

Position Paper

CTP Insurance – No Fault Scheme

18 December 2014

Introduction

Aboriginal Health Council of Western Australia

The Aboriginal Health Council of Western Australia (AHCWA) is the peak body for Aboriginal health in Western Australia with 21 Aboriginal Community Controlled Health Services (ACCHS) currently engaged as members. AHCWA's mission statement provides a distinct description of its purpose, as such:

*"The Aboriginal Health Council of Western Australia exists to:
Lead the development of Aboriginal health policy, influence and monitor performance across the health sector, advocate for and support community development of Aboriginal Community Controlled Health Services and build the workforce capacity to improve the health, social and emotional wellbeing of Aboriginal people in Western Australia" (AHCWA website).*

Central to AHCWA's core functions is its representation and advocacy of Aboriginal communities and its 21 member services; with the ability to influence policy and provide state and national level representation. AHCWA is an affiliate of the National Aboriginal Community Controlled Health Organisation (NACCHO), as such; AHCWA positively aligns with NACCHO's core values and emphasises its relationship with NACCHO in providing Aboriginal people with the best primary health care possible.

In providing high quality access to Aboriginal primary health care, AHCWA is underpinned by Article 24 of the *International Declaration on the Rights of Indigenous Peoples* and Article 12 of the *International Covenant on Economic, Social and Cultural Rights*, whereas both express the right of Aboriginal people "to have access to the highest attainable standard of physical and mental health". Accordingly, AHCWA and its member services are representative of the Western Australian Aboriginal population and their rights to access and use primary health care free of discrimination.

Rationale

AHCWA has identified key points for discussion and review in relation to the recently proposed introduction of a no-fault catastrophic compulsory third party (CTP) insurance scheme for people catastrophically injured in motor vehicle accidents in Western Australia. The guiding principles and concepts provided in the Government of Western Australia's 'Green Paper – Option to add No-Fault Catastrophic Injury Cover to Western Australia's Compulsory Third Party Insurance Scheme' provide a platform for AHCWA to offer recommendations and reviews regarding the proposal. The guiding principles and concepts have the potential to impinge on Aboriginal peoples' access and consumption with the Australian health framework.

Statistics affecting Aboriginal people

The current Aboriginal population is overrepresented in rates of serious injuries by mode of transport, which are demonstrated in Australian Institute of Health and Welfare's 'Injury Research and Statistics Series 58 – Injury of Aboriginal and Torres Strait Islander people due to transport 2003-04 to 2007-08 (2010)' (Injury Research). The Injury Research notes that Aboriginal people are 135 per 100,000 times more likely than non-Aboriginal people who represent 85 per 100,000 people who suffer serious injuries in vehicles (Injury Research, p. 7). Furthermore, these statistics are also affected by age and sex distribution, whereas the Injury Research (p. 9) states,

“Serious injury rates for Aboriginal and Torres Strait Islander males and other Australian males were similar up until early adulthood after which Aboriginal and Torres Strait Islander rates were moderately higher throughout most of adulthood. A similar pattern was observed for Aboriginal and Torres Strait Islander females and other Australian females”.

The disparity between Aboriginal and non-Aboriginal people develops considerably through ageing into early adulthood. This could be considered a point of when there is more available access to substances such as alcohol, which tend to impact upon Aboriginal communities and the ability to control a vehicle. This presents a problem as alcohol is a legal substance for those 18 years and above who are entering their early adulthood years. It should be noted that Aboriginal people are more susceptible to high-level alcohol consumption and in instances of vehicle related injuries would result in catastrophic injuries or death.

Injuries in Remote Areas

Depending on a person's residential/regional status (i.e. rural, remote and/or regional) the likelihood of an accident occurring is increased depending on remoteness (Injury Research, p. 21). Thus, the Injury Research (p. 21) stated the following,

“In general, age-standardised rates of fatal and serious injury increased according to remoteness of the person’s usual residence from an urban centre for Aboriginal and Torres Strait Islander people and other Australians. For Aboriginal and Torres Strait Islander people, 70% of those fatally injured and 60% of those seriously injured in road crashes (traffic and non-traffic) resided in outer regional, remote or very remote areas. By contrast, close to four-fifths of other Australians fatally (79%) and seriously injured (82%) resided in major cities or inner regional areas”.

The aforementioned statement exhibits evidence associated with Aboriginal people in remote and very remote areas. This is alarming for AHCWA, as the majority of member services that are affiliated with AHCWA are in areas that are deemed to be either remote to very remote. The emerging patterns provided by the Injury Research (pp. 27-31) indicate that serious injuries are highly associated with remoteness; Aboriginal males in early adulthood are more likely to endure serious injuries in vehicle accidents compared to non-Aboriginal males and females [although not as high as males] reflect the same patterns as their male counterparts.

Costs and Burdens of Catastrophic Injury

The costs and burdens of catastrophic injury resulting from vehicle accidents in the 2013/14 saw 44 injury claims settled with an approximate cost of \$261 million (Green Paper, p. 10). Individually the claims amounted to \$5.9 million per injured person for that financial year. This amount of money, when not compensated to a person at fault poses a significant burden to a person – especially in Aboriginal communities; where low socio-economic to poverty exists (especially in remote to very remote areas). The financial burden associated with catastrophic injuries would be more than low socio-economic to poverty stricken peoples could handle let alone carry as a single person. Western Australian ACCHS would only be able to support Aboriginal people if they suffered a catastrophic injury to a certain extent as funding is limited and the burden of having to care without adequate funding and/or resources could potentially have dire impacts ranging from depression, homelessness, family and community disorder.

Conclusion(s)

The statistical evidence provided demonstrates the necessity for the proposed options provided by the Insurance Commission of Western Australia (ICWA). Furthermore, AHCWA supports the following recommendations from the Commonwealth Government’s Productivity Commission (ICWA, 2014 Annual Report, p. 36),

“...that all states and territories provide motor vehicle no-fault CTP insurance schemes with lifetime care and support for people who suffer catastrophic injuries. Catastrophic injuries mean spinal cord injuries, traumatic brain injuries, multiple amputations, severe burns or permanent traumatic blindness”.

The Productivity Commission endorses the options made available from ICWA. AHCWA's support of this option to increase CTP insurance to ensure no fault cover, would ensure accidents that include Aboriginal people are (which are not part of illegal activity) compensated so the burden and costs associated with catastrophic injuries are not solely owned by individuals, families, communities and ACCHS.

The Aboriginal Health Council of Western Australia advocates on behalf of 20 Aboriginal Medical Services in Western Australia, to ensure that the health needs of the State's communities are represented at all levels.

Policy contact:

Nadia Currie

Direct line: (08) 6145 1019

Mobile: 0431 950 965

Email: nadia.currie@ahcwa.org