

Motor Accident Injuries (Business Plan) Guidelines 2025 (No 1)*

Disallowable instrument DI2025-257

made under the

Motor Accident Injuries Act 2019, section 487 (MAI guidelines)

1 Name of instrument

This instrument is the *Motor Accident Injuries (Business Plan) Guidelines 2025 (No 1)*.

2 Commencement

This instrument commences on the day after its notification.

3 Guidelines

I make the Business Plan Guidelines attached to this instrument.

4 Revocation

The *Motor Accident Injuries (Business Plan) Guidelines 2021* (DI2021-252) is revoked.

Nicola Clark
MAI Commissioner
MAI Commission
24 September 2025

*Name amended under Legislation Act, s 60

Business Plan Guidelines

1. INTRODUCTION

The business plan guidelines (guidelines) are part of the MAI guidelines made under section 487 of the *Motor Accident Injuries Act 2019* (MAI Act). The purpose of the guidelines is to provide a framework for the contents of an insurer's business plan.

The object of the business plan is to set out key strategies for a licensed MAI insurer to structure, resource and operate their MAI insurance business in accordance with their duties and obligations under the MAI Act, including conditions of their MAI licence.

Requirements for a business plan to adopt a comprehensive compliance plan to monitor compliance with an insurers' obligations under the MAI legislation and to also complement obligations for an insurer to identify and notify the MAI Commission of reportable conduct under section 412A of the MAI Act.

2. STATUTORY FRAMEWORK

The legislative framework for operating a MAI insurance business includes:

- the MAI Act;
- the Motor Accident Injuries Regulation 2019 (the Regulation); and
- the MAI Guidelines.

Part 7.9 of the MAI Act contains provisions for the MAI Commission to supervise the conduct of an MAI insurer's business. These include requirements for a business plan and actions the MAI Commission may take in relation to the conduct of an insurer's business, including reporting to the Minister on the level of compliance by an insurer with the requirements of the MAI Act and conditions of their licence.

Section 401 of the MAI Act requires a licensed insurer to have a plan describing how the licensed insurer's MAI business must be carried out. The business plan must include a description of how the following things must be carried out:

- the handling of applications for defined benefits;
- the handling of motor accident claims;
- management;
- expenses; and
- systems for processing and transmitting information.

The business plan must also comply with these guidelines and on request be given to the MAI Commission.

Section 402 of the MAI Act requires an insurer to carry out their business in accordance with the business plan, and to tell the MAI Commission about any significant departures from the plan. Section 403 of the MAI Act requires a licensed insurer to revise the plan at least once a year, or on direction from the MAI Commission, or if their MAI insurance business significantly departs from the business plan.

Section 404 of the MAI Act enables the MAI guidelines to make provision for business plans for licensed insurers and the issue of MAI policies. The MAI Commission must consult each licensed insurer before making MAI guidelines in relation to these matters. It is a condition of a MAI licence for a licensed insurer to comply with the MAI guidelines.

If a corporation holds more than one MAI insurer licence, a single business plan may cover all their MAI insurer licenses but must highlight any differences in the plan between licensees. Alternatively, a separate business plan can cover each MAI insurer licence.

3. OVERVIEW

A business plan should include details on the process insurers will take to manage applications and claims under the MAI scheme. For guidance, the business plan should include details for the following components of the MAI scheme:

- Operating structure, human and other resources for the conduct of the MAI business
- Business and customer service culture
- Information and support to prospective applicants, as well as ongoing information and support arrangements for applicants
- Decision-making in relation to defined benefits
- Internal review of decisions
- Decision-making in relation to motor accident claims (common law claims)
- Expression of dissatisfaction and complaints handling
- Protection of personal and health information
- Marketing
- Performance standards and monitoring of statutory timeframes for defined benefit applications and all payments
- Risk identification and management.

4. GUIDELINES – CONTENTS OF A BUSINESS PLAN

A business plan should document strategies to structure, resource and operate the following key and subsidiary elements of a licensed insurer's MAI business under the MAI scheme. It is expected that strategies would include the adoption of performance

standards for subsidiary elements that are time or behavioural based. The plan should also include an assessment of the current and future operating environment for the MAI business and incorporate strategies for managing any potential impacts on the business during the currency of the plan.

