PPOs – Down, but not out

Presented by Patrick Tingay, WTW and Natasha Regan (PPO Working party deputy chair), RPC Consulting

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Prepared by Patrick Tingay, Chris Francis and Anju Bell, Willis Towers Watson

Agenda

Introduction	• What data are we looking at? How is the current analysis progressing?
Quiz	• A bit of audience participation to wake everyone up!
Propensity	• The headlines from the most recent quantitative propensity analysis.
Civil Liability Bill	• An update on the Civil Liability Bill and how this may affect PPOs.
Going Forward	• What's next? How are we updating our analysis?

Questions   **Comments**

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Introduction

Introduction

- Data taken as at 31 December 2017

  - The current batch of data does not cover as many insurers as previously (12 as opposed to 15).

  - 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 2018 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.

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Introduction

- Thank you to all our participants!

- Please keep contributing and using our Injury and Care 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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Quiz

Quiz

- What do you think PPO propensity was for the 2017 settlement year?

- What do you think PPO propensity will be in the 2018 settlement year?

- If the Ogden discount rate moves to 0.5%, how would you expect PPO propensity to move?

- Following the Ogden discount rate reforms, what would you expect the new discount rate to be?

- What discount rate are large claims actually settling at in the current environment?

- Which of these would you like the PPO Working Party to focus on most in the future?

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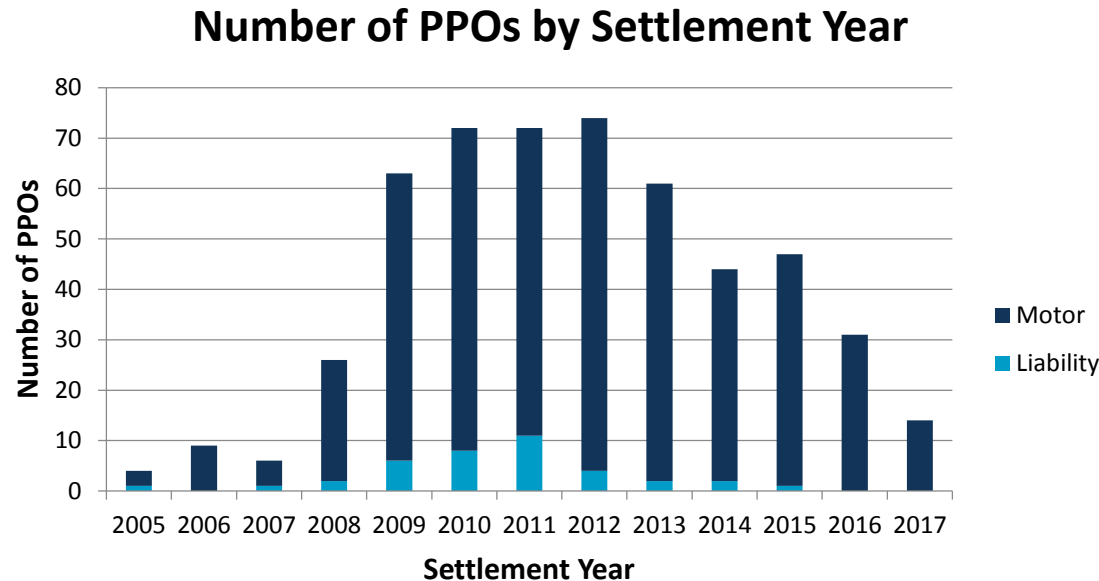
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PPO Propensity

Number of PPOs

Number of PPOs by Settlement Year

- The number of PPOs settling has fallen steeply in 2017.

  – The number of PPOs settling in 2017 has reduced by 80% from levels seen in years 2009-2013.

  – The number of PPOs settling in 2017 has reduced by 66% from 2014-2016 levels.

  – The number of PPOs settling in 2017 has reduced by 55% from 2016.

  – BUT, there are still PPOs in a -0.75% Ogden Discount Rate world!

  – No Liability PPOs for second year in succession.

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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 2017 and therefore after the Ogden discount rate change in March 2017.

- 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 if the claim had settled as a non-PPO.

- We have presented our results on various bases, as explained in the following slides.

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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.
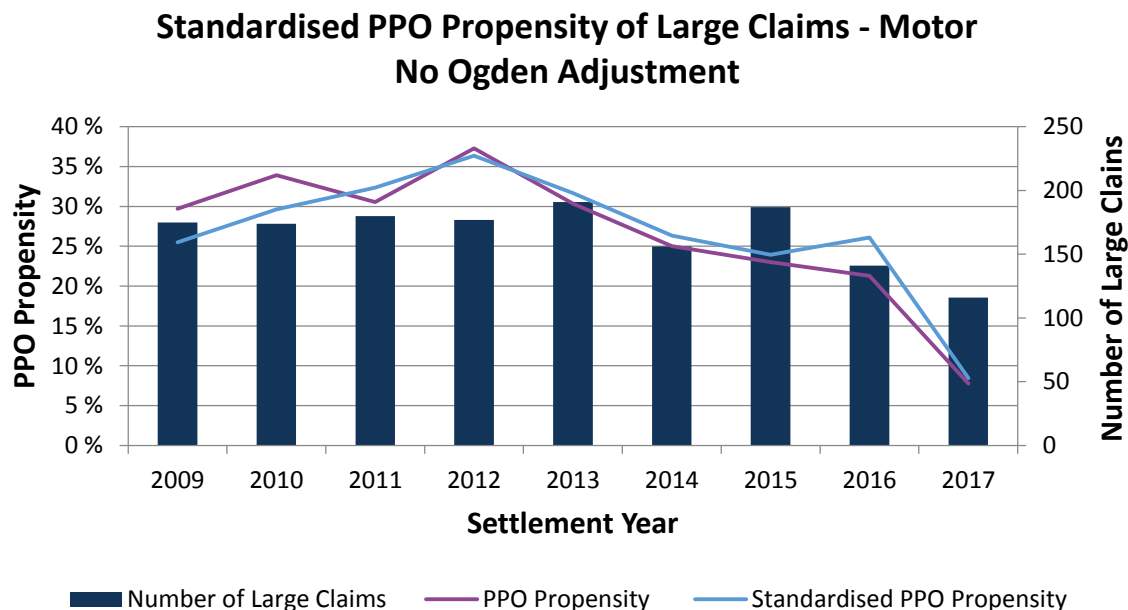
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PPO Propensity Bases

- We also present the analysis with and without an adjustment for the change in Ogden discount rate.

