

COST OF MOTOR INSURANCE

LOWER CLAIMS COST = LOWER PREMIUM

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Claims cost is the main driver of Premium costs, accounting for 65% of customers Premium



TACKLING THE ISSUE....LOWER CLAIMS COSTS = LOWER PREMIUMS



ISSUE

Personal Injuries Assessment Board

ACTION

1. Clear and certain sanctions for failure to fully present details of injury or loss to PIAB for assessment to include not allowing additional elements of claim in any subsequent litigation that should reasonably have been presented during the assessment process.
2. Clear and certain sanctions for failure to attend for medical examination with process paused until attendance confirmed.
3. Greater use by PIAB of the powers available to continue assessment for longer than the statutory period of 9 months.
4. A pre-litigation Mediation process to be implemented for those cases that reject PIAB award.
5. Tighter adherence by Judges to Book of Quantum value ranges when assessing damages.
6. Closer regard to the current rules which provide that an assessment by the Board will be regarded as a tender in the event that the claim litigates and the claimant fails to achieve a court award higher than the PIAB award.

IMPACT

1. More transparent process resulting in more appropriate assessment of awards to benefit of claimant
2. Increased PIAB Award Acceptance Rate
3. Compliance with process underpinned by the courts
4. Less cases being litigated
5. Reduced Legal costs
6. Speedier settlement outcomes to the benefit of the claimant.

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ISSUE

International Benchmarking of Personal Injury Awards

The Legal Process and Costs

ACTION

1. A revised framework in which the level of compensation is clearly understood and consistently applied.
2. This framework is underpinned by legislation to ensure it is implemented and sustained.

1. Greater use of Alternative Dispute Resolution opportunities to include Mediation
2. Introduction of Pre-Action Protocols and Case Management in Personal Injury cases to assist effective and efficient progression of cases.
3. Greater transparency throughout the litigation process with strict adherence to and penalties for failure to comply with disclosure rules.
4. Use of an agreed and suitably accredited expert witnesses in more straightforward case.
5. Revision to tender rules to allow use throughout process.
6. More efficient use of court availability and the trial listing process
7. Consistency of awards through closer adherence by Judges to Book of Quantum value ranges when assessing damages
8. More training for Judges.
9. Overhaul of legal costs regime.

IMPACT

1. More appropriate level of compensation awards
2. Greater clarity and consistency as to how awards are assessed
3. Less cases being litigated and reduced Legal costs
4. Speedier settlement outcomes to the benefit of the claimant.

1. Less complex and adversarial legal process
2. Increased opportunity to reach agreement prior to formal courtroom setting
3. Greater clarity as to detail and extent of claims being presented.
4. Greater clarity and consistency as to how awards are assessed
5. Reduced Legal costs
6. Speedier settlement outcomes to the benefit of the claimant.

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ISSUE

ACTION

IMPACT

Fraud & Exaggerated claims

1. An appropriate information sharing framework that supports the prevention, detection and prosecution of fraudulent activities.
2. Establishment of an investigation unit within the Gardai with specific focus on insurance fraud.
3. Reduce level of compensation awards to remove fraud incentive.
4. Civil courts strictly enforcing the sanctions that are already available.
5. Custodial sentences for insurance fraudsters.

1. Reduced frequency of fraud leading to reduced claims costs.

Uninsured Drivers

1. Greater focus in the area of detection and prosecution of those driving uninsured.
2. Reduce the value of compensation awards which will reduce premium levels which will address the affordability issue and reduce the number of uninsured vehicles.

1. Reduced frequency of uninsured driving leading to reduced claims costs.

Investment in Road Safety

1. Maintain the focus on road safety awareness and enforcement
2. Introduce 'Double' penalty points for times of known increased accident & traffic volumes (*ie BH Weekends*)
3. Investment in infrastructure to address known accident black spot areas
4. Appropriately resource driving test centres to address increasing driving test waiting lists.
5. Extend the graduated licence system to include ongoing refresher training and retests for mature drivers

1. Improved road safety leading to reduction in accidents and reduced cost of claims