Management

- key personnel, accountabilities and responsibilities
- business and customer service conduct and practices that meet the needs of the customer, and that are consistent with the insurer's duty to act in good faith and the objects of the MAI Act.

Defined benefit applications

- provision of information and support to both prospective and ongoing applicants for defined benefits
- the handling of defined benefits applications for treatment and care, income replacement, death, funeral, and quality of life benefits
- process to identify vulnerable applicants
- the management of support provisions to vulnerable applicants (not limited to a specialist officer with the skills, knowledge and experience) and monitoring their engagement with the scheme
- procedural fairness and internal review processes including continuous improvement in dispute resolution
- the prompt management of applications for defined benefits and the early payment of treatment and care expenses
- caseloads applicable to claims consultants for effective management of each application.

Motor accident claims

- the handling of claims
- ensuring claims are resolved as soon as possible
- ensure legal expenditure in response to claims are reasonable in the circumstances.

Outsourcing

- management and oversight of any outsourced functions of the MAI Scheme.

Complaints handling

- consistent with guiding principles in the current Australian Standard on Complaints Management (currently AS 10002:2022) applying to all elements of the MAI business
- maintaining systems to assess complaint records (ensuring all complaints are

recorded and actioned appropriately) and have a process to review complaints to identify risks and systemic issues.

Culture

- ensuring personnel and contractors' behaviour aligns with the licensed insurer's duties to act in good faith and objects of the MAI Act, including by:
 - enquiring about and understanding the individual personal circumstances and any special needs of an applicant to identify vulnerability
 - ensuring injured people are treated fairly, without prejudice, and with dignity and respect
 - ensuring vulnerable people are supported, proportionate to their needs
 - prioritising customer services and outcomes
 - maintaining appropriate and balanced incentive structures, remuneration and performance metrics
- providing mechanisms for personnel and contractors to report unsatisfactory practices in the MAI business without prejudice.

Protected Information

- ensuring appropriate identification and handling of protected information including the use and exchange of personal health information in accordance with provided consents.

Systems for processing and transmitting information

- development and maintenance of ICT systems
- maintaining a data quality framework, ensuring data integrity and security
- ensuring the security and protection of information
- MAI information collection requirements.

Compliance monitoring framework

- adopting a comprehensive compliance plan to monitor compliance with an insurer's obligations under the MAI Act and Regulations, MAI guidelines, licensing conditions and the industry deed
- maintaining systems to identify, record and assess potential reportable conduct situations, and to notify reportable conduct to the MAI Commission.

Risk management

- maintaining a system to identify risks and systemic issues, including from:
 - incidents
 - near misses

- complaints
- maintaining a system to manage and/or control risks and systemic issues.

Business continuity plan

- within the business continuity plan identifying significant risks which may disrupt the MAI business, including risks in relation to human, physical and technological resources, and triggers to inform the MAI Commission.

Marketing

- growth strategies
- marketing campaigns and offering ancillary benefits under a MAI policy, in addition to the statutory cover, including reporting any changes or new arrangements prior to their implementation to the MAI Commission, to ensure that they are consistent with the MAI Premiums Guidelines and there is no cross subsidy against the MAI portfolio.

Fraud

- maintaining a system for fraud prevention, detection, response and deterrence.

Financial Governance

- management and monitoring of the finances of the insurer's MAI business.

5. GUIDELINES – CURRENCY AND LODGEMENT OF PLAN

A business plan should be prepared for a 12-month prospective period and be lodged with the MAI Commission with a full *De Novo* premium filing.

For the 2025 De Novo filing, an insurer may lodge their 2026 plan two weeks after the 2025 De Novo lodgement date but must advise the MAI Commission at the time of the lodgement of the De Novo filing they will lodge the plan on the later date.

A revised plan should also be lodged with the MAI Commission, if there is a significant departure from a plan, or on request from the Commission.