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Ministers edge forward on no-fault insurance plan

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A no-fault scheme providing lifelong care for people who have suffered spinal cord and brain injuries has moved a step closer as figures show that even when paid compensation, victims often run out of money before they reach middle age.

The scheme - an insurance fund that could financially support up to 1300 catastrophically injured people nationwide - is being championed by the NSW Government as a more equitable way of providing long-term care for those not covered by insurance or with no legal case against an at-fault party.

Last week, at a presentation to state and federal insurance ministers, the accountancy firm PricewaterhouseCoopers estimated the national compensation bill for severely injured accident victims could be up to \$600 million a year.

The ministers agreed to collect detailed data and establish eligibility criteria and options for a long-term model of care.

Scheme options to be investigated include establishing a centralised fund managed by Treasury or extending no-fault agreements to motor accident authorities and public liability policies taken out by the Roads and Traffic Authority, schools, councils and hospitals.

According to PricewaterhouseCoopers, about 59 per cent of all severe injuries - mostly brain injuries - are caused by motor accidents, 15 per cent occurred in the workplace, 15 per cent in public places and 11 per cent resulted from medical error.

But many injured people - mainly road accident victims - were unable to identify an at-fault party, and so were forced to rely on state and federal health services, social security payments and family for continuing care. Even when compensation is paid, the money often runs out after 17 years. The average age of victims is 26.

The NSW Special Minister of State, John Della Bosca, said 60 per cent of catastrophically injured people received some form of compensation but it was rarely enough. "Even when compensated, the outcomes for people with catastrophic injuries is poor, with the great majority reliant upon family and community support for the most basic needs," Mr Della Bosca said.

The Australian Medical Association was critical of the lack of progress on setting up a fund for the catastrophically injured.

The AMA president, Bill Glasson, said: "The ministers have failed to address the biggest crisis facing the Australian community, and that is medical indemnity and its effect on the medical workforce and the cost of health care for all Australians."

The human rights lawyer Geoffrey Robertson yesterday added his support for a no-fault scheme in cases of medical negligence as one way to contain medical indemnity premiums.

Speaking at the International Congress for Plastic, Reconstructive and Aesthetic Surgeons in Sydney, Mr Robertson said plastic surgeons were especially vulnerable to medical negligence claims. Judges were unfamiliar with the work they did, he said.

Mr Robertson also supported a move made in England to reduce the weight of expert medical evidence in court.

"The court appoints an expert panel of doctors that has been approved by both sides," he said. "This makes the medical evidence presented more independent and less slanted to one side or the other."

This story was found at: <http://www.smh.com.au/articles/2003/08/12/1060588396444.html>