



Society of Actuaries in Ireland

Revised Personal Injuries Guidelines

The Evolving Personal Injuries Landscape
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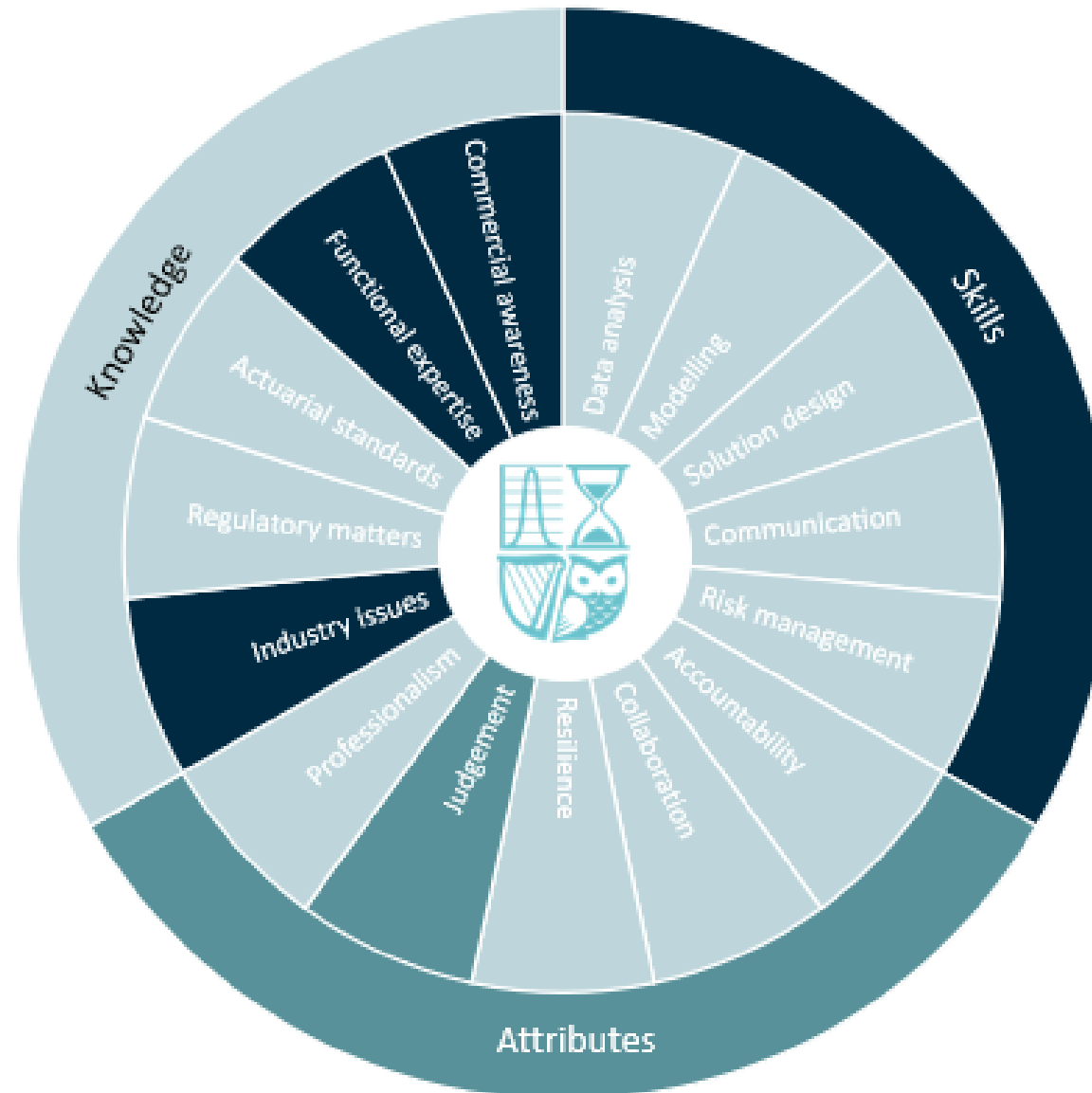
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SAI Competency Framework Wheel



About PIAB



What we do

- Alternative model for resolution of personal injury claims
 - Motor Liability
 - Public Liability
 - Employer Liability
- Assessments fair, independent & non-adversarial
- Result – quicker, cheaper, benefit to parties & society
- Other functions – Collect & Analyse data



How far have we come?

