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PPOs – Back on the Rise

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GIRO 2019, Edinburgh

Agenda

Introduction



- What data are we looking at? How is the current analysis progressing?

Propensity



- The headlines from the most recent quantitative propensity analysis.

Civil Liability Bill



- An update on the Ogden discount rate. A dual discount rate?

Going Forward



- What's next? How are we updating our analysis?

Questions

Comments



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Introduction

25 September 2019

Introduction

- Data taken as at 31 December 2018
 - The current batch of data does not cover as many insurers as previously (11 as opposed to 12).
 - This is due to GDPR requirements meaning there have been delays in collecting data.
 - We still anticipate receiving data from 2 or 3 more insurers.
 - This additional data will be fed into the analysis and published as part of the 2019 GIRO Survey.
 - Please do not compare results to previous analysis.
 - The data presented comes from contributors making up around 75% of the PRA regulated UK Motor market.



Introduction

- Thank you to all our participants!
- Please keep contributing and using our Injury and Care Categorisations.
 - 45% of contributors are using these categorisations



Introduction

- Caveat: Please note that the graphs presented in this pack are subject to further change.



- None of the following analyses contain MIB PPOs or non-PPO large claims, unless explicitly stated.



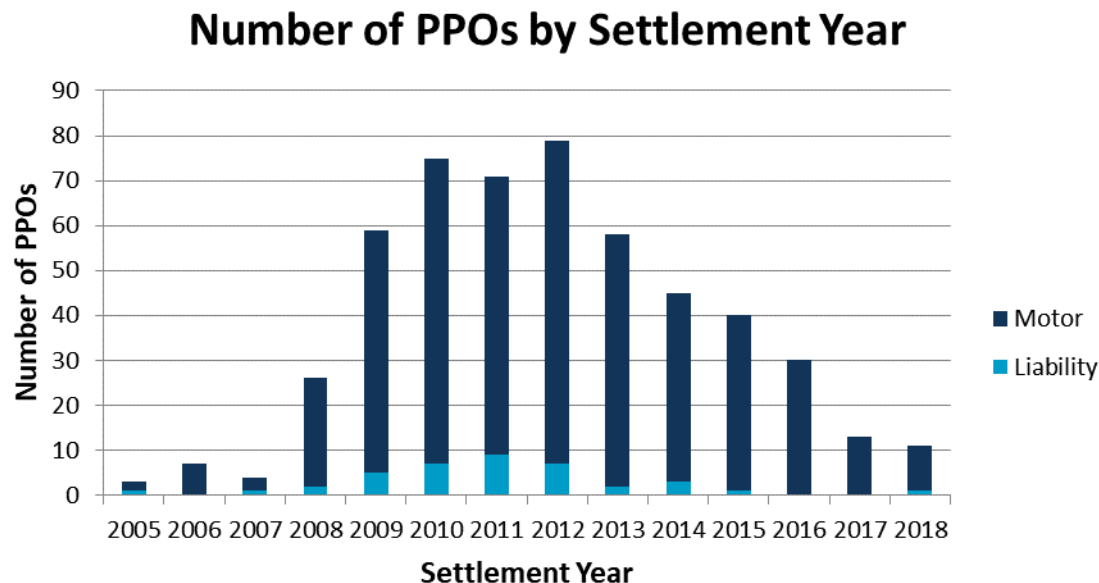


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PPO Propensity

25 September 2019

Number of PPOs



- The number of PPOs settling has stayed at a similar level in 2018.
 - The number of PPOs settling in 2018 has reduced by 84% from levels seen in years 2009-2013.
 - The number of PPOs settling in 2018 has reduced by 71% from 2014-2016 levels.
 - The number of PPOs settling in 2018 has reduced by 63% from 2016.
 - BUT, there are still PPOs in a -0.75% Ogden Discount Rate world!
 - One Liability PPO for the first year since 2015.



PPO Propensity Analysis

- Please note that all of the following propensity graphs involve Motor large claims from 2009 onwards ONLY, unless otherwise stated.
- Please also note that these results are presented as at 31 December 2018 and therefore after the Ogden discount rate change in March 2017, but prior to the Ogden discount rate change in August 2019.
- Large claims have been included in these graphs if they were > £1 million in 2011, using a 7% inflation rate.
 - For PPOs, we have used the equivalent Ogden value as if the claim had settled as a non-PPO.
- We have presented our results on various bases, as explained in the following slides.



PPO Propensity Bases

- Akin to our more recent surveys, we present PPO propensity on a raw basis as well as a standardised basis.
- We standardise the propensity by taking into account the mix in the size of claims experience in each year.
 - This produces a PPO propensity with no bias due to the volatility in the size of large claims by year.
 - Information on how this is done can be found in the appendix of this presentation or in last year's GIRO presentation.

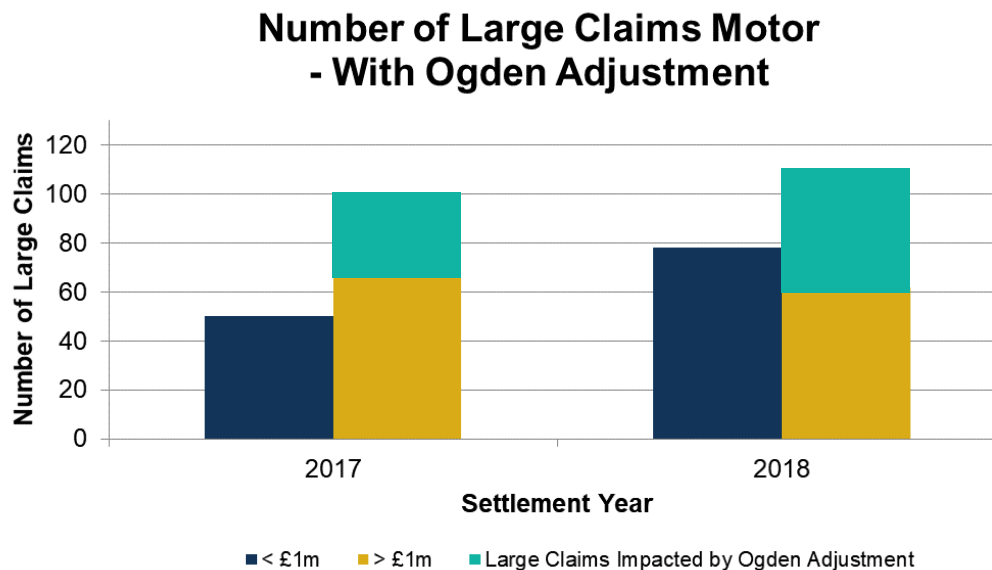


PPO Propensity Bases

- We also present the analysis with and without an adjustment for the change in Ogden discount rate.
 - We have calculated the adjustments
 - We have used the insurer provided values for
 - Estimated discount rate
 - Claimant details (age, impairment, gender, etc)
 - Financial amounts (lump sum, annual cost of care, etc)
 - Thus we have extracted the relevant multipliers by discount rate, age and gender and used these to adjust the settlement amount

Pre/Post Ogden discount rate change March 2017	Ogden equivalent PPO value discount rate	Large Claim discount rate
Pre	2.5%	2.5%
Post - unadjusted	0.5%	Rate used in settlement
Post - adjusted	2.5%	2.5%

Number of Large Claims – Ogden Adjustment

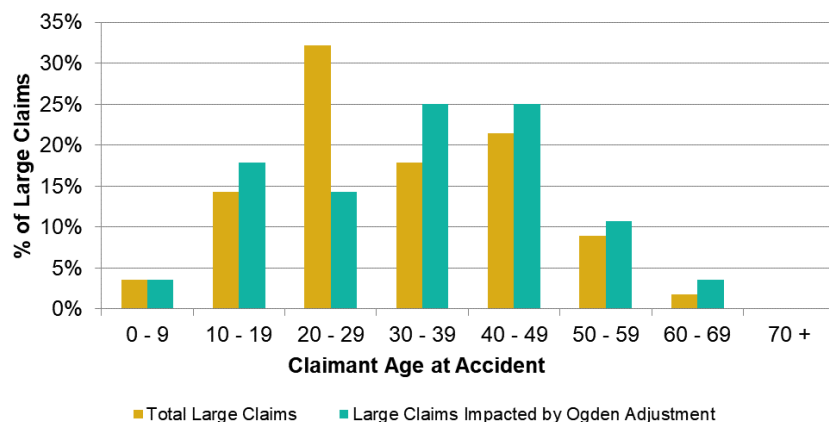


- Large claims have been included in our analysis if they are > £1 million in 2011 money terms.
- When adjusting the large claims to be on a consistent 2.5% basis, the number within the analysis decreases.
- This is driven by large claims of a smaller total value being included in the analysis in a - 0.75% discount world. We would expect these claims to be in respect of:
 - Less severe injuries
 - Older age of claimant

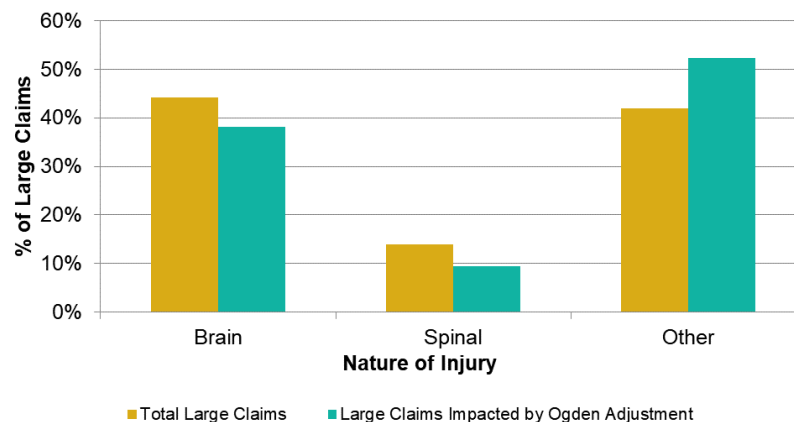


Number of Large Claims – Ogden Adjustment

Number of Large Claims Motor



Number of Large Claims Motor



- The charts above illustrate the split of the total large claims for the 2017 and 2018 settlement year vs the large claims fell beneath the threshold after the Ogden adjustment.
- In general, these claims which became non-large after the Ogden adjustment have a higher claimant age than the total large claims.
- There is also a higher proportion of Other claims compared with Brain and Spinal injury claims, which tend to be less severe in nature.
- As these claims tend to exhibit a lower PPO propensity, we would expect the overall propensity to increase for the 2017 and 2018 years, when making the Ogden adjustment.
- Please note that this is a small subset of data, so subject to volatility.

