

Australian Capital Territory

# Lifetime Care and Support (Catastrophic Injuries) Motor Accident Injuries Levy Determination 2024 (No 1)

Notifiable instrument NI2024–259

made under the

**Lifetime Care and Support (Catastrophic Injuries) Act 2014, section 84 (Determination of LTCS levy – Motor Accident Injuries)**

## EXPLANATORY STATEMENT

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Section 84 of the *Lifetime Care and Support (Catastrophic Injuries) Act 2014* (LTCS Act) requires the Lifetime Care and Support Commissioner of the Australian Capital Territory (LTCS Commissioner) to determine the LTCS levy relating to motor accident injuries for a contribution period.

Under the LTCS Act, the LTCS Commissioner is required to assess the amount needed to be contributed to the LTCS Fund (the fund) in each contribution period. Specifically, the required fund contribution is an amount that will:

- fully fund the estimated present and likely future liabilities of the LTCS Scheme under part 6 (Payments under LTCS scheme) of the LTCS Act in relation to people who become participants in the scheme because of motor accident injuries suffered during the contribution period;
- meet the payments needed to be made from the fund other than payments under part 6 of the LTCS Act; and
- provide for any other matters the LTCS Commissioner should, in all the circumstances, prudently make provision for in relation to liabilities under part 6 of the LTCS Act.

The LTCS levy is the amount that the LTCS Commissioner considers will result in the required fund contribution for the contribution period and has been determined following receipt of actuarial advice. The LTCS Commissioner has determined this LTCS levy based on the best available data.

The contribution rate for the full 12 months has increased from \$90.40 to \$105.40 for 2024-25, a \$15.00 increase. The higher levy reflects increased costs of providing lifetime treatment and care due to a number of factors including the age and injury

severity of participants. The LTCS Commissioner will reassess the levy amount each financial year on the basis of the updated advice of an independent actuary.

The contribution period applicable for this instrument is the financial year from 1 July 2024 to 30 June 2025. The levy will apply to all motor accident injuries (MAI) policies issued under the *Motor Accident Injuries Act 2019* that commence during the contribution period.

This instrument determines the LTCS levy payable on 12 month, 6 month and 3 month MAI policies. It also determines the LTCS levy on 12 month, 6 month and 3 month MAI policies applicable to vehicles registered under the Concessional Registration Scheme for Veteran, Vintage and Historic (VVH) vehicles.