

Financial Hardship and Car Accident Claims: Requesting an Interim Payment

After a **motor vehicle accident,** you might require time off work to recover from your injuries, and your expenses might increase while you pay for medications and early medical treatment.

In certain circumstances, you may be eligible to request an interim or upfront payment from the **Compulsory Third Party (CTP) insurer** in times of financial hardship.

How do I demonstrate financial hardship?

You might be experiencing financial hardship because:

1. You have been unable to work as a result of your injuries.

2. Your partner or spouse has been unable to work because of your injuries and their need to care for you.

Will I automatically be entitled to an interim payment if I haven't been able to work?

You will not automatically be entitled to an interim payment if you haven't been able to work.

In considering an interim payment request, the insurer will:

1. Ensure that fault has been established for your accident, for example, whether your accident was caused by the other driver involved.
2. Consider whether there is enough evidence to support your request. See further below on evidence required.
3. Confirm there is no suspicion of fraud or dishonesty in your claim.
4. Ensure that the interim payment will not exceed the overall value of your claim.

I've met the criteria above; how can I apply for an interim payment?

Requests are made in writing to the insurer and require evidence to support your claim of financial hardship, and the amount you are seeking.

The following documents will often be required by the insurer to consider your request:

- Sick certificates.
- Copies of outstanding bills and expenses which have not been met because of your inability to work.
- Pre-injury payslips demonstrating your income prior to the accident.
- Post-injury payslips demonstrating your income (or leave taken) following the accident.
- Letters from your employer confirming leave taken, modified duties or reduced hours following the motor vehicle accident.
- Financial records including tax returns, notices of assessment, business activity statements, and bank statements.

I've applied for an interim payment, what happens now?

The CTP insurer must respond to your request for an interim payment in writing within 7 days.

In their response, they may approve your request, deny your request, or ask for further information to consider your request.

If your request is approved, the CTP insurer will provide an Interim Discharge Notice for you to sign confirming that they have agreed to make an interim payment to you.

It is important to note that any successful interim payments will be taken into account in the overall settlement of your motor vehicle accident claim. Interim payments are considered as monies advanced to you early, prior to settlement of your claim.

How can Andersons help?

It can be difficult to obtain an interim payment from a CTP insurer, especially when you're trying to focus on your recovery.

At Andersons, we are experienced in obtaining interim payments for our clients in times of financial hardship.

Contact our offices today for a free no-obligation 30-minute meeting with one of our experienced **motor vehicle accident compensation lawyers**.

The information in this article is general in nature and was accurate at the time of publication. Laws and circumstances can change. For advice specific to your situation, please seek professional legal advice.