

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)

EXPLANATORY STATEMENT

Section 487 of the *Motor Accident Injuries Act 2019* (MAI Act) enables the MAI Commission to make guidelines about any matter required or permitted by the MAI Act to be included in guidelines.

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,
- systems for processing and transmitting information.

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, including revising the guidelines.

The business plans are provided to the MAI Commission concurrent to the annual premium filing process. As both documents are required to be given by the MAI insurers that has commercial in confidence information, the plans are not made available to the general public.

The updated guidelines require business plans to include additional information on key strategies to manage:

- business and customer service culture,
- vulnerable applicants,
- complaint and dispute resolution,
- caseloads,

- security and protection of information,
- reportable conduct,
- risk management,
- ancillary benefits, and
- fraud.

Human rights

The updated guidelines have been considered in relation to their compatibility with human rights as set out in the *Human Rights Act 2024*. The guidelines apply only to licensed MAI insurers and have no direct impact upon individual human rights to applicants within the MAI Scheme. However, through updating the guidelines, the MAI Commission is protecting the rights of individuals by requiring licensed insurers to have a business plan that include strategies to support customers, including vulnerable applicants.

Consultation on the proposed approach

Consultation on the updated guidelines was undertaken with licensed insurers, as required by section 404. Their comments were incorporated where appropriate. This included a one-off extension by clause 5 of the requirement to provide their business plans two weeks after a de novo filing due to timing issues associated with the finalisation of the related Premiums Guidelines.