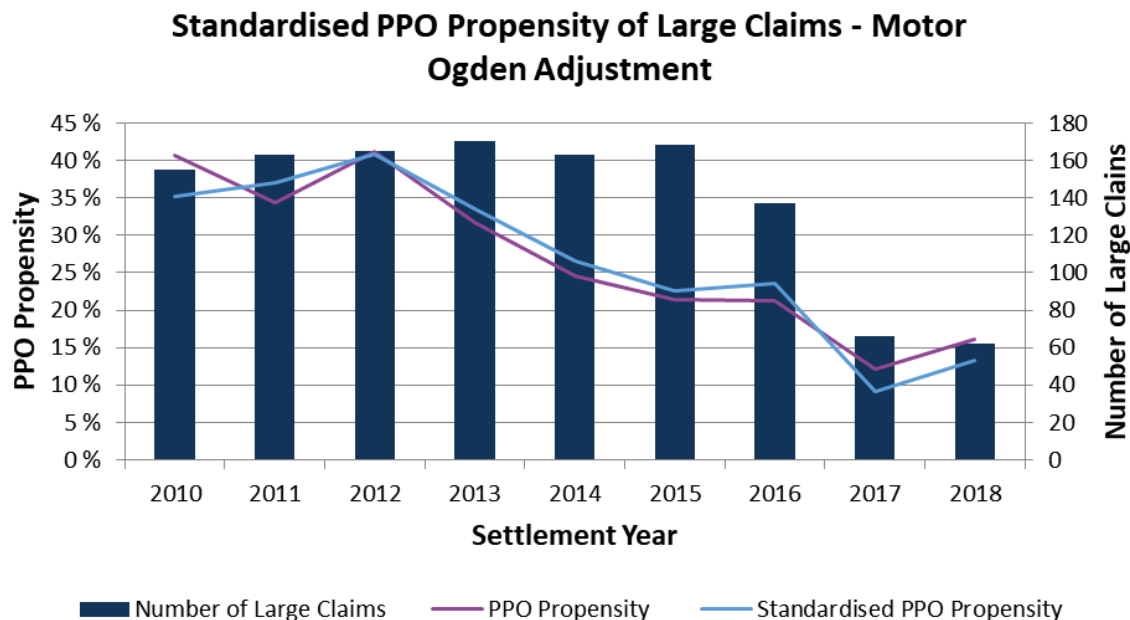


Number of Large Claims – Ogden Adjustment

- What does this mean?
- We expect the Ogden adjusted propensity to be unaffected by the “mix of business” shift that occurs in our unadjusted propensity charts in the 2017 and 2018 year
- This means we can better compare PPO propensity to previous years



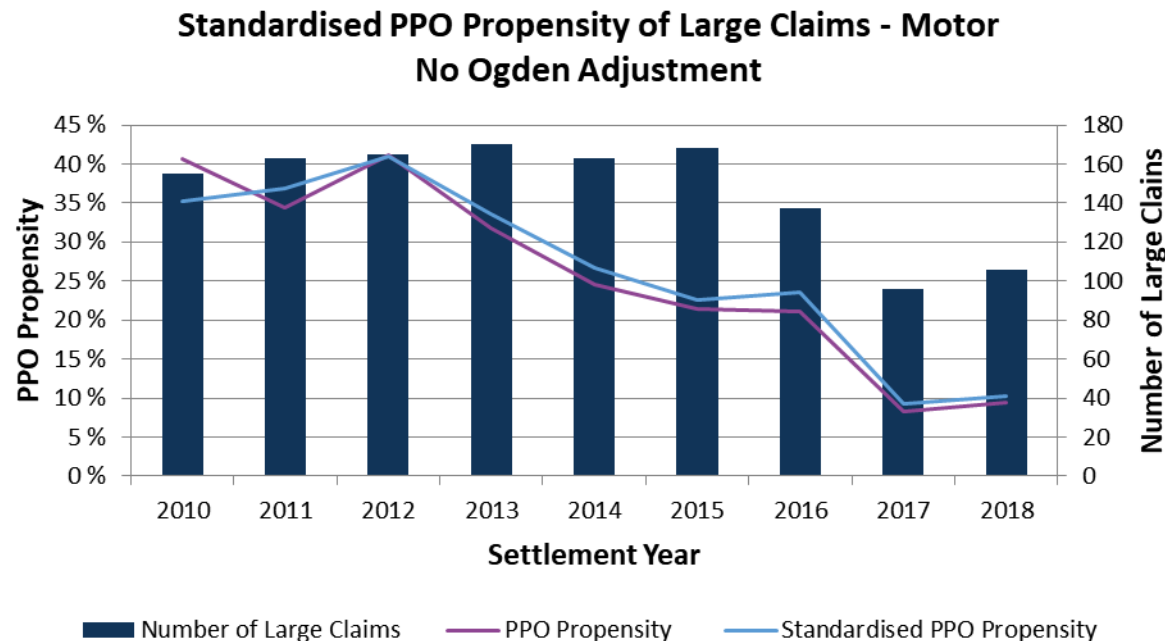
PPO Propensity – With Ogden Adjustment



- This graph aims to show the propensity with the pure monetary effect of the Ogden discount rate change taken away, everything on a 2.5% Ogden rate level.
- The standardised propensity has risen by 48% and the raw version by 33% from the 2017 settlement year.
 - This increase on an Ogden adjusted basis represents a true increase in the PPO propensity compared with the 2017 settlement year.
- Fewer large claims settling above £1 million in 2018.



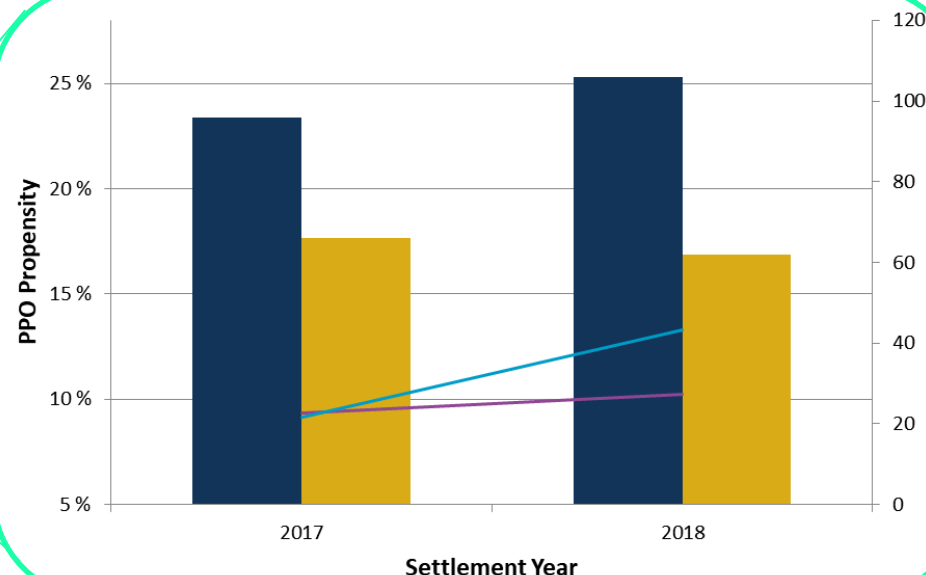
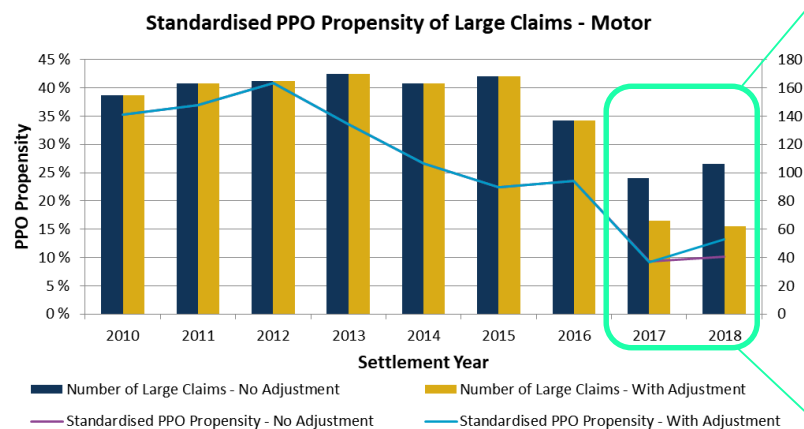
PPO Propensity – Without Ogden Adjustment



- Motor PPO propensity has, increased slightly for the 2018 settlement year.
- The standardised propensity has risen by 6% and the raw version by 13% from the 2017 settlement year
- A small increase in the number of large claims settling above £1 million in 2018. But 2017 and 2019 still exhibit fewer large claims than we might expect
- The PPO propensity figures for older years may differ (not substantially) from previous surveys due to change in mix of contributors.



