

# Exclusions and benefit reductions

## About exclusions and benefit reductions

If the behaviour of the driver, rider or passenger contributed to the cause of the accident or the severity of injuries, their eligibility for benefits under the Motor Accidents (Compensation) (“MAC”) Scheme may be reduced or in certain situations excluded. For example a reduction may apply if the driver was found to be driving under the influence of alcohol, affected by drugs, not wearing a seatbelt or engaging in criminal behavior which contributed to the accident.

### Alcohol or drugs

If the driver of a motor vehicle is under the influence of alcohol or a drug where they are committing an offence according to the relevant State or Territory laws they are not eligible to receive benefits for Loss of Earning Capacity (LOEC) or Lump Sum Permanent Impairment compensation. If the driver is killed the family’s entitlement to other benefits such as Death and Dependency benefits may also be reduced.

The extent of reduction depends on the concentration or the extent of influence that the alcohol or drug contributed to the accident. The driver may still be entitled to medical, hospital and rehabilitation benefits.

Passengers injured in a motor vehicle accident remain entitled to a range MAC Scheme benefits, providing they were wearing a seatbelt and were not engaged in criminal or risky conduct.

### Unregistered vehicles

Drivers and owners of unregistered vehicles make no contribution to fund the MAC Scheme and are therefore not covered by the scheme.

The driver, rider or owner of a vehicle that has been unregistered for more than three months and is involved in a single vehicle accident is not covered by the MAC Scheme. Exclusion to benefits also applies to conditionally registered vehicles used outside their registration conditions. Passengers are fully covered providing they were wearing a seatbelt or safety helmet (if required by law) and not engaged in criminal conduct or risky conduct which contributed to the accident. Where an unregistered vehicle is involved in an accident with a registered vehicle being driven at the time, the driver or owner of the unregistered vehicle may not be entitled to claim LOEC benefits, Lump Sum Permanent Impairment or Death and Dependency benefits. The driver may be entitled to medical, hospital and rehabilitation benefits depending on the circumstances of the accident.

### Seatbelts and safety helmets

A driver, rider, passenger or cyclist who does not wear a seatbelt or safety helmet (if required by law) will receive a 25% reduction to any eligible LOEC benefits, Lump Sum Permanent Impairment compensation or Death and Dependency benefits. The driver, rider, passenger or cyclist may be entitled to medical, hospital and rehabilitation benefits depending on the circumstances of the accident.

### Suspended or cancelled licence

Generally, if the driver’s licence was expired, cancelled or suspended at the time of accident, they are not entitled to LOEC benefits, Lump Sum Permanent Impairment compensation or Death and Dependency benefits. They may still be entitled to medical, hospital and rehabilitation benefits depending on the circumstances of the accident.



## Risky or criminal activity

There is no entitlement to LOEC benefits or Lump Sum Permanent Impairment compensation where at the time of the accident the person driving was:

- engaged in conduct which created a risk or recklessly ignored a risk, or
- found to never held a driving licence for the class of vehicle involved, or
- found guilty of manslaughter, dangerous driving, or an offence that was intentional, reckless or criminally negligent that caused harm.

In the situations above, it depends on the circumstances of the motor vehicle accident for TIO to assess if medical, hospital and rehabilitation or other benefits are available.

## Other insurance cover for personal injuries

If the person injured or killed in a motor vehicle accident is insured under a policy of insurance or entitled to compensation under another compensation scheme any MAC benefits payable will be reduced by the amount of their insurance or compensation entitlement.

## Contact

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