove another driver caused the accident or was in some way 'at fault', in order to receive the MAIC's cover and access the medical and rehabilitation services he needed to fully recover from his injuries.

He also needed to prove his case as a common law claim for compensation from the at-fault driver's compulsory third party insurance.

To succeed, Carl needed to do a number of things.

He needed to identify a negligent and solvent first party as the cause of the accident.

From that point, how much compensation he may have received would have depended on

- Whether the other driver's car was registered and insured
- The circumstances of the accident
- The severity of his injury
- The extent of his disability and future needs
- Judicial interpretation of liability
- The brinkmanship of the out of court settlement process, and
- The process for assessing damages. [3]

A common law claim that requires proof and consideration of these separate areas can take time, time in which crucial rehabilitation and other clinical services may be denied until proof of the scheme's cover is agreed.

For the at fault driver, things are even more dire. Left without recourse because they caused the accident, they receive no cover or assistance at all and are left at the mercy of the over stretched and underfunded public health system for the clinical supports and limited rehabilitation services it may be able to offer.

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[3] See PricewaterhouseCoopers (PwC) for the Department of Treasury, *National Injury Insurance Scheme: Motor Vehicle Accidents. Consultation Regulation Impact Statement*, Canberra 2014. Accessible online at http://www.treasury.gov.au/~/media/Treasury/Consultations%20and%20Reviews/Consultations/2014/National%20Injury%20Insurance%20Scheme%20Motor%20Vehicle%20Accidents/Key%20Documents/PDF/ConsultationRIS_MotorVehicles.ashx

Because of his post-trauma ABI induced amnesia, Carl had no memory of the accident – and the other driver who caused it – until one month past the MAIC's claim 12 month cut-off date. Because Carl could not prove another person was at fault, he was denied the MAIC's assistance.

Carl did investigate legal action to pursue an insurance claim against the hospital regarding delayed resuscitation that left him with a significant ABI, however, after receiving legal advice, Carl decided not to pursue these claims, as he could not be guaranteed of a result in his favour. The risk of having court and other costs awarded against him and his inability to pay these costs in his injured state was, he decided, too great a risk to take.

As a result of his ineligibility for CTP compensation, Carl was denied the clinical and rehabilitation services he needed to recover from his injuries. These services were simply not available in the public health system to him without this eligibility. This denial of rehabilitation has effectively prevented him from achieving maximum recovery and get on with his life in the community.

Denying Carl these crucial interventions has increased his dependence on others for his self care and consequently the overall cost of his care. The 'saving' to the government from limiting eligibility to CTP compensation to people like Carl has been more than wiped out over time through these increased costs of care.

Proof of improvement

Over the last 6 months and in an effort to help him manage unremitting pain, the Alliance has funded twice weekly hydrotherapy sessions for Carl. Quite apart from the opportunity to leave the facility he lives in and interact with others in the community, these hydrotherapy sessions have delivered outstanding results across the board.

Carl is now able to stand and walk with assistance again and his health and well being have improved markedly also. That such significant improvement could be achieved with so little comparative clinical input, only heightens the injustice Carl has suffered.

Carl's story is proof that limiting opportunities for recovery for the catastrophically injured is not only a cruel policy…it is false economy. It creates increased dependence on care services, greater demands on the already struggling public health system and devastation for families whose lives get diverted to the care and support of people who should have access to specialist services.

A catastrophic injury can happen to anyone, anytime, and in 2014 we should expect to have decent cover in place.

Appendix A

2007 National Summit on No Fault Catastrophic Injury Insurance

Embargoed till Wednesday October 3, 11.30am

National Summit on No Fault Catastrophic Injury Insurance

Melbourne, 3 October, 2007

RESOLUTION

The National Summit calls for:

1. **Multi-government commitment to implement no fault catastrophic injury insurance that:**
   - acts on the 2005 State and Federal Ministerial commitment to work together on development of a scheme
   - provides funding for life time care services for Australians with catastrophic injuries, regardless of cause
   - reduces inequity of access to lifetime care resources
   - reduces further admissions of young people to aged care nursing homes

2. **The development of a sustainable and equitable lifetime care strategy to meet the current and future needs of Australians with disability through the following key actions:**
   - placing lifetime care and support on the Council Of Australian Governments (COAG) agenda
   - harmonising existing personal injury insurance schemes to an agreed benchmark to deliver comprehensive lifetime care and support
   - expanding coverage to include other catastrophic disabilities needing lifetime care and support
   - making provision for future lifetime care and support liabilities to guarantee service availability and ensure no cost shifting to future generations of taxpayers

3. **A national working party be established to:**
   - enable all stakeholder organisations to work in partnership with government and each other on the design and implementation of a catastrophic injury scheme
   - keep a public policy focus on issues faced by people living with non compensable catastrophic injury
   - maintain effort with regard to agreed strategies
   - act as a clearinghouse of information that
     - ⇨ links technical information with consumer need
     - ⇨ forms partnerships and ensures agreed actions occur
     - ⇨ maintains a media and policy focus that ensures the development of a catastrophic injury scheme takes place

National summit on no fault catastrophic injury insurance

Melbourne
3 October 2007

Despite getting the Council Of Australian Governments (COAG) to last year commit to a limited, five-year program to begin redressing the Young People In Nursing Homes issue, this collaborative initiative between Commonwealth and State governments is unable to address the more substantial reforms needed to finally put an end to this long-standing problem. Key amongst these is the delivery of the sustainable and equitable life time care and support system for the nation.