  - For the graphs where we have adjusted the large claims post 20 March 2017, we have used the claimant's characteristics, the discount rate used when settling the claim and Ogden multipliers to attempt to display the analysis on a 2.5% Ogden discount rate basis.

  - e.g. If a claim of £3,000,000 came in for a 40 year old male on 1 June 2017, which settled at a discount rate of 0%, this would be scaled down to a 2.5% level using the appropriate Ogden multiplier from the Ogden tables.

  - We have taken Ogden equivalent values for PPOs to best match the large claims basis at that point in time

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%

PPO Propensity – No Ogden Adjustment

**Standardised PPO Propensity of Large Claims - Motor
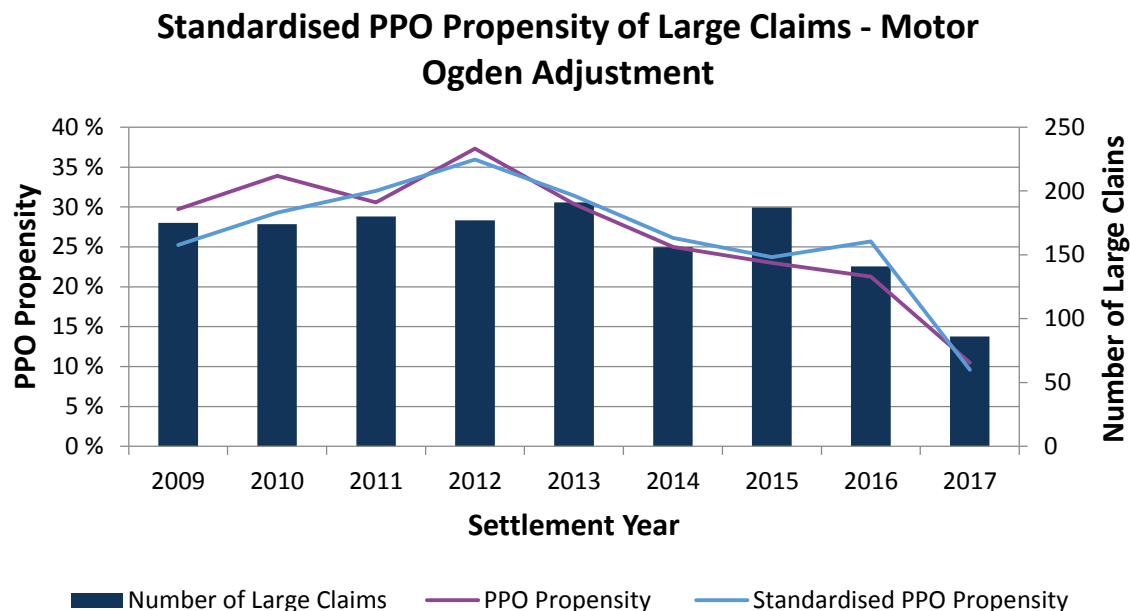No Ogden Adjustment**

Legend: Number of Large Claims — PPO Propensity — Standardised PPO Propensity

- Motor PPO propensity has, as expected, decreased substantially for the 2017 settlement year.

- The standardised propensity has dropped by 68% and the raw version by 64% from the 2016 settlement year

- Fewer large claims settling above £1 million in 2017 despite change in discount rate.
    - May be due to decrease in settlement rates.

- The PPO propensity figures for older years may differ (not substantially) from previous surveys due to change in mix of contributors.

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PPO Propensity – With Ogden Adjustment

Standardised PPO Propensity of Large Claims - Motor Ogden Adjustment

Legend: ■ Number of Large Claims ── PPO Propensity ── Standardised PPO Propensity

- 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 dropped by 63% and the raw version by 51% from the 2016 settlement year.
  - The large difference between these two figure is attributable to uncharacteristically few claims above £4 million settling in 2016 within the current data set.

- Fewer large claims settling above £1 million in 2017.

