

Financial Support After a Car Accident: Interim Payments Explained

After a motor vehicle accident, you might require time off work to recover from your injuries.

Unlike a workers' compensation claim, the Compulsory Third Party (CTP) insurer will not pay you on a weekly or fortnightly basis for lost wages while you are unable to work.

In a motor vehicle accident claim, you can request an interim or upfront payment from the 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 can’t 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:

- Ensure that fault has been established for your accident, for example, whether your accident was caused by the other driver involved in the accident.
- Consider whether there is enough evidence to support your request.
- Confirm there is no suspicion of fraud or dishonesty in your claim.
- Ensure that the interim payment will not exceed the overall value of your claim.
- **I’ve met the criteria above. How do I apply for an interim payment?**

Requests are made in writing to the insurer and you 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 which have not been paid 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 document for you to sign. This document confirms that an interim payment will be made to you.

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.