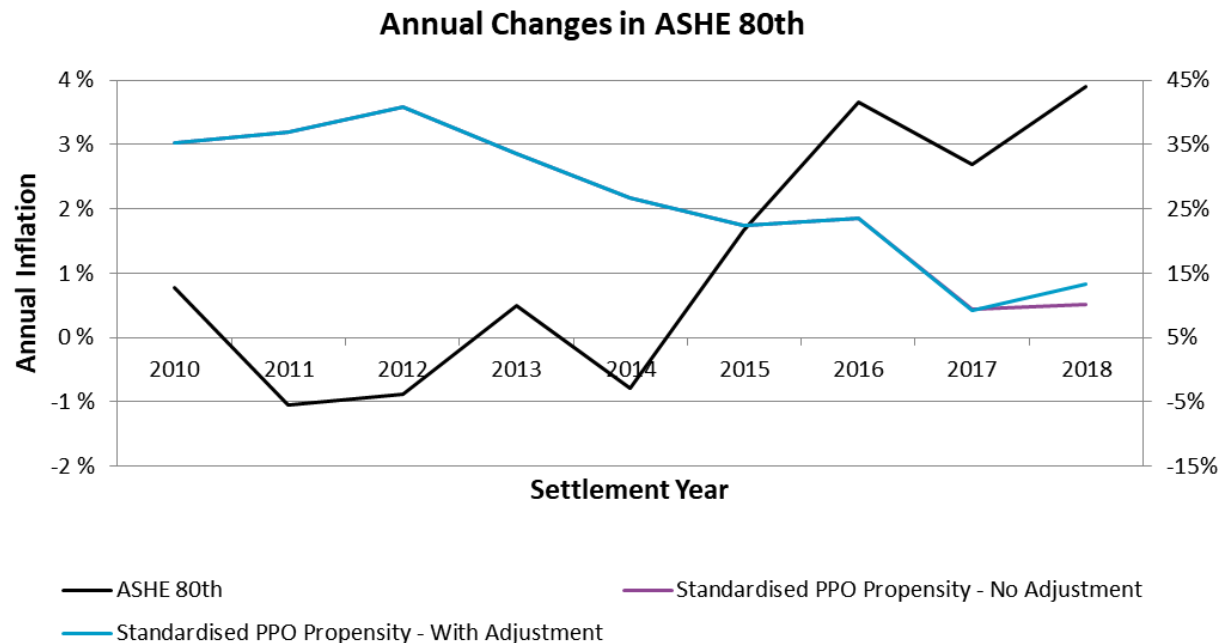
Comparison of Charts



- The Ogden adjustment makes a material difference to the standardised PPO propensity, about 3%.
- Driving factors of the increase in PPO propensity could be behavioral related.
 - Given that many large claims have been settling using a discount rate of between 0% and 1%, perhaps it was thought that the Ogden discount rate would increase by more than it has, thus PPOs were looking more financially attractive



PPO Propensity – ASHE Index



- Between 2010 and 2014 the 80th percentile of the Annual Survey of Hours and Earnings (ASHE) 6115 index was < 1% and negative for 3 out of 5 of those years.
- Since 2014 the index has been steadily increasing and sits at 3.89% for the 2018 year.
- This increase will make PPOs more financially attractive and could be a contributing factor to the increase in PPO propensity seen compared with the 2017 settlement year.

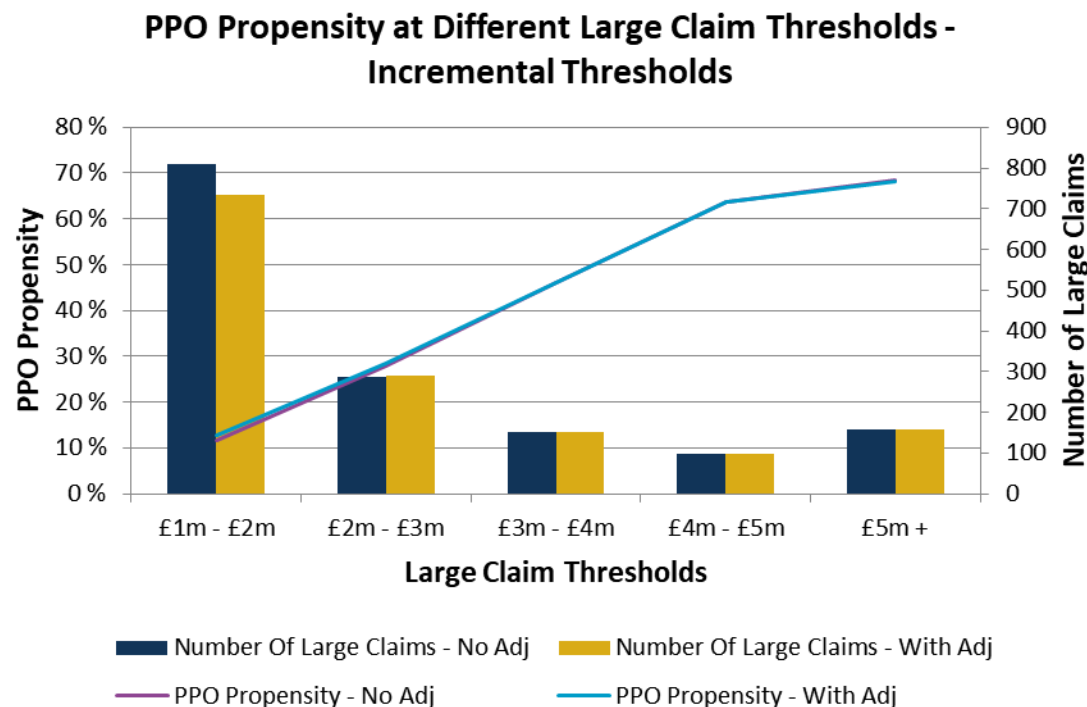


PPO Propensity Continued

- We now present other PPO Propensity analysis on an un-standardised basis.



PPO Propensity by Large Claim Threshold

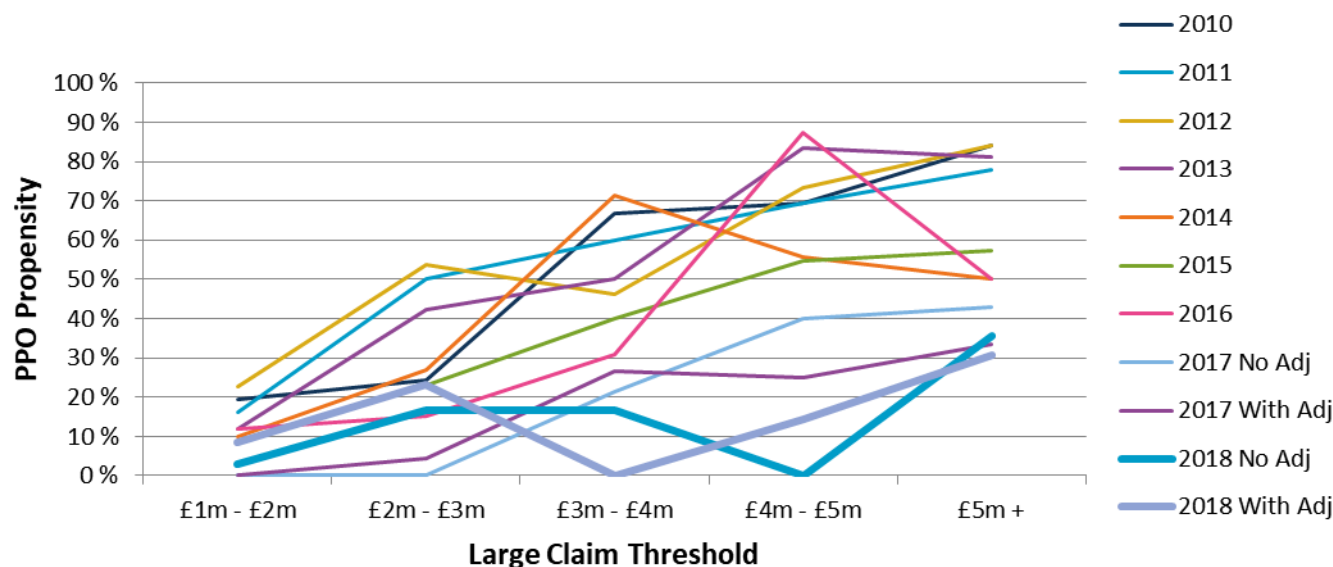


- PPO propensity increases steadily as large claim threshold increases before a reduced rate of increase for claims > £5 million.



