

NOTES ON SOURCES

1 The Personal Injuries Commission was set up by the government to benchmark the size of Irish awards compared to those paid in other countries. The Commission is chaired by an independent chair Mr. Justice Nicholas Kearns

2 Insurance Ireland submitted data to the Personal Injuries Commission. This data was verified by KPMG (appointed by the PIC). KPMG looked at the raw data and found that Irish award levels are 4.4 times those of the UK

3 Irish soft tissue compensation levels have risen– while they are being capped in the UK through legislation

QUESTIONS AND ANSWERS

What is the PIC?



The Personal Injuries Commission (PIC) was set up by Government as a key recommendation of their report on the Cost of Insurance Working Group. The report set out three actions for the PIC to undertake, specifically:

- > (No. 31) PIC to investigate and make recommendations on processes in other jurisdictions which could enhance the claims process in Ireland;
- > (No. 32) PIC to benchmark international PI awards with those in Ireland and report on alternative compensation and resolution models;
- > (No. 33) PIC to deliver their third report.

The PIC includes representatives from the medical profession, the legal profession (both the Law Society and Bar Council), the insurance sector, government departments and state agencies with expertise in claims handling and settlement. The PIC is chaired by Mr Justice Nicholas Kearns.

The PIC published its first report in December 2017 and its second report in September 2018.

Why is it benchmarking data?

The biggest cost factor in motor insurance is the cost of the claims paid by insurers. Insurance is a simple model, the premiums of the many pay for the claims of the few. It was important to see how Ireland's injury compensation payments compared to other countries to determine the appropriate policy solution.

Has this been done before?

This is the first time a robust and independently verified comparison of compensation levels paid for soft tissue has been conducted.

What Data was used for the benchmarking?

Insurance Ireland asked its motor insurance members to collect and give the government details of all the soft tissue awards paid to claimants in Ireland in 2015, 2016 and 2017. This is a comprehensive view of what is actually being paid by insurers.