

Position Statement on the Proposed National Injury and Disability Schemes

Background

Catastrophically injured and disabled persons deserve more support to meet their future care costs than the current negligence based tort system of compensation can provide.

The Federal Government is proposing to introduce two complementary schemes to deliver a fairer system of support, that being the state administered National Injury Insurance Schemes (NIIS) and the National Disability Insurance Scheme (NDIS).

The Medical Indemnity Industry Association of Australia (MIIAA), as the representative voice of the medical indemnity industry, welcomes this intended and important social policy. It has been active in helping develop support for the proposed injury and disability schemes and has been equally active in helping shape the two scheme model.

Structure and Funding

The MIIAA believes that:

- As soon as the two schemes are operational they should be combined into one scheme to avoid additional confusion and costs.
- While two schemes exist, the state based NIIS should contain uniform minimum standards and the NDIS and NIIS should provide the same benefits for all participants.
- There should be transparency, accountability and certainty of the funding contribution arrangements.
- There should be recognition that the abolition of the future care cost component as a head of damage in negligence claims will not significantly reduce the legal costs of both plaintiffs and defendants.
- Any expectation that the medical profession contribute to the funding of the state based NIIS ought not impact on the affordability of medical indemnity insurance as otherwise Australians will pay more for their medical treatment.

Dealing with Medical Accidents

The current proposed structure places 'medical accidents' within the NIIS. The MIIAA considers that:

- The definition of 'medical accident' is critical to the success of the scheme and requires expert advice from the medical indemnity industry to help deliver the intended policy outcome.
- Once in place, constant review should be undertaken to ensure the agreed objectives are delivered.

The member organisations of the MIIAA provide medical indemnity services to over 70% of Australia's medical practitioners.

Implementation

There may be obstacles, such as funding or disagreement between State and Federal Governments, that prevent the full implementation of the Productivity Commission plan for establishing the NIIS and NDIS.

In the event of delay or disagreement between jurisdictions, the MIIAA recommends:

- The short term implementation of a scheme catering for those with, for example, cerebral palsy, head injury and immunisation complications. This could be expanded to other groups as political obstacles are overcome and would be preferable to no schemes at all.

In Conclusion

The MIIAA encourages the Federal Government to commit funding and move now to establish the National Disability Insurance Agency so that the reasonable expectations of the community are fulfilled as soon as possible.

The MIIAA offers to help the Federal Government to deliver this important social policy.

For more information or to speak with Dr Andrew Miller, Chairman, MIIAA, please contact Claire Leonard on 0439 691 019 or claire.leonard@miaa.com.au