

ACT CTP - INSURANCE COMPANIES DECIDE WHO WINS AND WHO LOSES

When the nation is appalled at the misconduct of insurance companies revealed at the Royal Commission, the ACT Government intends to hand them control over the lives of the injured and maimed.

Insurance companies have confessed to charging fees inappropriately, churning policies to create commissions and improperly delaying payments but the Government wants to sack the judges and magistrates and let the insurance companies judge who gets payment for their injuries and who does not.

The ACT Government proposes to stop insurance payments to motor accident victims who are less than 5 and 10% “whole person impaired” and it is proposing to let the insurance companies decide who of the injured makes the cut.

Facial disfigurement; the loss of a breast or breasts; the loss of a testicle; walking with a permanent limp and chronic pain might all fail to make the cut-off.

Insurance companies will also be able to decide which treatment and care benefits are reasonable and pay only for what they deem to be necessary.

Vice President of the ACT Bar Association Mr Jack Pappas said, “What kind of system makes the companies which have to pay the injured, the judge of whether and what if any payments should be made?”

It is even more naive when the Royal Commission has shown that insurance companies will put their profitability ahead of policy holders, morality and even the law itself.

“Is the ACT Government the last group in Australia which still believes insurance companies can be trusted?”

The Government has not yet set out how if and by whom the insurance companies’ decisions are reviewable. It also has not decided if an insurance company wrongly refuses a claim, whether the claimants get their costs paid if that decision is overturned.

Members of the public should be very worried that they are having rights which they have had for hundreds of years are being taken away by the ACT Government, by stealth and at the behest of insurance companies.

“It will be a tough time ahead if you are a motor vehicle accident victim but absolutely cruisy if you are an insurance company,” Mr Pappas said.

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