



Understanding your Car Accident Claim without the Legal Jargon

If you've been hurt in a car accident and lodge a **personal injury claim**, you might begin to hear a lot of unfamiliar legal terms. To put it simply, these terms are fancy, and sometimes, they are even spoken in Old Latin which originated from the lawyers who started practicing the profession when the black plague was still flourishing.

You might find yourself feeling like you do not understand your own legal claim because the people around you are not speaking plain English. While these terms are important to keep around, it is certainly more important that you understand what they mean and decipher how they affect your claim process.

This is our 'step by step' guide to understanding 7 of the unfamiliar words that may escape your lawyers mouth:

CTP Insurance

We will start easy with **CTP Insurance**. CTP stands for *Compulsory Third Party* Insurance. This is the insurance that is included in your car registration and covers **injuries to people** caused by a car accident. It is different from regular car insurance, which covers damage to cars and property.

CTP Scheme

This is the system in place in your State which makes sure people injured in car accidents can get help. If someone causes an accident and hurts another person, the CTP scheme helps cover the costs. In South Australia, the CTP Regulator is a government body that oversees how the scheme works. You can find forms and information on their website: <https://www.ctp.sa.gov.au/resources/forms>

Maximum Medical Improvement (MMI) or Stability

Maximum Medical Improvement sounds like a tongue twister. What it means is that your injuries from the accident have resolved as much as possible and you have recovered to the best of your ability.

When your injuries have reached this maximum glass ceiling or have stabilised, you have reached a very important check point in your car accident journey. Stability usually occurs around 12-18 months after the date of the car accident and is the point in the claim where the focus shifts from recovery to compensation.

If you reach MMI or and you do not have a lawyer on board, now is a good time to get legal assistance.

Heads of Damages

“**Heads of damage**” make up the headings of compensation you can claim for as a result of your accident. These ‘heads’ are representative of the aspects of your life that have changed after an accident.

Making a claim is similar to baking a cake, if you follow the recipe, eventually you will get a well balanced cake. Think of each ‘head of damage’ as an important ingredient to making a cake that will not simply disappear in one sitting, but will sustain you well into the future.

It is important that we provide a ‘snap shot’ photograph of the differences in your life before and after the accident so you are fairly compensated under each ‘head of damage’. The recognised heads of damages are:

- **Pain and suffering:** this is a fancy way of saying a payment for the sheer inconvenience of being injured and going through the process. It is not assessed how it is in America, this payment is accounted for in the written law (referred to as *statute*) and is based on the severity of your injuries.
- **Past and Future Economic Loss:** this compensates you for any money you have lost as a result of the accident. A lawyer can also help you to make a detailed assessment of how your accident-related injuries will likely affect your earning capabilities in the future, based on evidence and facts. These lost finances including lost superannuation and interest will form a

part of your compensation claim.

- **Gratuitous services:** this phrase refers to the unpaid care and assistance provided to you by your partner, kids or parents after you have been injured in an accident.
- **Paid Services:** This refers to help around the home or with day to day life. For example, after an accident you benefit from paying someone to clean your house, attend to your garden, or drive you to your medical appointments. These paid services can form part of your claim.
- **Past and Future Medical Treatment:** this one is self-explanatory, but you can include a claim for the past medical treatment you have paid for 'out of your own pocket', and for treatment you will likely need into the future. It is important to have all of your medical evidence ready to go to substantiate your claim to prove what medical treatment you will need into the future. A claim for future medical treatment should be founded on medical evidence.
- **Loss of Consortium:** this one will stump you. It is derived from one of those Old Latin words. Consortium means partnership and a loss of it means that you can be compensated for the impact your accident has had on your relationship. If your relationship has suffered a breakdown or has negatively changed because of your accident, then it should be accounted for in your claim.

Pre-Action Claim or Formulated Claim

To create a Pre-Action Claim or Formulated Claim means to use all the evidence available to write down your story. Usually, a financial offer is put to under each head of damage. This is the first time that you will, step by step, tell the CTP Insurer *how* the accident has affected each aspect of your life. It is usually a longer document and using the cake analogy, it is the method which steps out the ingredients to your personalised cake. The goal is to explain why each ingredient has been included.

This document is important because it is used to facilitate negotiations between you and the CTP Insurer. Once this document is drafted is usually 'kicks off' the process of finalising your claim.

Independent Medical Examination (IME)

Sometimes you'll need to see a doctor who has not treated you before. This is called an Independent Medical Examination (**IME**).

IME Doctors use special tools to measure how serious your injuries are including the::

- **Injury Scale Value (ISV):** Rates each of your physical injuries from 0 to 100;
- **Whole Person Impairment (WPI):** Shows how much your body is affected overall using a percentage;
- **GEPIIC:** Used for mental health injuries and shows how much your mental health is affected overall using a percentage; and,
- **AMA5:** A guideline book used by Doctors to assess permanent injuries.

Time Limits

Time Limits are strict and refer to your ability to lodge a legal claim in the Court to protect your interests to being compensated for your claim. You have a strict **3 years** from the date of the accident to start a legal claim in the South Australian Courts. If you're under 18, different rules apply.

Commonly accidents can resolve prior to this 3 year time limitation, but if it is getting close and you still do not have a lawyer on board, it is time to get legal assistance.

How can Andersons Solicitors Help

If you have been injured in a car accident, Andersons Solicitors offers a **free 30-minute consultation**.

Our lawyers will explain what is going on in terms that you can understand with the compassion that you need. Let us worry about the arguing the legal A B C's and decipher the jargon while you focus on recovery. If you are not sure if you need our help, why not arrange a free no obligation consult today.