20+ Years

- 20 years ago, Inter-Departmental Group to establish PIAB
- Cost of Insurance Working Group
- Personal Injuries Commission
- Actions Plan for Insurance Reform

Key Recommendations

- Transparency
- Certainty
- Consistency
- Co-operation and use of PIAB
- Judicial Council develop Guidelines

The Data

Soft tissue injuries in Ireland 4.4 times higher than England & Wales

NCID Cost of injury claims grown by 53%, 2009 -2019

33% of cases still going to litigation

The Guidelines

Level of damages in State

Level of damages awarded by courts
outside the State

Principles and awards of High court, Court
of Appeal and Supreme Court

Fair to both claimant and respondent, but
also fair and appropriate in respect of
awards other cases

Few Claims for damages coming before the
courts – 0.5% of cases

Awards 2.3 times higher than England and
Wales – out of kilter

PIAB in Numbers

2019

- 31,078 Applications
- 7.8 months average processing time
- Delivery Costs 6.4%
- €275m value of awards
- 22,000 medicals
- 245,000 visits to website



2020

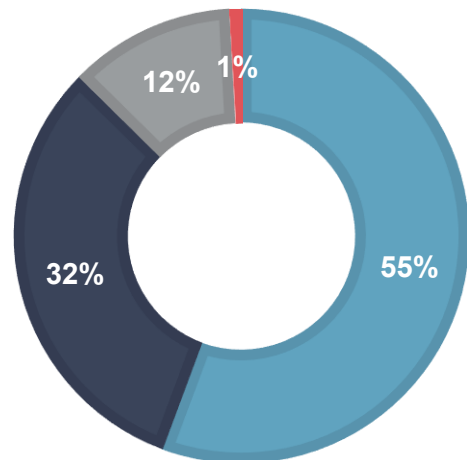
- 26,009 Applications
- 9 months average processing time
- Delivery Costs 6.4%
- €206m value of awards
- 15,653 medicals
- 329,492 visits to website

PIAB Average Awards

	2019	2020
Motor Liability	€22,186	€22,357
Employers' Liability	€29,859	€30,542
Public Liability	€26,189	€26,050
Overall Average	€23,861	€24,023

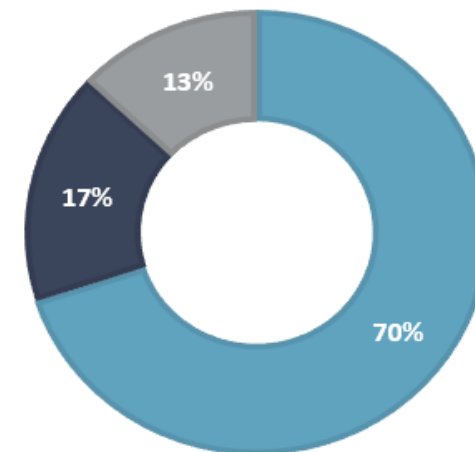
2020 AVERAGE AWARDS

■ <20k ■ 20-38k ■ 38-100k ■ >100k



TYPES OF CLAIMS

■ Motor ■ Public Liability ■ Employer Liability

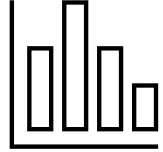




Acceptance and Consent Rates

	Motor Liability	Employer Liability	Public Liability	Total acceptance rate
2018	50%	55%	54%	51%
2019	51%	58%	56%	53%
2020	50%	57%	55%	51%

	Motor Liability	Employer Liability	Public Liability	Combined rate
2018	65%	48%	44%	55%
2019	64%	47%	42%	55%
2020	62%	49%	44%	54%

Personal Injuries Reform

- Data & Transparency 
- Action Plan for Insurance Reform 
- Commitment to enhance & Reform PIAB 

A less painful way to resolve personal injury claims

The PIAB process achieves fair resolutions in personal injury cases, without the expense of taking claims through time-consuming and adversarial litigation.

Compared to litigation, our process achieves:

- ✓ **Similar compensation**
- ✓ **Earlier Resolution**
- ✓ **Far lower legal costs**
- ✓ **Lower overall costs which contribute to cheaper insurance**



*Source: Central Bank of Ireland National Claims Information Database Private Motor Insurance Report 2 – 2019 figures for average claims under €100,000, table 9 and table 11.