Comparison of Charts

Standardised PPO Propensity of Large Claims - Motor
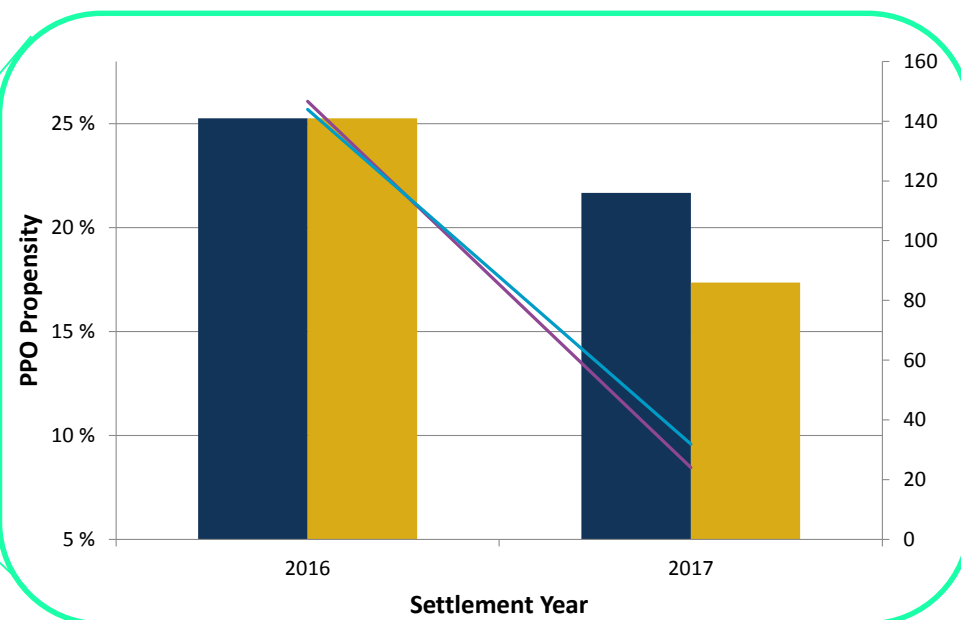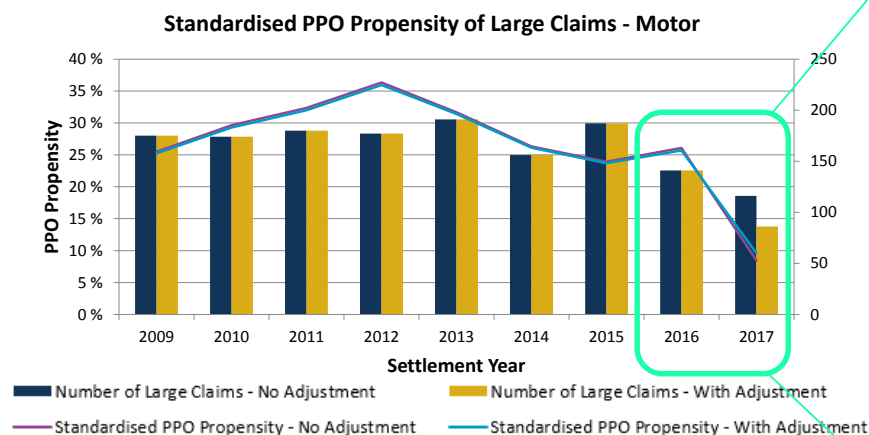
- The Ogden adjustment makes a small difference to the standardised PPO propensity, about 1%.

- The reduction in PPO propensity is therefore not mainly driven by the fact that the propensity for a large claim to be larger than £1 million in a -0.75% Ogden discount rate environment has increased.

- This points to the main driver in PPO propensity reduction being behavioral, presumably from the claimant and claimant lawyer side.

  - Claimants are presumably more inclined to want a lump sum settlement (rather than a PPO) as lump sum settlements are more financially attractive than previously.

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2017 Propensity

	Pre 20 March 2017	Post 20 March 2017		Total 2017	
	No adjustment	No Adjustment	With Adjustment	No Adjustment	With Adjustment
Standardised PPO Propensity	3.9%	9.7%	12.4%	8.5%	9.6%

- The standardised PPO propensity in the period leading up to the Ogden Discount rate change, i.e. before 20 March 2017, was just under 4%, on the current data set.

- The standardised PPO Propensity in the period following the change from 2.5% to -0.75% was just under 10% without Ogden adjustment and ~ 12% with adjustment, on the current data set.

- This difference between propensities before and after the change is likely due to a reduction in claim settlements leading up to the change in the rate, especially for large claims.

- One may expect the PPO propensity in 2018 to be more aligned to the propensity after the change in discount rate.

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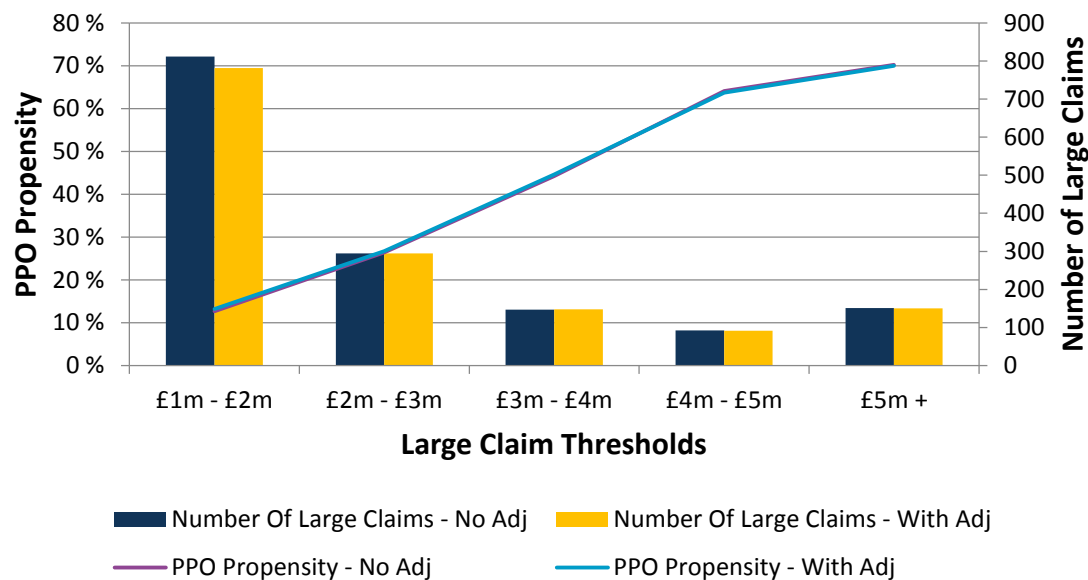
PPO Propensity Continued

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

PPO Propensity by Large Claim Threshold

PPO Propensity at Different Large Claim Thresholds - Incremental Thresholds

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

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PPO Propensity by Large Claim Threshold

PPO Propensity by Settlement Year - Incremental Thresholds

- 2017 sits below the rest of the settlements years in terms of overall propensity.

- Very little data in the higher large claim threshold, so subject to volatility.

- Low data volumes in 2017 year.