PPO Propensity by Large Claim Threshold

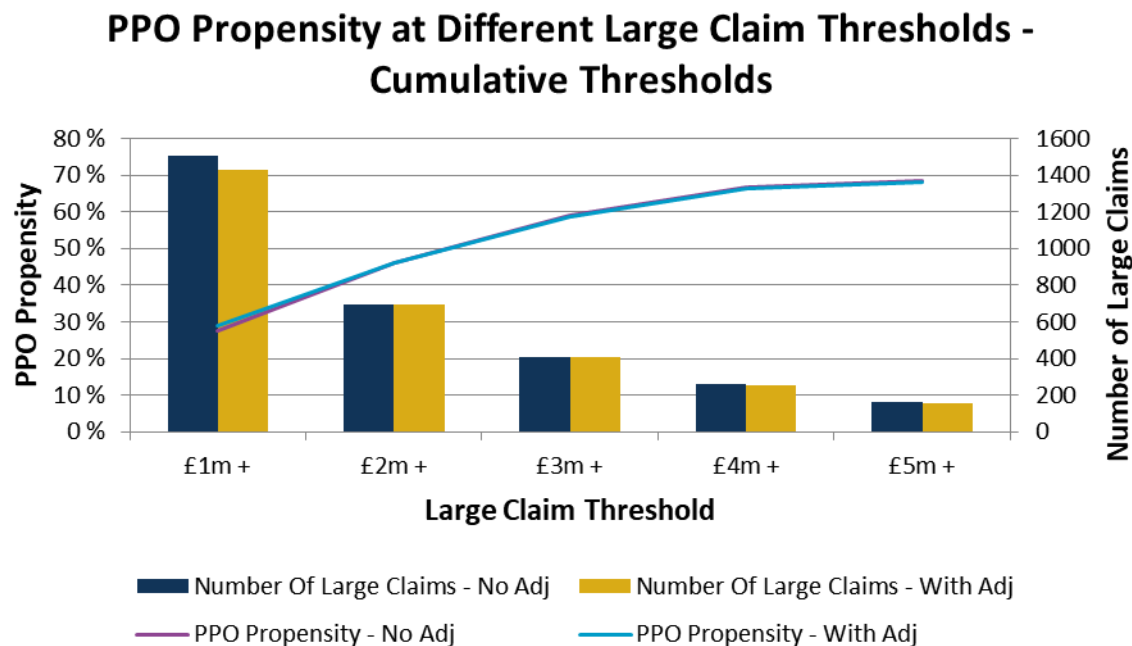
PPO Propensity by Settlement Year - Incremental Thresholds



- 2018 sits at the lower end of the rest of the settlements years in terms of overall propensity, and at below for the higher large claims thresholds.
- Very little data in the higher large claim threshold, so subject to volatility.
- Low data volumes in 2018 year.



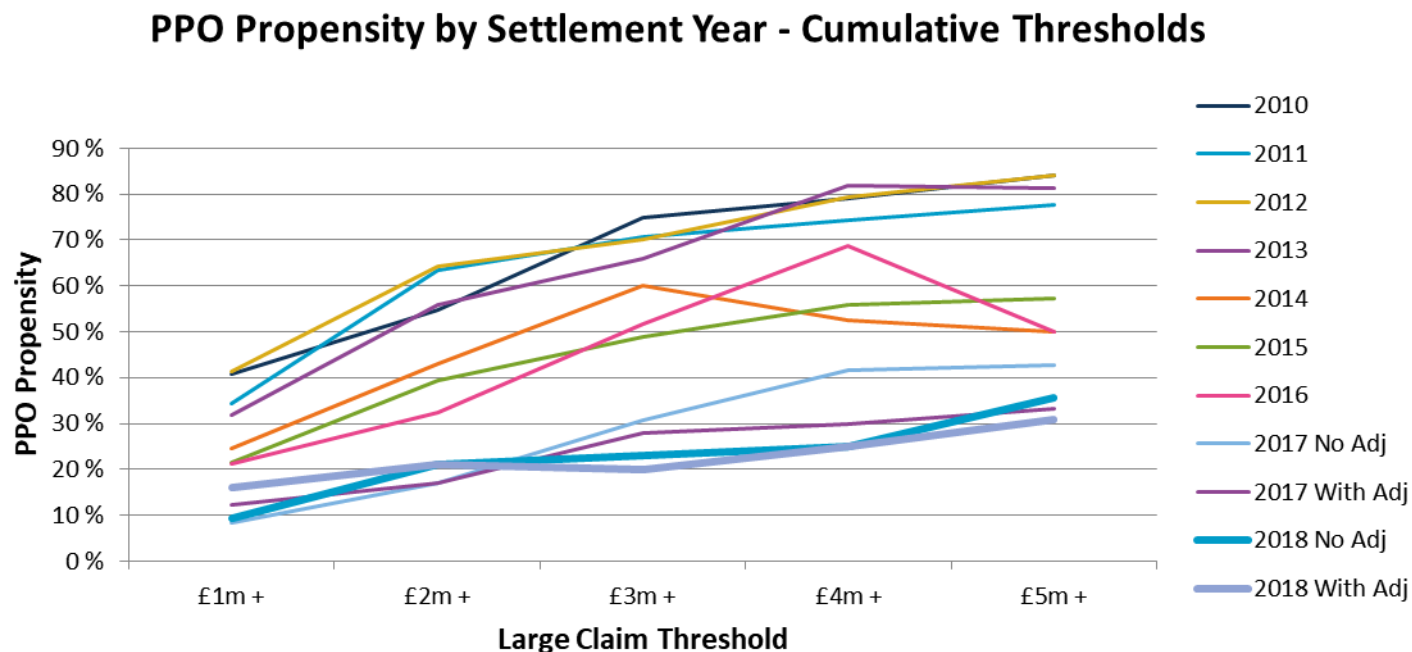
PPO Propensity by Large Claim Threshold



- PPO propensity increases to 69% for all those claims > £5 million.



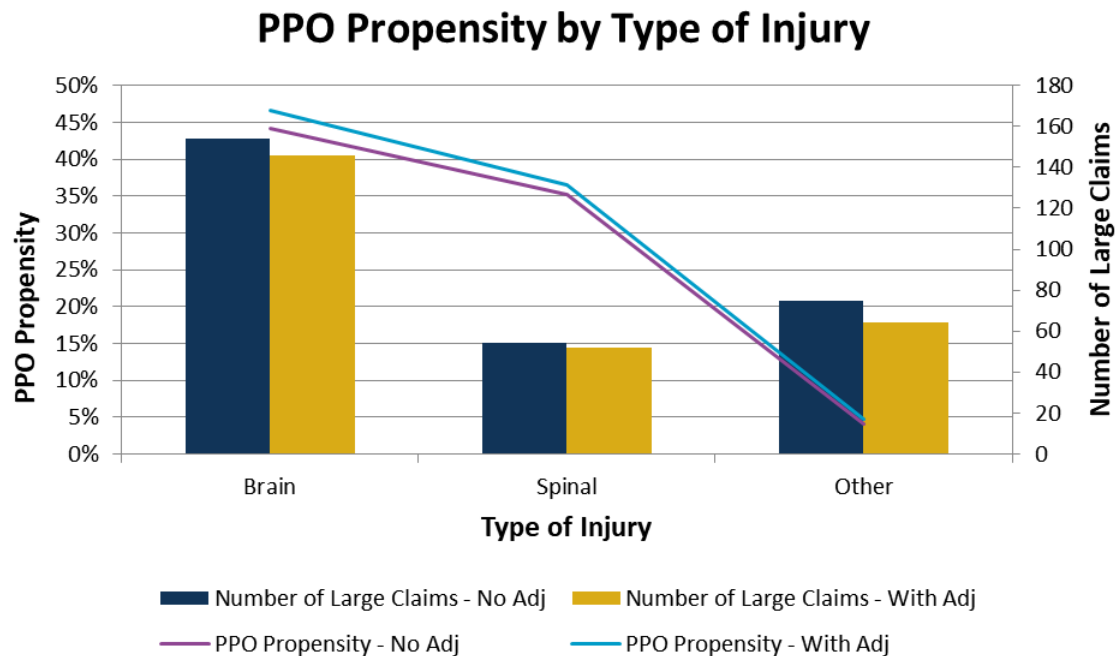
PPO Propensity by Large Claim Threshold



- The PPO propensity is lowest for 2017 in the lower claim amount bands.
 - Once again the upwards trends is consistent.



