

Rapid Payments Fact Sheet

MSD has introduced a new rapid payment assessment option into its claims process to offer options to claimants about how their claim is resolved depending on what is important to them. Rapid payment offers will be able to be progressed within a faster timeframe than is available under current processes.

Why have rapid payments been introduced?

The Royal Commission has called for advance payments to historic abuse survivors who, due to age and ill-health, may not be alive when the new redress system is introduced. Crown agencies have reflected on this and work has occurred to develop a framework for making rapid payments for claimants. Given its large number of claimants, MSD is starting first.

What is a rapid payment?

Rapid payments differ to MSD's current assessment process in that payments are not calculated based on a person's individual experience and concerns, but rather the length of time a person was involved with Child Youth and Family or its predecessor agencies. This acknowledges that the longer a person has been involved with the State, the more likely they will have experienced repeated harm.

These payments can be calculated more quickly as a person's care records will not be checked to consider what information supports a person's specific concerns.

If a person chooses to receive a rapid payment offer, they will still have the opportunity to receive all other parts of MSD's historic claims process. This includes having the opportunity to tell their story, receive their care files, be supported to access counselling and receive an apology for their experience.

How much will rapid payments be?

Rapid payments will range from \$10,000 to \$30,000.

The main payments bands that will be used are linked to how long a person has been involved with Child, Youth and Family (CYF) and its predecessor agencies. The bands are:

- Under 5 years - \$10,000
- 5 – 15 years - \$20,000
- Over 15 years - \$25,000

The time is calculated from the first date a claimant came to the notice of CYF as a client through to the last date they ended involvement with CYF. Where a person had multiple entries and exits into care, to keep our calculations simple, it will be for the entire period from beginning to end.

There will also be additional payments for some claims where we know more serious abuse occurred or where a person's legal rights may have been potentially breached. These include:

- where a person raises concerns about conduct while placed at an NGO run bush programme (up to \$5,000);
- where a person has raised concerns about being placed in secure care or detained in another location (up to \$5,000 in line with MSD's inappropriate detention framework);
- where a person has raised concerns about conduct while placed at an NGO run bush programme (up to \$8,000) or care residence (up to \$4,000) on or after 25 September 1990, being the date the New Zealand Bill of Rights Act came into force. These two payments are alternatives and not cumulative.

As rapid payments can not exceed \$30,000, the full amount of the additional payments above may not be added to all eligible claims.

Will the payment offered under an individualised assessment be the same as under a rapid payment?

The offer made under an individualised assessment may be different from a rapid payment because the two assessment processes calculate payments differently. However, given rapid payments have been designed to be broadly on par with existing payment levels, we do not expect significant differences for most claimants. However, if you have any questions about how payments might look under the different processes, please discuss this with MSD's Historic Claims team.

Who will be eligible to receive a rapid payment?

It is possible that all MSD historic abuse claimants may be eligible to choose a rapid payment. However, in line with the Royal Commission's recommendations, we will be prioritising claims from people who are ill or elderly (70 years or older). We will then be prioritising those who have been waiting the longest.

Given MSD has a large backlog of claims (current wait-times are over four years) – it could be quite some time before we are able to offer rapid payments to those claimants who are not in these priority groups.

Does a person have to accept a rapid payment offer?

Claimants do not have to take part in the rapid payment process and are free to reject any rapid payment offer that is made and request to have a more individualised assessment. For those that choose to ask for an individualised assessment, this will take longer to complete given the assessment process requires a more detailed review of a person's care records.

Will a claimant be able to access the new redress system if they settle their claim with MSD?

All settlement agreements, including those with rapid payments, continue to include a clause allowing a person to access the new redress system if the scheme is open to survivors. Cabinet has yet to make final decisions on this.