Central Bank NCID Findings

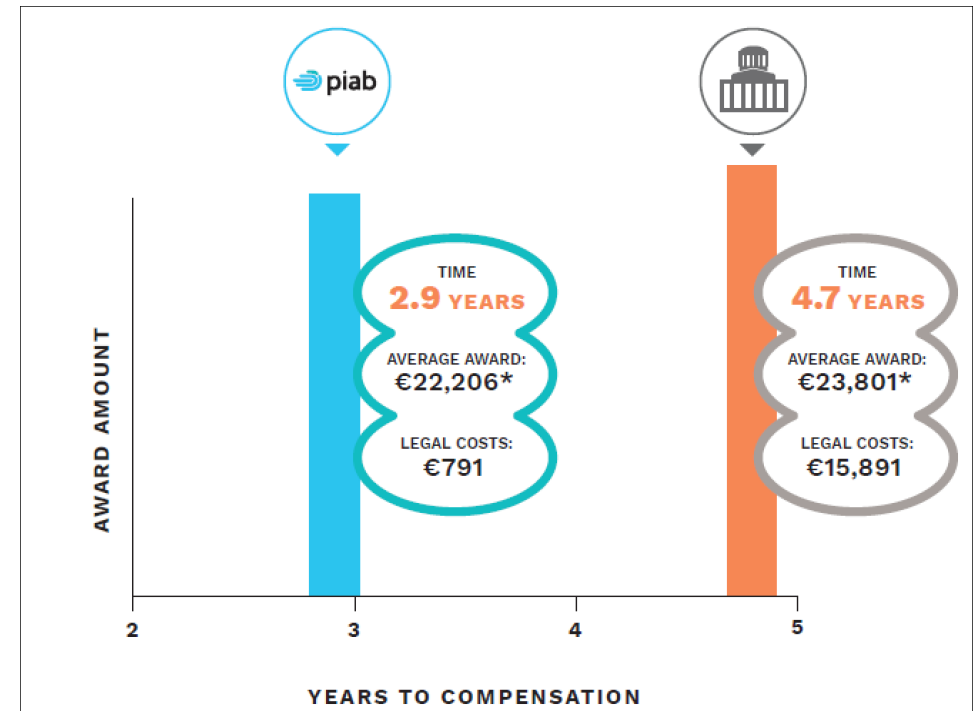
- First two reports on Motor
- Legal costs €791 v's €15,891
- 2% of cases go to Court
- EL & PL Report due at end of June

Enhancing and Reforming PIAB

- Public consultation ended 17th April
- Legislative Proposals by end of June
- Objective: How can PIAB keep more cases within its ambit

Options being explored:

- Section 17 amendments
- Mediation
- Better use of Data



The Guidelines: The Opportunity

- Most significant change since PIAB established
- Need to give it a chance
- Must not undermine the Guidelines
- Test will be acceptance levels & costs
- Not just the guidelines that is bringing change!



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Assessment Board*

THANK YOU



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Assessment Board

Personal Injuries Guidelines

Peter O'Brien
Operations Manager

Presentation to Society of Actuaries in Ireland
July 8, 2021

Personal Injuries Guidelines

Judicial Council approved Guidelines in March 2021

Personal Injuries Guidelines became effective from 24th of April 2021

Must be followed by Courts and PIAB

If Courts or PIAB depart from the guideline levels, they must give reasons

The Guidelines apply to all cases assessed by PIAB after April 24th 2021



Structure of New Guidelines

- **More granular** – subcategories based on recovery periods
- **Ranges of damages** rather than maximum amounts
- **New categories of injuries** e.g., psychiatric damage, lung disease etc.
- **Identification of dominant injury**/most significant injury
- **Uplift** in damages for other injuries
- **Increase in catastrophic amounts** and upper limit

What's Different?

Maximum €550,000

Designed for the courts – submissions

New proceedings from 24th April 2021

Shift in the manner in which General Damages are awarded

Dominant injury

Lesser injuries

Multiple injuries

- Temporal overlap
- Most significant - Where possible identify the injury and bracket
- Uplift – fair and just for all the lesser injuries



Structure and Content

- List of considerations affecting the Level of the Award – detailed for each injury e.g.
 - Age
 - Nature, severity and duration of injury and consequential symptoms
 - Extent of required medical intervention
 - Impact on work
 - Prognosis

Detail

- Brackets of damages -
- Number of Brackets detailed (e.g., Neck)
 - **Most severe** neck injuries
 - **Severe and serious** neck injuries
 - **Moderate** neck injuries
 - **Minor** neck injuries
 - *Substantial* recovery in 1-2 years
 - *Substantial* recovery in 6 months -1 year
 - *Substantial* recovery in within 6 months

How much will award levels reduce by?