PPO Propensity by Injury

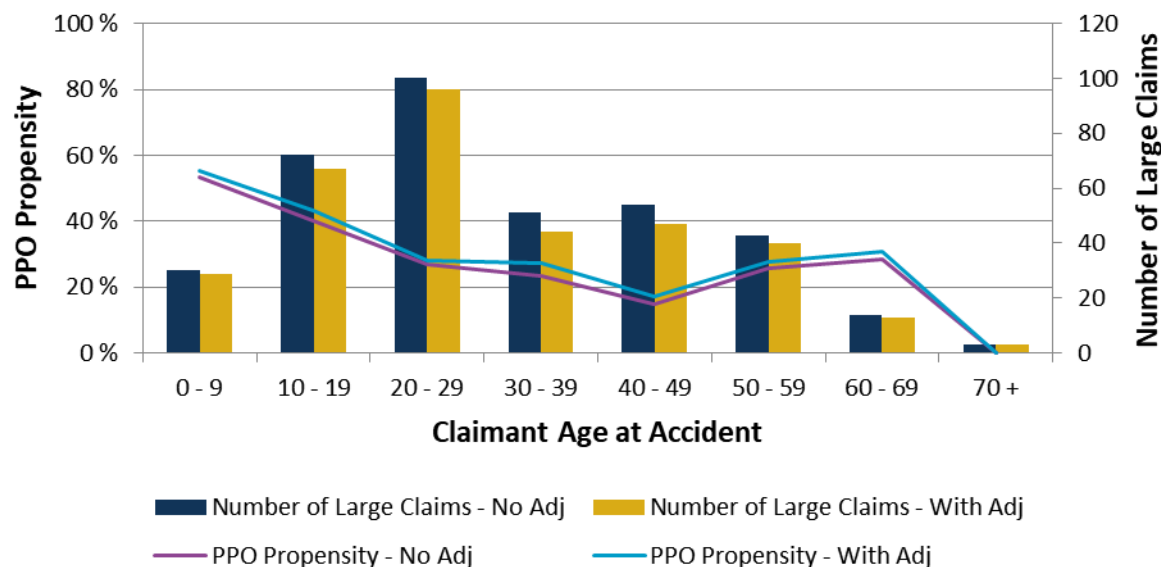


- Produced using data from insurers which told us the nature of injury for their large claims not including PPOs as well as for their PPOs
 - Is only a subset of data, as can be seen from the right vertical axis.
- The propensity appears to be higher for Brain but small sample sizes places limits on credibility.



PPO Propensity by Age

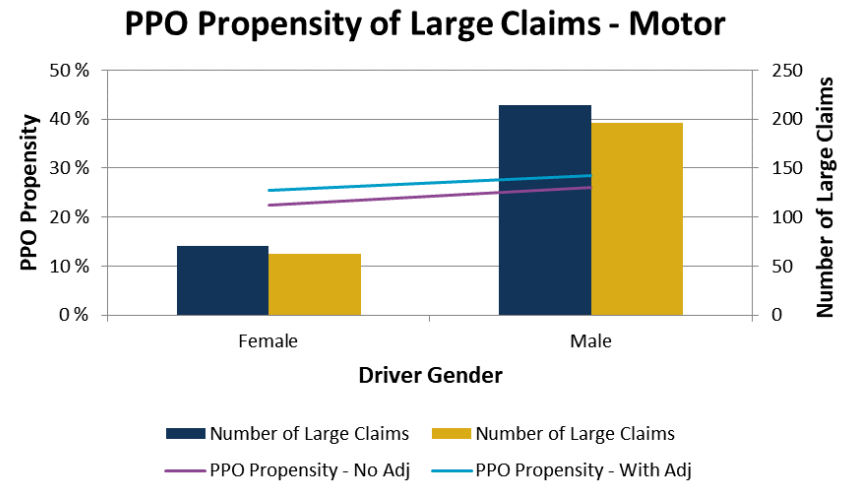
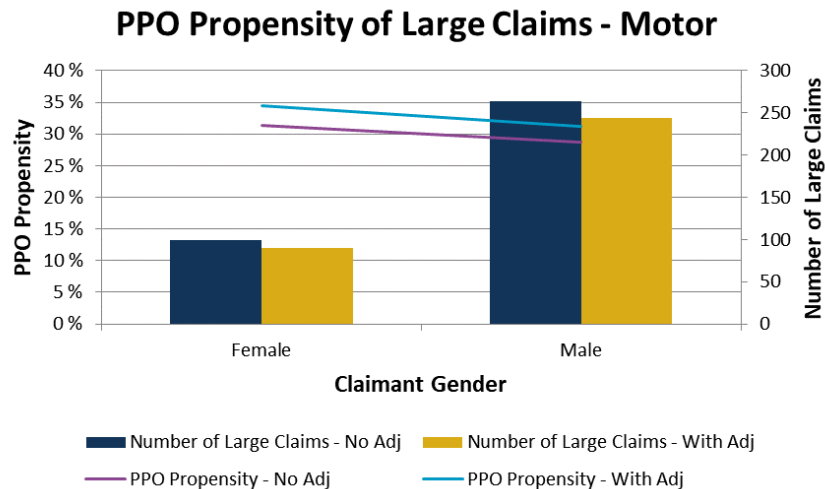
PPO Propensity of Large Claims - Motor



- Produced using data from insurers for which we had claimant age at accident for non-PPO large claims.
 - Is only a small subset of data, as can be seen from the right vertical axis.
- PPO propensity decreases as claimant age increases.
 - Potentially an increase at ages 50+ but very limited data.



PPO Propensity by Gender

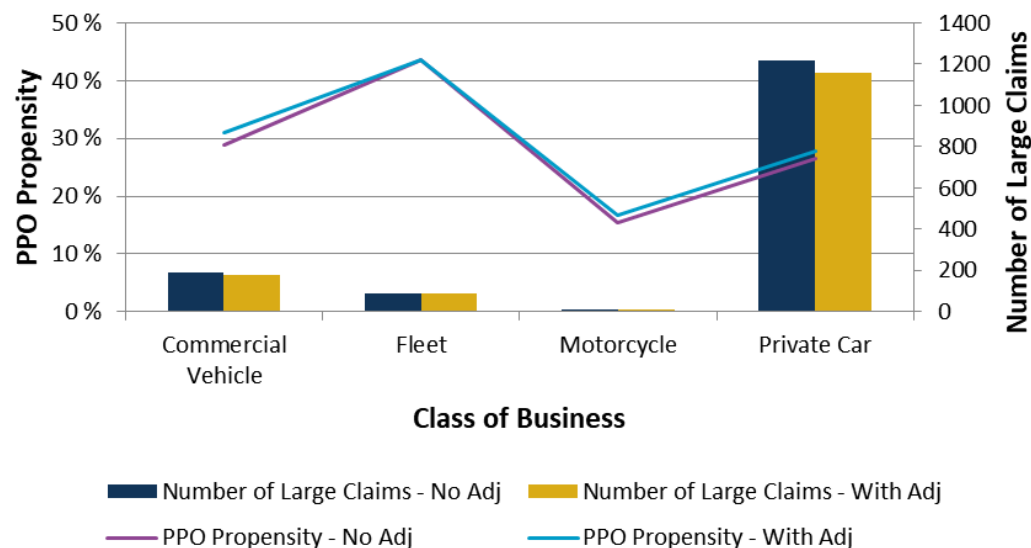


- Propensity is very similar for Males and Female.
- While the data show a marginal difference in propensity between the genders of claimants and drivers, difficult to draw any firm conclusions due to lack of data.



PPO Propensity by Class of Business

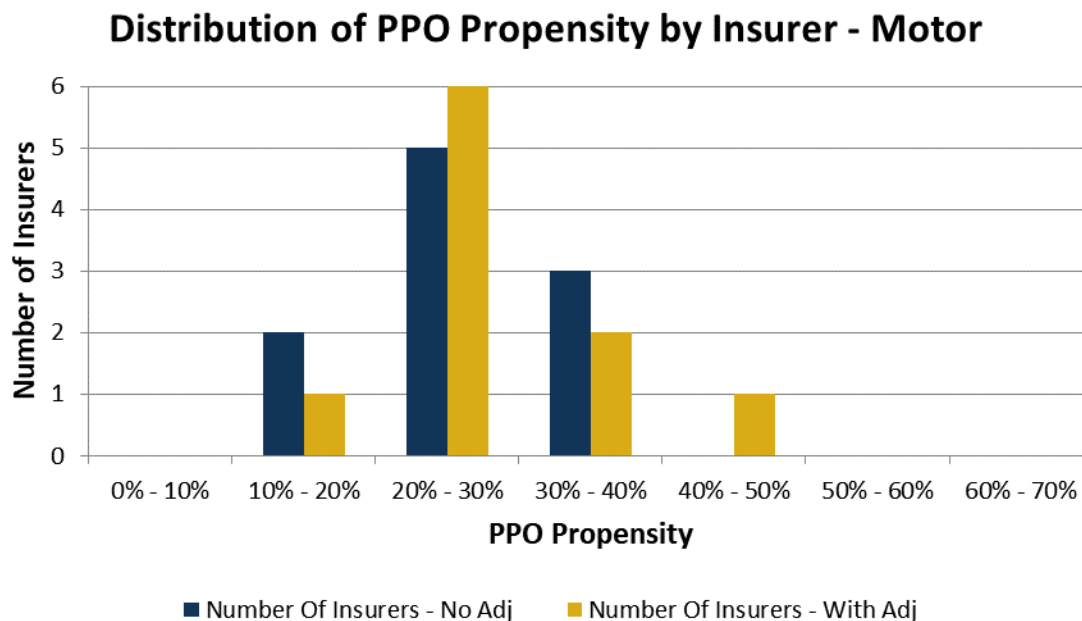
PPO Propensity of Large Claims - Motor



- Fleet business has a very high PPO propensity compared to other classes of business, although not much data.
- Commercial vehicle business has a slightly higher PPO propensity than private car business.
- Motorcycle business exhibits the lowest PPO propensity.
 - Very limited data for motorcycles.