PPO Propensity by Large Claim Threshold

PPO Propensity at Different Large Claim Thresholds - Cumulative Thresholds
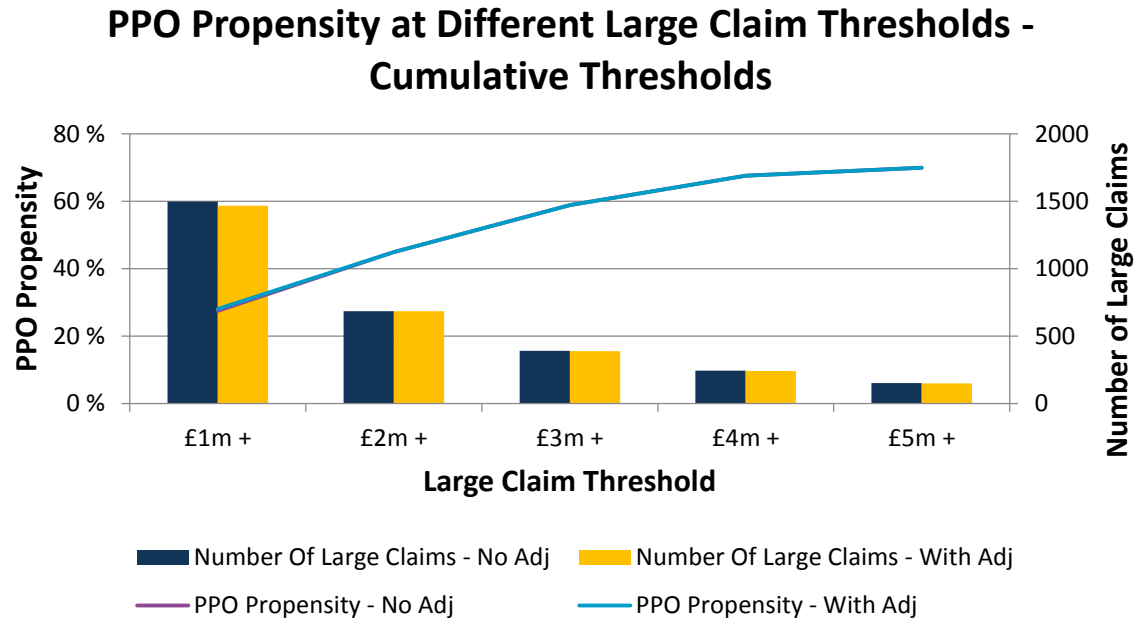
- PPO propensity increases to 70% for all those claims > £5 million.

PPO Propensity by Large Claim Threshold

PPO Propensity by Settlement Year - Cumulative Thresholds

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

PPO Propensity by Injury

PPO Propensity by Type of Injury

Legend:
- Number of Large Claims - No Adj
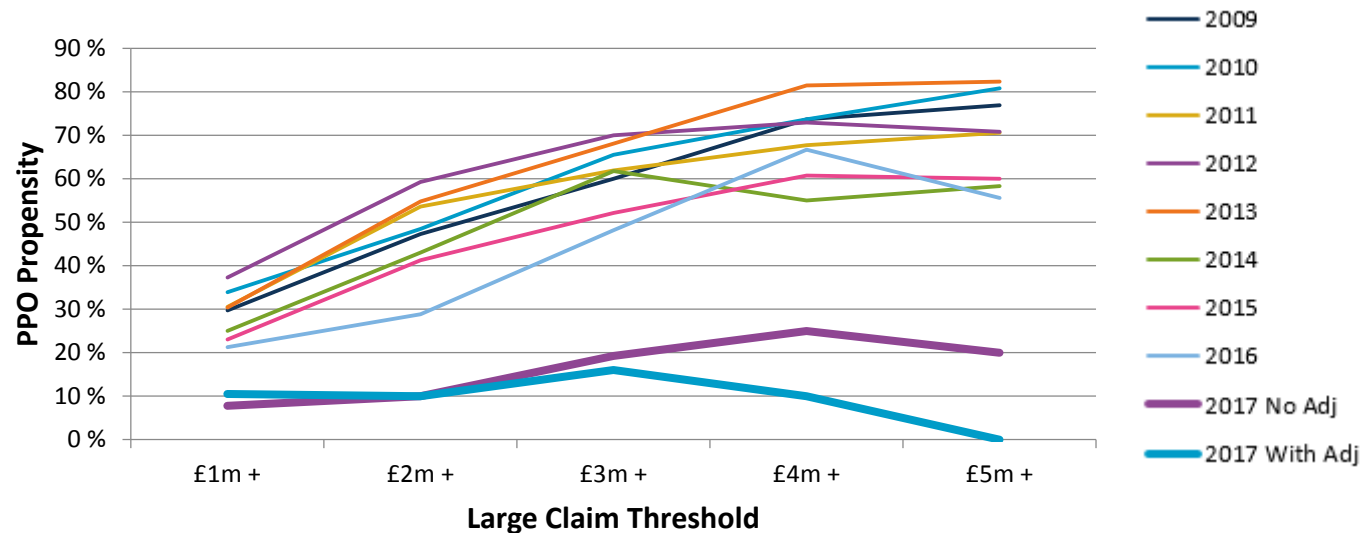- Number of Large Claims - With Adj
- PPO Propensity - No Adj
- PPO Propensity - With Adj
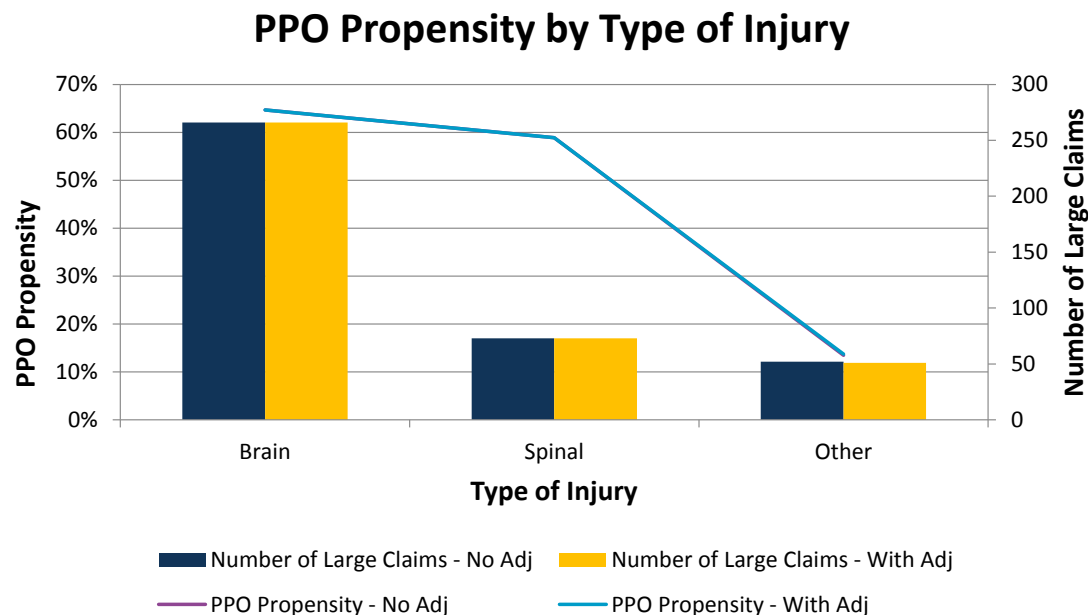
- Produced using data from insurers which told us the nature of injury for their large claims not including PPOs as well as for their PPOs