Book of Quantum and Guidelines range comparison

- **Minor Neck Injuries**
 - **31% to 67% Reduction**

- **Minor Back Injuries**
 - **31% to 69% Reduction**

Past and Present

- Sample of cases assessed in 2020
- Accepted by both claimant and respondent
- Analysis in the context of the Personal Injury Guidelines

Case Study 1 – BOQ vs Guidelines

BOQ

- Female aged 27 – Motor Accident
 - IND medical exam at 1 year
- WAD I
- At 1 year
 - Intermittent pain right side of neck.
 - 3-6 physio sessions recommended
 - Excellent prognosis
- Full recovery expected 18-24 months
- BOQ - Neck Minor substantially recovered up to €15,700
- **Award €13,000**

New Guidelines

- Minor neck injuries
- Injuries where a substantial recovery takes place within one to two years. This bracket will also apply to short term acceleration and/or exacerbation of pre-existing condition, usually between one and two years.
- Range €6,000-12,000
- **Predicted Assessment under new guidelines: €7,000**



Case Study 2

- **BOQ**

- Male aged 42
- Trip and fall
- Fractured Foot
- Exam at 16 months
 - Difficulty running
 - Recovery expected at 2 years
- BOQ Foot – Fractures – Minor
€18000 to €34900
- **Award €25000**

- **New Guidelines**

- Minor foot injuries
- Where a substantial recovery takes place without surgery between one and two years.
- Range €6000-€12000
- **Predicted Assessment under new guidelines: €10000**

Soft Tissue Neck/Back

General Damages Awarded BOQ	Injury Category New Guidelines	Range New Guidelines	Predicted Award under Guidelines	Reduction %
€12,000	Minor- Back recovery 6-12 months	€3,000-6000	€3,000	75
€10,000	Minor - Back - recovery 1-2 years	€6,000-12000	€7,000	30
€5,000	Minor- Neck/Back recovery within 6 months	€500-3,000	€1,500	70
€14,000	Minor - Back - recovery 1-2 years	€6,000-12,000	€8,000	43

Fractures

General Damages Awarded BOQ	Injury Category New Guidelines	Range New Guidelines	Predicted Award under Guidelines	Reduction %
€25,000	Minor- Elbow- simple fracture uncomplicated recovery	€1000-15000	12000	52
€25,000	Minor Ankle - minor or undisplaced fractures, sprains and ligament injuries. Recovery 6 months -2 years	€6000-12000	10000	60
€26,000	Minor-Elbow- simple fracture uncomplicated recovery	€1000-15000	10000	62
€25,000	Minor -wrist injury-fracture- 6 months - 2 years	€3000-10000	10000	60
€45,000	Serious - shoulder injury -fractured humerus	€40,000 - 75,000	50000*	+11

The Outcome



Reductions in predicted damages ranged from 30% to 70%

In one case the level of damages was predicted to increase

Level of reductions depends on severity of injury

How are cases assessed?

Identify the *Dominant injury*

Identify the *relevant damages bracket*

Consider *where within bracket*

- **Top – middle - bottom**

Have regard to *presence or absence of other lesser injuries*

Lesser injuries are taken into account within the bracket for the Dominant injury.

Multiple Injuries

- Identify the **most significant injury**
- Identify the **relevant damages bracket**
- Consider **where within bracket**
 - *Top – middle – bottom*
 - *Value that injury*
- Have regard to **presence of other injuries and overlap** in injuries sustained
- Apply an **uplift** for other injuries.

Notice of Assessment

- **Dominant**
 - **Identified**
 - **Severity** (and sub category in minor)

Dominant	Neck
Severity category	Minor
Sub-category	Substantial recovery in 1-2 years

Notice of Assessment

General Damages (pain and suffering)		€8,000.00
Dominant Injury	€8,000.00	

Notice of Assessment

- **Most significant injury**
 - **Identified**
 - **Severity** (and sub category in minor)

most significant injury	Wrist
Severity category	Minor
Sub-category	Substantial recovery in 2-5 years

Notice of Assessment

General Damages (pain and suffering)		€13,000.00
Most Significant Injury	€11,000.00	
Uplift	€2,000.00	

The Future



- We expect the process to evolve over time
- Information on interpretation
- Data
- Medical Template



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Questions

**Please click on the 'Raise Hand' icon
to ask a question**

and

wait to be unmuted

or

Use the Q&A function