Distribution of PPO Propensity

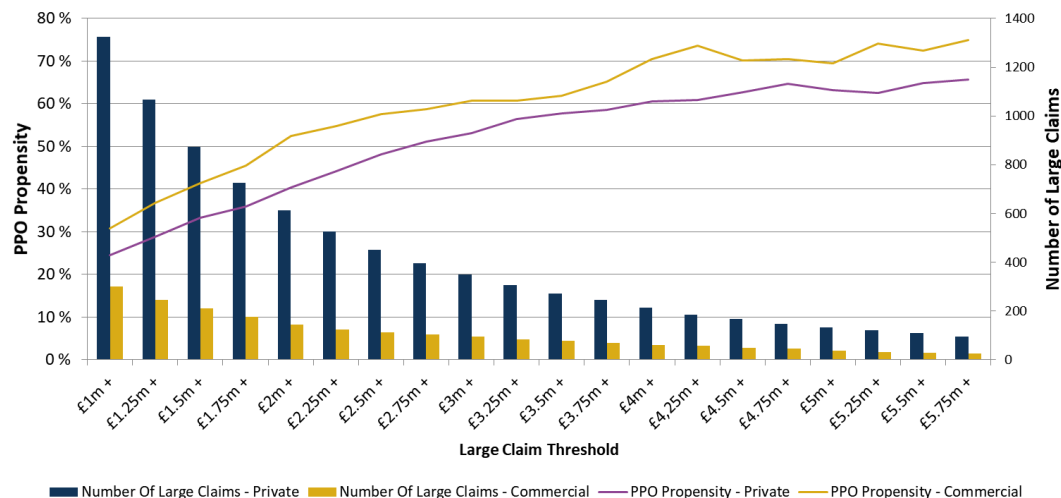


- The majority of insurers exhibit PPO propensity between 20% and 40%.
- The insurers that moved band due to the Ogden adjustment were all within 4% of the boundary.

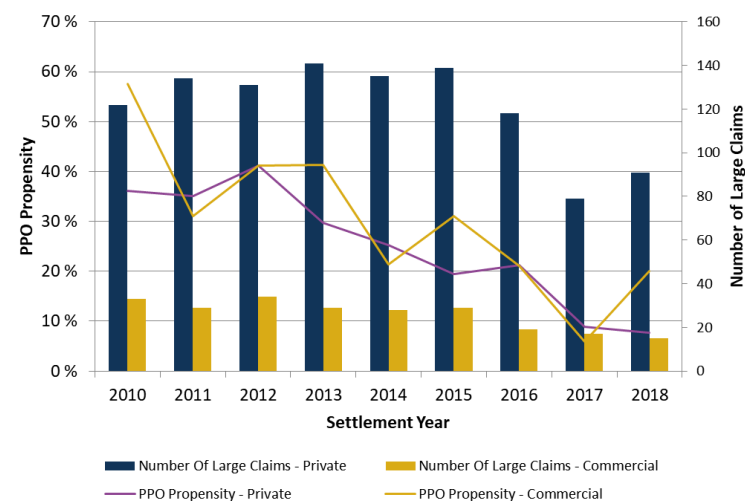


Private vs Commercial – No Ogden Adjustment

Private/Commercial Propensity by Large Claim Threshold

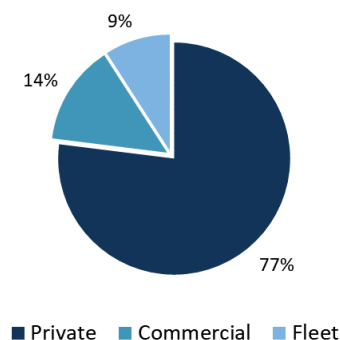


Private/Commercial Propensity by Settlement Year

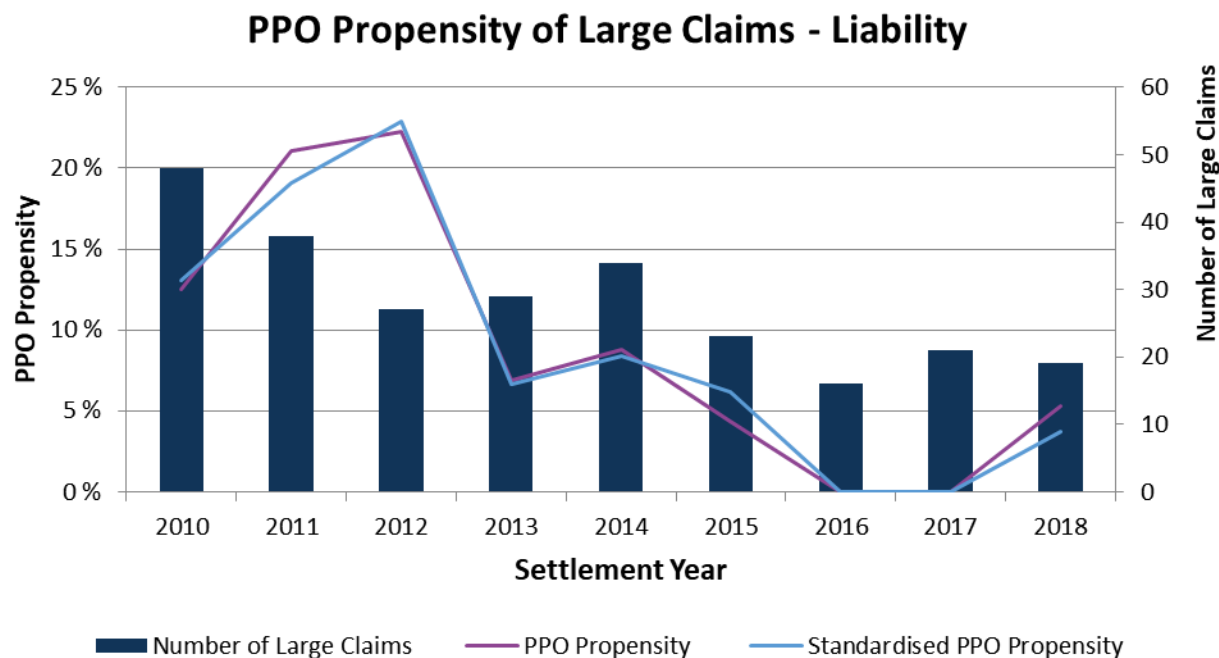


- In general, claimants on Commercial policies have a higher chance of their claim settling as a PPO compared to claimants on Private policies.
- This results is subject to considerable uncertainty at high claim thresholds due to the low volumes of large claims.

Split Of Motor PPOs by Cover Type



Liability PPO Propensity – No Ogden Adjustment



- We have very limited data relating to Liability PPOs.
- We have seen one Liability claim settle as a PPO in 2018, compared with none since 2015.





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Civil Liability Bill

25 September
2019

Civil Liability Bill – England and Wales

- Following a consultation process and as set out within the Civil Liability Act 2018 a revised Ogden discount rate for England and Wales of -0.25% was announced on 15 July 2019, effective for claims settling after 5 August 2019.
- The possibility of a dual discount rate was considered however the Lord Chancellor decided that the evidence was not strong enough to justify a decision to adopt dual rates in this recent rate-setting cycle.



Civil Liability Bill – England and Wales

- The Lord Chancellor alluded to a future consultation covering various approaches for dual discount rates, and possible impacts of them. The approaches include:
 - Method 1: The discount rate used simply depends on the total period of damages being met. In this instance, if the total period stretched beyond the switching point, then all damages would be discounted at the long-term rate. Otherwise all the damages would be discounted at the short-term rate.
 - Method 2: All cashflows prior to the switching point could be discounted at the short term PI discount rate and all cashflows after the switching point could be discounted at the long-term rate.
 - Method 3: All periods before the switching point could be discounted at the short-term PI discount rate and any cashflows beyond this discounted further at the long-term rate, for each year after the switching point.
- The table below illustrates the different methods for a claimant with a 15-year award vs a claimant with a 16-year award where the switching point is set to 15-years.

Method	Claimant with 15-year award	Claimant with 16-year award	
	First 15 years	First 15 years	16 th year
Method 1	Short-term rate	Long-term rate	Long-term rate
Method 2	Short-term rate	Short-term rate	Long-term rate
Method 3	Short-term rate	Short-term rate	Short-term rate for 15 years Long-term rate for 1 year



Civil Liability Bill – Scotland

- In April 2019, the Scottish Government’s “Damages (Investment Returns and Periodical Payments) (Scotland) Bill” passed its final stage in Scottish parliament, with some notable differences to the Civil Liability Bill including:
 - The discount rate being assessed by the Government Actuary for each review.
 - The discount rate being set by reference to a notional investment portfolio constructed on the basis of portfolios described as cautious.
- The deadline for the Government Actuary’s Department to report to Scottish Ministers with a recommendation for a new rate is 28 September 2019, although the recommendation could be submitted before this date.



Civil Liability Bill – Jersey

- In January 2019 the States of Jersey concluded their review of the discount rate with the unanimous approval of the Draft Damages (Jersey) Law.
- The Draft Law provides for the setting of a new two-tiered (dual) discount rate, and also creating a statutory power to award damages by way of a Periodical Payment Order to cover future care costs and lost earnings.
- The discount rates provided by the approved Draft Law are as follows:
 - +0.5% - where the lump sum is to cover a period of up to 20 years
 - +1.8% - where the damages will cover a period of more than 20 years (applicable to the whole of the award, not just the costs arising after the first 20 years). (Method 1 on prior slide)





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Going Forward

25 September 2019

What's Next?