  – Is only a subset of data (400 claims), as can be seen from the right vertical axis.

- The propensity appears to be slightly higher for Brain but small sample sizes places limits on credibility.

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PPO Propensity by Age

PPO Propensity of Large Claims - Motor

Legend:
- Number of Large Claims - No Adj
- Number of Large Claims - With Adj
- PPO Propensity - No Adj
- PPO Propensity - With Adj

X-axis: Claimant Age at Accident (0 - 9, 10 - 19, 20 - 29, 30 - 39, 40 - 49, 50 - 59, 60 - 69, 70 +)
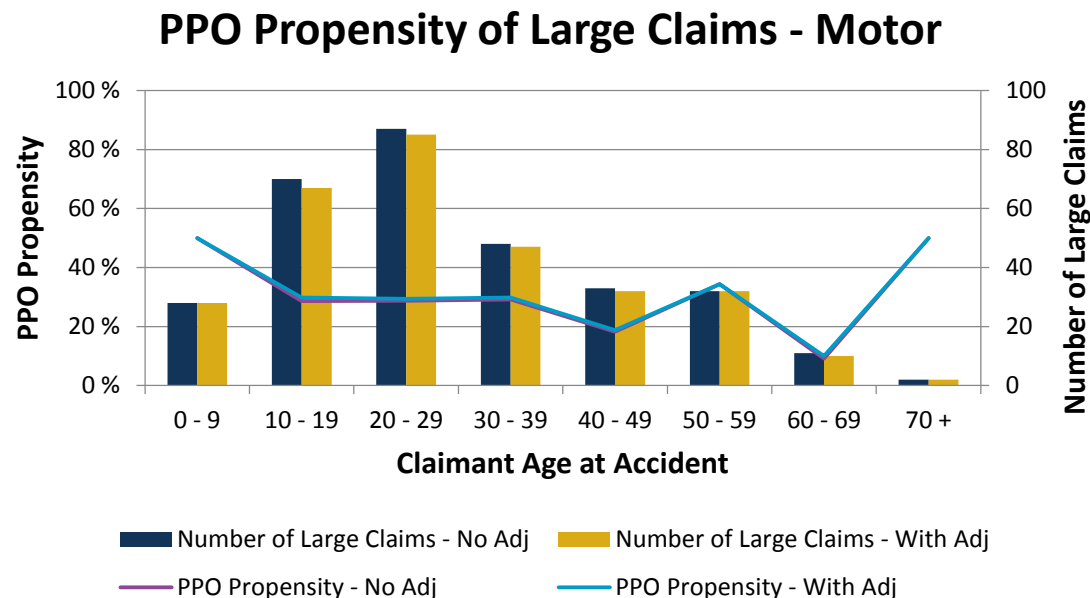
Left Y-axis: PPO Propensity (0% to 100%)

Right Y-axis: Number of Large Claims (0 to 100)

- 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.

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PPO Propensity by Gender

PPO Propensity of Large Claims - Motor
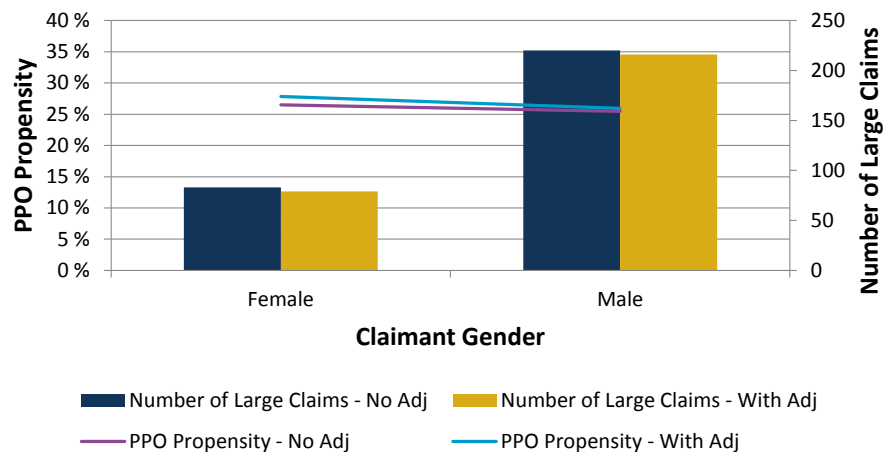
PPO Propensity of Large Claims - Motor
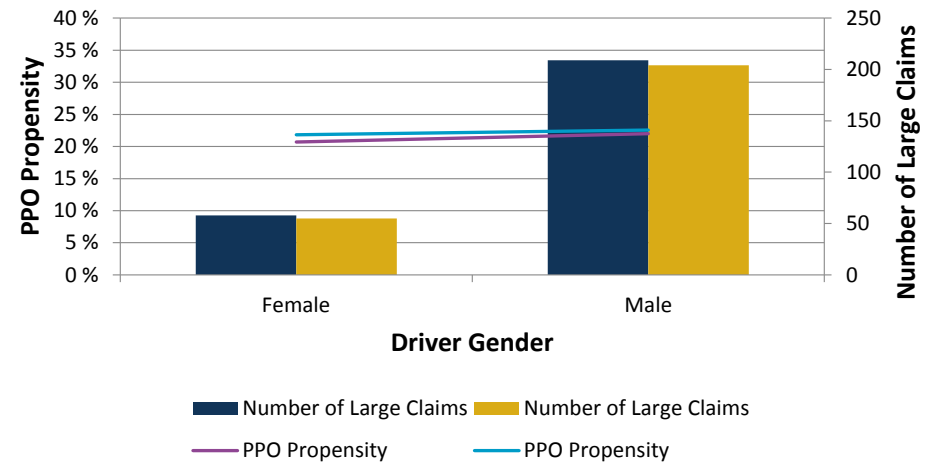
- Propensity is very similar for Males and Female.