One of the key factors in so many young Australians entering residential aged care services is the poor coverage of personal injury insurance schemes. While Victoria leads the nation with regard to insurance for transport accidents through the TAC and work-related injuries through WorkSafe, between 60 and 80 young Victorians each year sustain catastrophic injuries that place them outside the cover these two schemes provide.

75% of those injured this way are under the age of 30 and will need care and support for the rest of their lives. Common assaults, domestic accidents, (falling off a roof or ladder), or sporting accidents cause some of a catastrophic injuries that have seen a massive increase in demand for life time care and support services that cannot be satisfied at present. Without a sustainable and equitable life time care and support strategy in place, young Australians will continue to enter aged care nursing homes in the future.

Because of this, the Alliance is bringing key peak organisations and senior state public servants together to progress much needed reforms around catastrophic injury insurance under the aegis of the National Summit.

The need for a dedicated catastrophic injury insurance scheme has never been more urgent. Nearly half of all catastrophic injuries in Australia are incurred via motor vehicle accidents. Three quarters of those injured are under 30 years of age and will need life time care and support. Yet only 3 Australian states have no fault motor vehicle insurance schemes that can deliver this support.

A great deal of work has already been completed in this area by the *Heads of Treasuries Insurance Issues Working Group.* A report commissioned form Pricewaterhouse Coopers on the cost of catastrophic injury nationally recommended the development of a catastrophic injury scheme. One of the senior members of that working group, Chris Cuff, will be speaking at the Summit about the design of such scheme and the evident social and economic benefits it will deliver.

Key peak organisations such as the Australian Medical Association (AMA), Brain Injury Australia, Spinal Cord Injuries Australia and Carers Australia have already given their support and will be attending. The intention is to have a frank and open discussion with the different jurisdictions about the measures needed to take this reform forward.

One of the biggest challenges facing state and federal treasuries across the country is the exponential growth in demand for disability services, now and in the future. As the recent collapse of the CSTDA negotiations have shown, the existing system is unable to keep pace with this massive growth in demand for life time care.

The Alliance believes that catastrophic injury insurance is the first step towards a sustainable long term care and support system for people with life time support needs and is holding this Summit to explore the options for developing such insurance schemes at state and national levels.

Media Advisory

The lack of life time care in Australia and the tragic effect it has on people's lives will be the focus of a National Summit in Melbourne on Wednesday organised by the Young People In Nursing Homes Alliance.

Over 800 Australians suffer catastrophic injuries every year. Three quarters are under 30 years of age and will need support for the rest of their lives.

YPINH national director Bronwyn Morkham said governments across the country were struggling to deliver the services Australians needed in health, disability and aged care.

"There is no greater illustration of the lack of life time care and support than fact that we have 6,500 young Australians trapped in nursing homes because there is nowhere else for them to go," she said.

"The catastrophically injured are one of the most expensive groups to support. A sustainable life time care system would free up significant capacity in our existing health and disability systems that could be used to support those with chronic illness and degenerative disease.

"As well as looking at the key reforms needed to deliver a sustainable national system of care and support, the summit will also examine the main obstacles to these reforms and how they can be overcome; priority areas for action in the next 5 years; and the very real economic and social benefits such a strategy would deliver to the country as a whole."

Speakers at the media conference include:

- **Robyn Thompson.** Robyn's 22 year old son, Ben, suffered an acquired brain injury from an unprovoked assault 14 weeks ago. Despite improvements in his condition, Ben cannot access the rehabilitation and support he needs to recover his health and his life. Without access to these services, Ben will be sent to an aged care nursing home where his chances of recovery are nil.
- **Dr Andrew Pesce, Australian Medical Association**.
- **Joan Hughes, CEO, Carers Australia**.

WHAT: Young People In Nursing Homes Media Conference

WHERE: Andrew Gaze Room, Lloyd Morgan offices, 14th floor, 333 Collins Street Melbourne

WHEN: Wednesday October 3 2007, 11.30am.

Further information: Bronwyn Morkham 0437 178 078

References

Lunn, S. “Disability scheme to battle 'cruel lottery' of care”, *The Australian*, May 1 2012.

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