- GIRO 2017 Survey Report (based on data as at 31 December 2016):
 - Published.
- GIRO 2018 Survey Report (based on data as at 31 December 2017):
 - In final review stage, published in a matter of weeks.
- GIRO 2019 Survey Report (based on data as at 31 December 2018):
 - To be completed early next year, hopefully.
 - Excel workbook with numbers underlying key charts and tables to be published.
- Qualitative Survey interviews and questionnaires to be carried out around the turn of the year – look out for an email!
- Any ideas for new graphs or content please let us know!
 - Email Patrick.Tingay@WillisTowersWatson.com
 - Email ifoa_ppo_wp_chair@outlook.com





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Opportunities

25 September 2019

Vacancies

- Chair
- Minute taker
- ESG modeler
- For details see IFoA vacancies website



Questions

Comments

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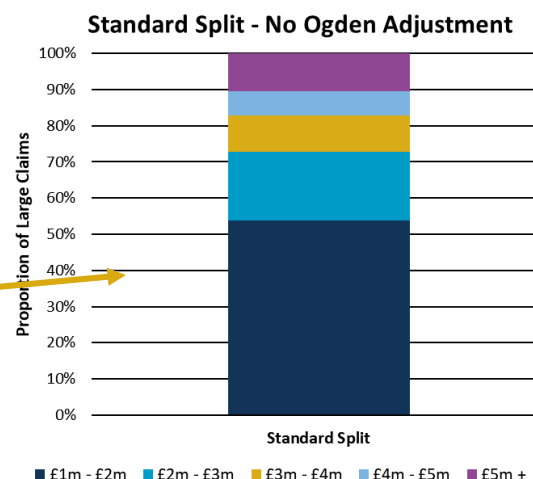
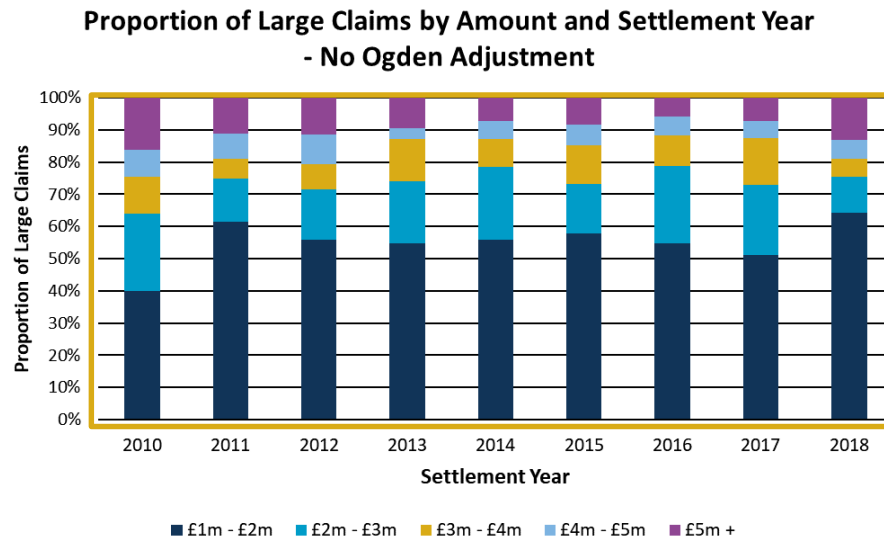
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Appendix

25 September 2019

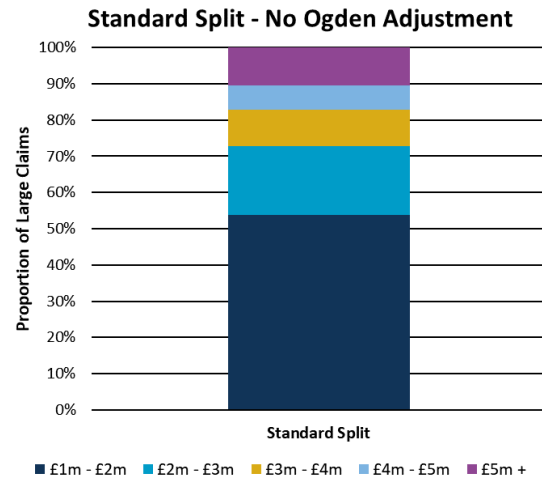
Standardised Propensity

- By taking the propensities by settlement year and multiplying by a standard mix of claim size, it is possible to create a standardised propensity graph.
 - We only take data from settlement year 2009 onwards as the PPO propensity is very different in older years.
- The data in the graph below is used to come up with a “standard” split of PPOs by amount across the settlement years since 2009.

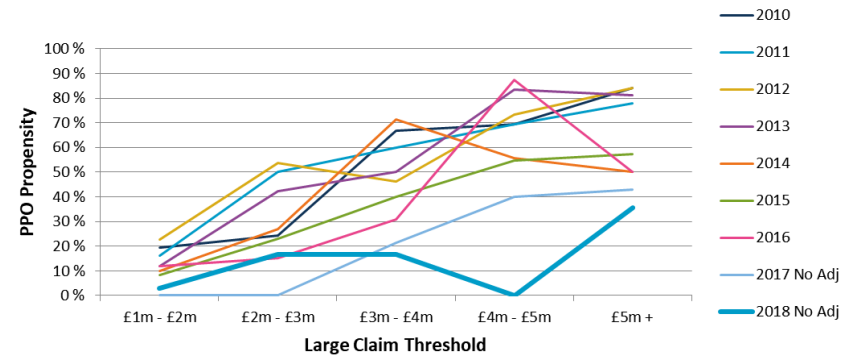


Standardised Propensity

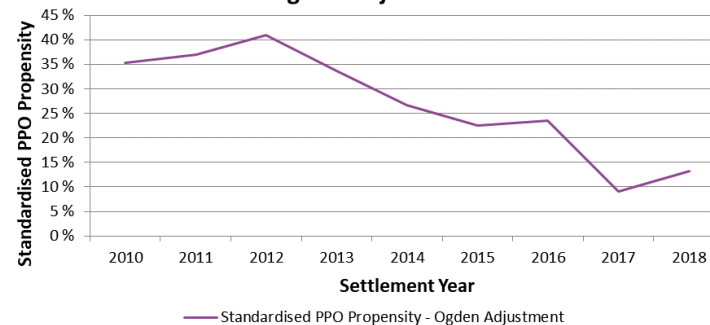
- This standard split is then used in conjunction with PPO propensity split by claim size threshold and settlement year to arrive at standardised propensity.



PPO Propensity by Settlement Year - Incremental Thresholds



Standardised PPO Propensity by Settlement Year - Ogden Adjustment



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Summary Statistics

- The following tables show the main summary statistics for different groupings of claimants.
- The results are split according to pre 2018 and the 2018 settlement year where there is enough data to do so without jeopardising claimant anonymity.
- Tables **do not** include MIB data unless explicitly stated.



All Motor Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	34.3	27.9	17.0	1.0	482
Delay until settlement	6.4	5.6	3.4	1.6	482
Future life expectancy at settlement	43.1	45.9	18.3	-0.4	474
Life expectancy reduction	14.1	12.0	11.5	1.6	459
Annual PPO payment (£)	93,238	65,000	82,276	2.0	482
Lump sum (£)	1,945,981	1,745,140	1,284,751	2.0	480
Pre 2018	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	34.2	27.9	17.0	1.0	472
Delay until settlement	6.4	5.6	3.4	1.6	472
Future life expectancy at settlement	43.3	46.1	18.3	-0.4	464
Life expectancy reduction	14.0	11.9	11.3	1.6	449
Annual PPO payment (£)	91,046	64,375	77,127	1.6	472
Lump sum (£)	1,897,462	1,700,000	1,180,492	1.5	470
2018	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	39.3	30.0	18.5	0.5	10
Delay until settlement	5.2	4.9	2.3	1.0	10
Future life expectancy at settlement	33.4	31.9	15.0	0.1	10
Life expectancy reduction	18.9	13.5	15.3	1.4	10
Annual PPO payment (£)	196,733	130,210	185,934	1.5	10
Lump sum (£)	4,226,403	3,564,417	2,901,673	1.4	10



All Private Motor Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	33.2	26.2	16.6	1.0	371
Delay until settlement	6.4	5.5	3.3	1.7	371
Future life expectancy at settlement	43.8	46.3	17.6	-0.4	367
Life expectancy reduction	14.4	12.5	11.7	1.6	353
Annual PPO payment (£)	92,127	61,600	84,006	2.1	371
Lump sum (£)	1,972,088	1,727,419	1,320,044	2.2	370
Pre 2018	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	33.1	26.2	16.5	1.1	364
Delay until settlement	6.4	5.5	3.3	1.7	364
Future life expectancy at settlement	44.0	46.7	17.6	-0.4	360
Life expectancy reduction	14.3	12.5	11.5	1.6	346
Annual PPO payment (£)	88,965	60,000	77,211	1.7	364
Lump sum (£)	1,913,467	1,700,000	1,187,336	1.6	363
2018	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	38.9	32.9	17.7	0.2	7
Delay until settlement	5.6	5.0	2.5	0.9	7
Future life expectancy at settlement	30.3	29.5	10.4	-0.2	7
Life expectancy reduction	22.3	17.0	17.1	0.9	7
Annual PPO payment (£)	256,547	280,420	190,987	1.2	7
Lump sum (£)	5,012,009	3,950,000	3,094,936	1.0	7