- 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.

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PPO Propensity by Class of Business

PPO Propensity of Large Claims - Motor
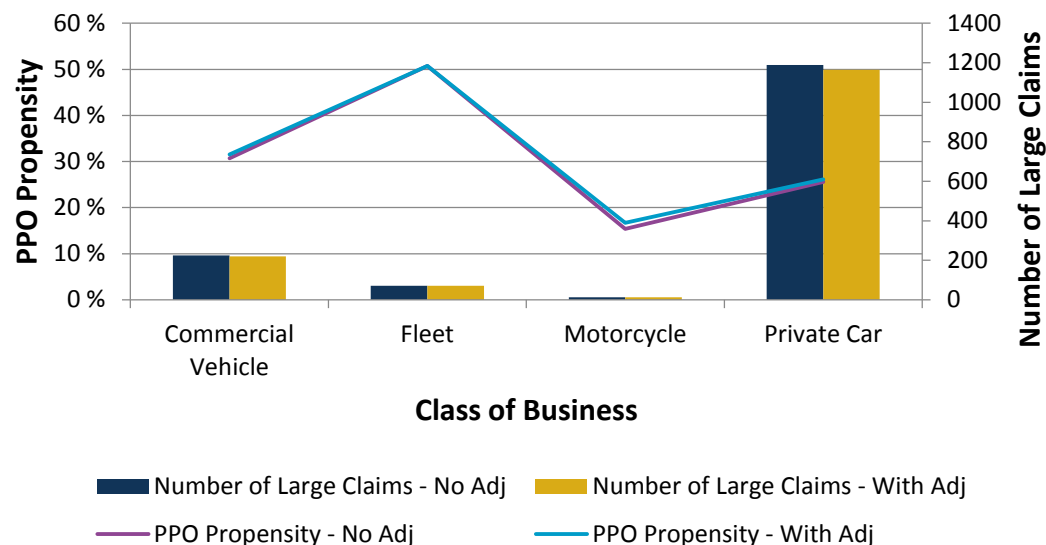
- Fleet business has a very high PPO propensity compared to other classes of business, although not much data.

- 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.

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Distribution of PPO Propensity

Distribution of PPO Propensity by Insurer - Motor

Legend: ■ Number Of Insurers - No Adj ■ Number Of Insurers - With Adj
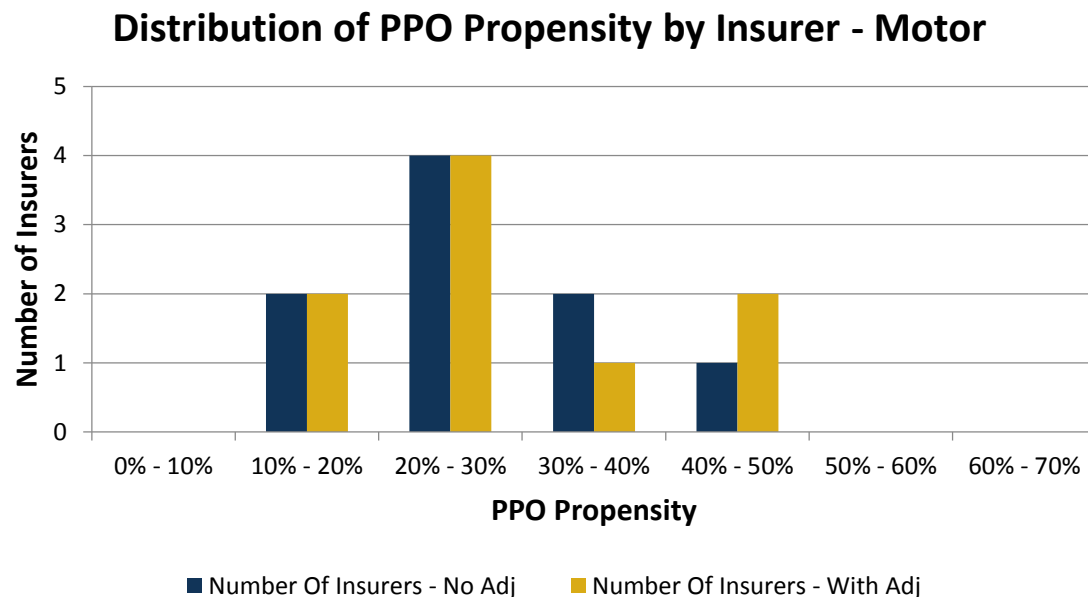
- The majority of insurers exhibit PPO propensity between 20% and 40%.

