

For information
on 26 April 2012

**Legislative Council
Panel on Transport and Panel on Financial Affairs**

**Joint Subcommittee on Issues Relating to
Insurance Coverage for the Transport Sector**

Traffic Accident Victims Assistance Scheme

Purpose

This paper briefs Members on the vetting and monitoring of applications for assistance under the Traffic Accident Victims Assistance (TAVA) Scheme administered by the Social Welfare Department (SWD), and provides relevant statistics of fraudulent claims under the TAVA Scheme.

Vetting and Monitoring of Applications

2. The Traffic Accident Victims (Assistance Fund) Ordinance (the Ordinance) (Cap. 229) provides for the establishment of the TAVA Scheme, which aims to provide speedy financial assistance to injured victims or kin of deceased victims as a result of road traffic accidents on a non-means-tested basis, regardless of the element of fault leading to the occurrence of the accident. At present, the TAVA Scheme provides five types of grants including burial grant, death grant, injury grant, disability grant and interim maintenance grant.

3. Eligibility for assistance under the TAVA Scheme is subject to the following criteria being met:

- (i) the accident is a traffic accident as defined under the Ordinance and has been reported to the Police;
- (ii) the victim died from the accident, or the injury sustained by the

victim gave rise to at least three days' hospitalization or sick leave as certified by a registered medical practitioner;

- (iii) the application is made within six months after the date of the accident; and
- (iv) the victim is a person having the right to remain in Hong Kong or being permitted to remain in Hong Kong under the Immigration Ordinance (Cap. 115), and he/she is not in contravention of a limit of stay, if any, in force against him/her at the time of the accident.

4. SWD processes and considers each application based on the eligibility criteria set out above, including verifying with the relevant departments the information and documents submitted by the applicant, in order to prevent fraudulent claims and ensure that the grants could duly help those with genuine needs. When processing the application, SWD maintains close liaison with the Police, the Hospital Authority (HA) and the Department of Health (DH), with a view to vetting suspicious applications in detail, such as cases where applicants have withheld information, or where applicants have made repeated claims within a short period of time. Depending on circumstances, SWD would pass the medical reports provided by the applicants to HA/DH for re-assessment, and also refer suspected fraudulent cases to the Police for further investigation and follow-up action.

5. Apart from the above vetting and monitoring, SWD also provides a standard report form on fraudulent claims, which is uploaded onto SWD's website, to facilitate members of the public to report suspected fraudulent cases. When SWD receives such a report and finds that any person has provided inaccurate information in an attempt to deceive TAVA payments, the case will be referred to the Police for investigation and follow-up.

Statistics of Fraudulent Claims

6. During the five years between 2007-08 and 2011-12, SWD received a total of 43 557 TAVA applications with a total assistance payment of about HK\$890 million. In that period, 108 persons were found to have made fraudulent claims, involving an amount of about HK\$2.1 million. All these 108 persons were prosecuted and 106 of them were subsequently convicted,

with penalty ranging from 80 hours of community service to six months' imprisonment. The remaining two prosecuted cases are pending court decision.

7. All along the Police and SWD stand on guard against possible fraudulent claims and would take action against those suspected cases. For instance, having observed a number of traffic accidents of similar nature between August and December 2009, the Police and SWD made joint investigation into these cases and conducted the "Operation Blue Day" in November 2010, which eventually crushed a syndicate that fabricated car accidents with used dilapidated vehicles for deception purpose. This operation served as a deterrent against fraudulent claims.

Advice Sought

8. Members are invited to note the content of this paper.

Social Welfare Department
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