Private Comprehensive Motor Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	34.7	29.1	17.5	0.9	246
Delay until settlement	6.1	5.3	3.1	1.7	246
Future life expectancy at settlement	41.6	42.8	18.1	-0.3	245
Life expectancy reduction	14.7	13.2	11.8	1.7	238
Annual PPO payment (£)	97,966	69,979	90,735	2.1	246
Lump sum (£)	1,897,441	1,679,023	1,244,346	1.7	246
Pre 2018	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	34.6	28.8	17.5	0.9	240
Delay until settlement	6.2	5.3	3.1	1.7	240
Future life expectancy at settlement	41.8	42.9	18.2	-0.3	239
Life expectancy reduction	14.7	13.2	11.7	1.7	232
Annual PPO payment (£)	94,221	66,500	82,544	1.7	240
Lump sum (£)	1,844,204	1,615,000	1,166,769	1.6	240
2018	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	40.9	42.6	18.4	-0.1	6
Delay until settlement	4.9	4.6	1.8	1.0	6
Future life expectancy at settlement	33.3	31.9	8.0	0.5	6
Life expectancy reduction	17.3	14.5	12.9	1.5	6
Annual PPO payment (£)	247,742	207,920	204,970	1.4	6
Lump sum (£)	4,026,919	3,708,917	2,093,384	1.0	6



Private Non-Comprehensive Motor Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	27.8	23.7	11.6	1.3	55
Delay until settlement	7.8	6.4	3.9	1.2	55
Future life expectancy at settlement	49.3	53.3	14.7	-0.7	54
Life expectancy reduction	15.1	12.0	13.4	1.6	47
Annual PPO payment (£)	74,594	60,000	50,998	1.0	55
Lump sum (£)	1,748,011	1,625,000	847,422	0.4	55



Commercial Motor Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	37.9	32.4	18.0	0.9	111
Delay until settlement	6.6	5.6	3.6	1.3	111
Future life expectancy at settlement	40.9	45.0	20.3	-0.3	107
Life expectancy reduction	12.9	11.1	10.5	1.1	106
Annual PPO payment (£)	96,953	75,000	76,088	1.2	111
Lump sum (£)	1,858,170	1,818,459	1,153,842	1.2	110
Pre 2018	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	37.9	32.8	17.9	0.9	108
Delay until settlement	6.6	5.7	3.6	1.2	108
Future life expectancy at settlement	40.9	44.2	20.3	-0.2	104
Life expectancy reduction	12.9	11.1	10.7	1.1	103
Annual PPO payment (£)	98,058	75,000	76,427	1.2	108
Lump sum (£)	1,843,166	1,814,496	1,155,319	1.3	107
2018	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	40.0	25.9	20.1	1.7	3
Delay until settlement	4.4	4.7	1.3	-1.0	3
Future life expectancy at settlement	40.7	51.0	20.5	-1.5	3
Life expectancy reduction	11.2	12.3	3.4	-1.2	3
Annual PPO payment (£)	57,167	24,000	47,969	1.7	3
Lump sum (£)	2,393,323	2,168,968	956,707	0.8	3



Motor Brain Injury Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	32.9	26.7	16.4	1.1	378
Delay until settlement	6.9	5.9	3.5	1.5	378
Future life expectancy at settlement	45.2	48.8	18.2	-0.5	373
Life expectancy reduction	13.2	10.4	11.9	1.8	361
Annual PPO payment (£)	87,673	60,800	72,978	1.7	378
Lump sum (£)	1,816,958	1,600,000	1,194,691	2.3	377
Pre 2018	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	32.8	26.7	16.4	1.1	373
Delay until settlement	6.9	5.9	3.5	1.5	373
Future life expectancy at settlement	45.4	49.0	18.2	-0.5	368
Life expectancy reduction	13.2	10.4	11.8	1.8	356
Annual PPO payment (£)	87,264	60,000	72,387	1.7	373
Lump sum (£)	1,789,208	1,600,000	1,102,227	1.5	372
2018	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	41.5	32.9	16.3	0.7	5
Delay until settlement	5.4	5.0	2.6	1.4	5
Future life expectancy at settlement	32.4	29.5	15.9	0.7	5
Life expectancy reduction	17.3	6.6	18.0	1.9	5
Annual PPO payment (£)	118,159	90,000	103,869	1.5	5
Lump sum (£)	3,881,545	1,850,000	3,592,872	2.0	5



Motor Spinal Injury Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	39.7	35.0	17.8	0.5	92
Delay until settlement	4.4	4.1	2.0	2.1	92
Future life expectancy at settlement	35.0	37.1	14.9	-0.2	89
Life expectancy reduction	17.4	16.3	7.8	0.5	86
Annual PPO payment (£)	119,847	86,768	107,312	1.9	92
Lump sum (£)	2,532,369	2,193,894	1,481,313	1.5	91
Pre 2018	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	39.9	36.1	17.7	0.5	87
Delay until settlement	4.4	4.1	2.0	2.2	87
Future life expectancy at settlement	35.0	37.2	14.9	-0.2	84
Life expectancy reduction	17.2	16.4	7.4	0.2	81
Annual PPO payment (£)	110,913	85,000	89,805	1.2	87
Lump sum (£)	2,413,829	2,150,119	1,360,670	1.4	86
2018	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	37.0	25.9	20.2	0.7	5
Delay until settlement	5.1	4.7	1.9	0.7	5
Future life expectancy at settlement	34.4	34.4	13.9	-0.5	5
Life expectancy reduction	20.6	14.6	11.7	1.9	5
Annual PPO payment (£)	275,306	280,420	214,491	1.0	5
Lump sum (£)	4,571,260	3,950,000	1,921,672	0.9	5



All Liability Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	43.7	45.8	17.4	-0.2	39
Delay until settlement	7.1	4.9	7.5	4.6	39
Future life expectancy at settlement	32.3	27.4	17.4	0.9	38
Life expectancy reduction	15.8	13.2	13.8	2.1	38
Annual PPO payment (£)	71,108	50,000	65,286	1.7	39
Lump sum (£)	1,336,842	1,185,000	894,341	0.5	39



Liability Brain Injury Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	42.9	45.8	17.8	-0.2	33
Delay until settlement	6.3	4.9	3.5	1.9	33
Future life expectancy at settlement	33.4	27.4	18.4	0.7	32
Life expectancy reduction	15.6	11.9	14.6	2.2	32
Annual PPO payment (£)	73,414	50,000	69,744	1.6	33
Lump sum (£)	1,343,943	1,153,750	946,427	0.5	33



All MIB Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	34.3	30.2	13.0	0.6	180
Delay until settlement	7.4	6.9	3.3	1.3	180
Future life expectancy at settlement	42.8	44.0	16.6	-0.3	180
Life expectancy reduction	13.8	11.7	10.9	1.3	180
Annual PPO payment (£)	60,644	42,703	59,457	2.5	180
Lump sum (£)	1,246,823	1,000,000	832,797	2.2	180
Pre 2018	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	34.3	30.2	13.1	0.5	173
Delay until settlement	7.4	6.7	3.4	1.3	173
Future life expectancy at settlement	42.4	44.0	16.7	-0.3	173
Life expectancy reduction	14.1	12.1	10.9	1.2	173
Annual PPO payment (£)	61,706	42,750	60,252	2.5	173
Lump sum (£)	1,239,510	1,000,000	833,062	2.3	173
2018	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	34.1	29.8	9.5	1.2	7
Delay until settlement	7.4	7.4	0.0		7
Future life expectancy at settlement	51.9	52.0	9.9	-0.9	7
Life expectancy reduction	4.9	4.7	4.2	1.0	7
Annual PPO payment (£)	34,393	29,500	21,603	0.1	7
Lump sum (£)	1,427,574	1,400,000	805,372	1.1	7



MIB Brain Injury Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	32.6	28.3	12.5	0.8	136
Delay until settlement	7.5	7.0	3.4	1.3	136
Future life expectancy at settlement	44.2	46.0	16.8	-0.4	136
Life expectancy reduction	14.0	11.6	11.7	1.3	136
Annual PPO payment (£)	67,264	45,000	62,472	2.5	136
Lump sum (£)	1,246,949	980,915	885,614	2.4	136
Pre 2018	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	32.6	28.3	12.6	0.8	130
Delay until settlement	7.5	6.9	3.4	1.3	130
Future life expectancy at settlement	43.9	46.0	16.9	-0.4	130
Life expectancy reduction	14.4	11.8	11.7	1.2	130
Annual PPO payment (£)	68,632	45,000	63,393	2.4	130
Lump sum (£)	1,235,323	952,063	885,530	2.5	130
2018	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	33.8	28.6	10.2	1.3	6
Delay until settlement	7.4	7.4	0.0		6
Future life expectancy at settlement	52.0	55.0	10.7	-0.9	6
Life expectancy reduction	5.0	4.7	4.5	1.0	6
Annual PPO payment (£)	37,625	42,250	21,710	-0.3	6
Lump sum (£)	1,498,836	1,450,000	849,223	0.9	6



MIB Spinal Injury Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	36.8	35.7	14.8	0.4	16
Delay until settlement	8.6	8.0	4.3	0.7	16
Future life expectancy at settlement	38.4	40.0	14.2	0.1	16
Life expectancy reduction	15.6	15.7	5.1	-0.5	16
Annual PPO payment (£)	51,219	34,750	49,793	2.8	16
Lump sum (£)	1,611,360	1,635,000	595,318	0.2	16