- The insurer that has moved due to the Ogden adjustment band was less than a percent away from the boundary.

Private vs Commercial – No Ogden Adjustment

Private/Commercial Propensity by Large Claim Threshold
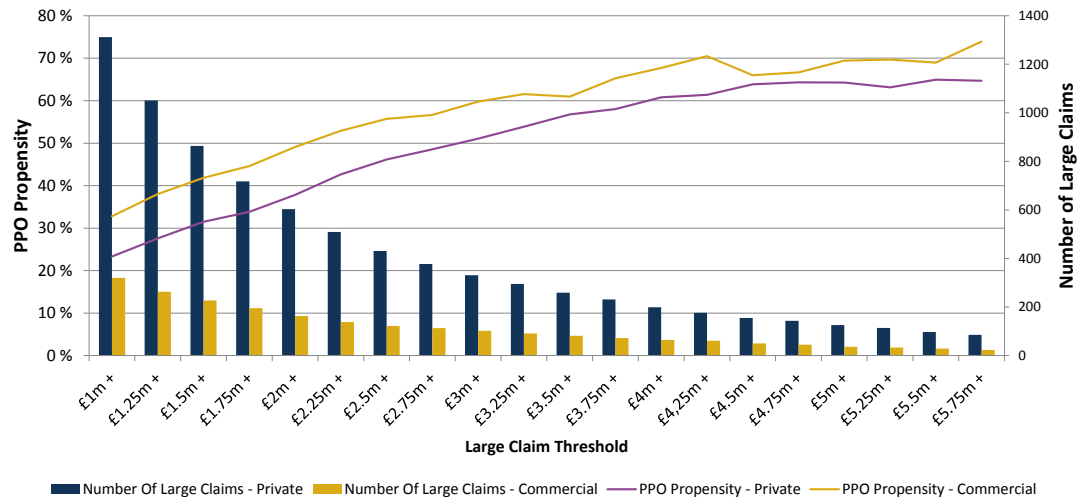
Private/Commercial Propensity by Settlement Year
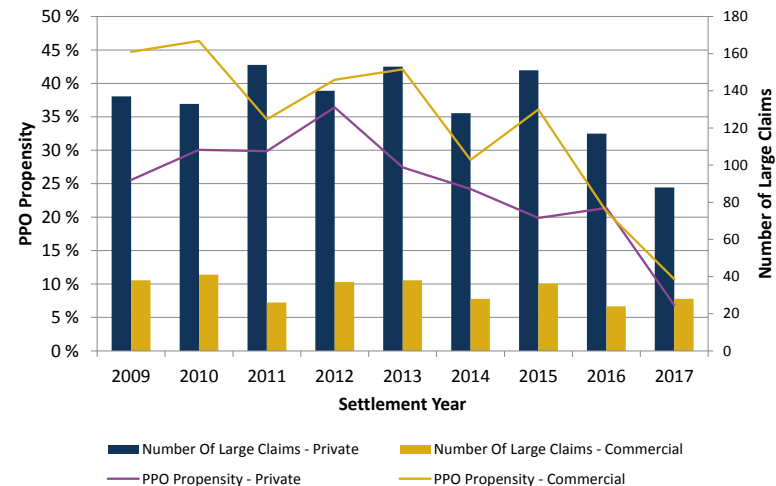
- In the most recent data set, claimants on Commercial policies have a significantly higher chance of their claim settling as a PPO, apart for in settlement year 2016.

- 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

9%

18%

73%

■ Private   ■ Commercial   ■ Fleet
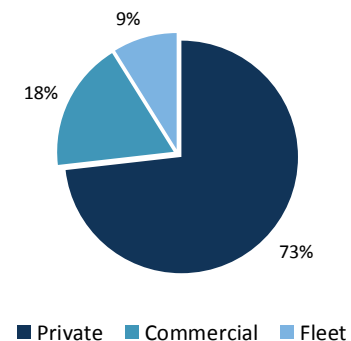
Liability PPO Propensity – No Ogden Adjustment

Standardised PPO Propensity of Large Claims - Liability
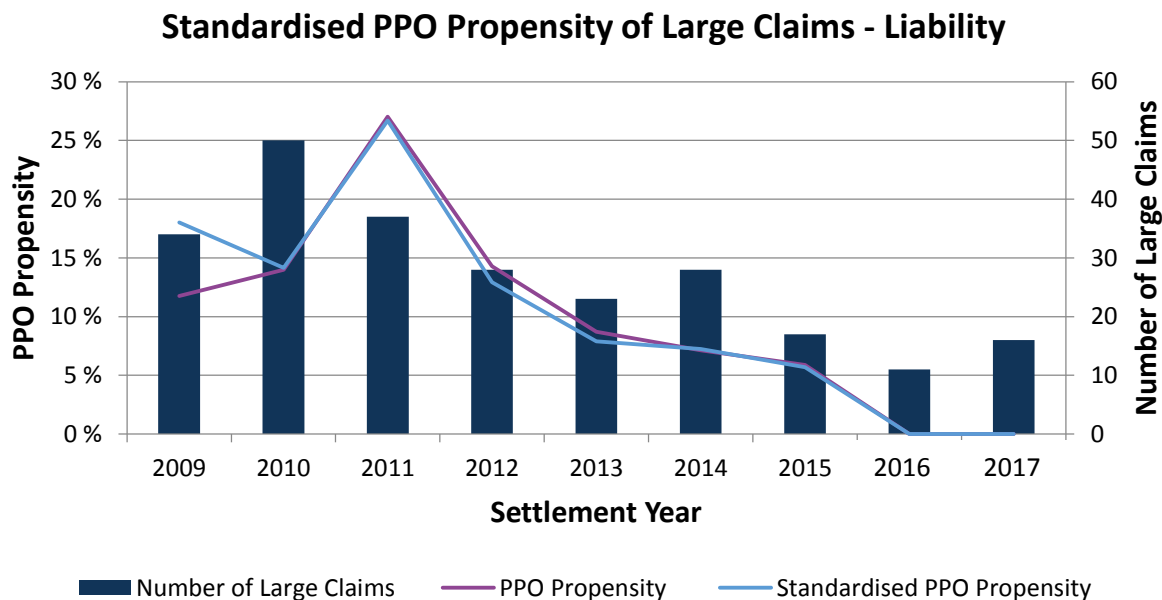
- We have very limited data relating to Liability PPOs.

- We have seen no Liability claims settle as PPOs in 2016 and 2017.

Civil Liability Bill

Civil Liability Bill – Background

- Civil liability Bill introduced to the House of Lords on 20 March 2018.

- Two key elements to the Bill.

  - Part 1: proposals in relation to whiplash claims.

  - Part 2: proposals in relation to the Ogden discount rate.

- The main elements of the second part of the Bill are:

  - Changing the legal framework under which the discount rate is set, in particular setting it with reference to an investment strategy with a higher expected return than assumed under the current framework to reflect how claimants invest their compensation in practice.

  - Specifying that the discount rate should be set at least every three years with the Lord Chancellor retaining discretion to set the discount rate within three years if necessary, with the first review initiated within 90 days of the legislation coming into force and requiring completion within 140 days.

  - Setting up an expert panel for the Lord Chancellor to consult on the issues to consider in setting the discount rate.

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Civil Liability Bill – Progression

- The Civil Liability Bill received its Third Reading in the House of Lords on 27 June 2018 and was introduced to the House of Commons on 28 June 2018 with a number of amendments, including:

  – The first review of the discount rate will take place without an expert panel.

  – Subsequent reviews will be carried out within a maximum of five years rather than three years.

- The Second Reading in the House of Commons took place on 4 September 2018.

- The Public Bill Committee sessions were held on 11 September 2018, at which all of the Labour amendments were voted down.

- The report stage will take place after the recess.

- Likely implementation of new rate around Q3 2019.

  – New legislation normally introduced in October.

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Civil Liability Bill – Scotland

- On 15 June 2018, the Scottish Government published the "Damages (Investment Returns and Periodical Payments) (Scotland) Bill", 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 accompanying Financial Memorandum indicated that the proposed discount rate under the Damages (Investment Returns and Periodical Payments) (Scotland) Bill would currently be 0% per annum.

- In addition the Bill will give courts the power to impose PPO against the wishes of both parties. This has the potential to lead to more PPOs, as currently both parties must agree in order for a PPO to be awarded.

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Civil Liability Bill – Effect on PPOs

- A changing discount rate will mean claimants' appetite for lump sums will vary depending on the prevailing rate at the time of settlement.

  - Still uncertainty around PPO propensity.

- The Lord Chancellor has mentioned that he wants to understand if PPO usage can increase.

  - Maybe more of a weight towards encouraging claimants to take PPOs.

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Going Forward

What's Next?

- GIRO 2016 Survey Report (based on data as at 31 December 2015):

  – Published.

- GIRO 2017 Survey Report (based on data as at 31 December 2016):

  – In final review stage, published in a matter of weeks.

- GIRO 2018 Survey Report (based on data as at 31 December 2017):

  – 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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Questions

Comments

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Appendix

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.
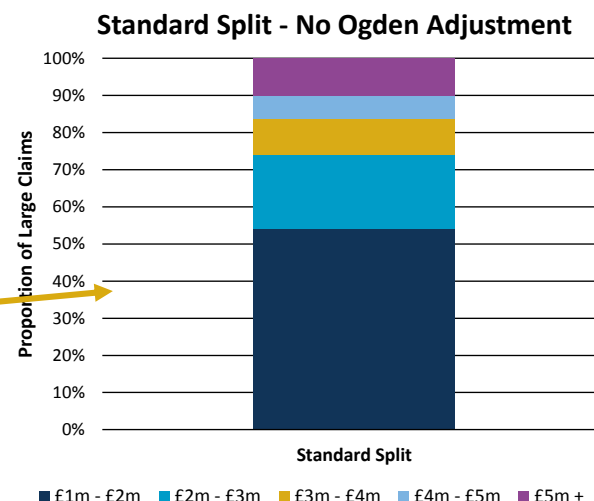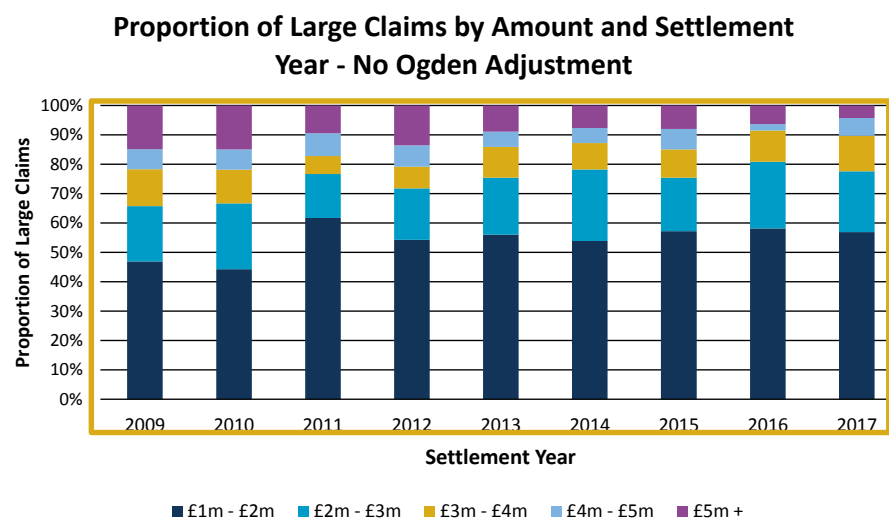
Standardised Propensity

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

Standard Split - No Ogden Adjustment

PPO Propensity by Settlement Year - Incremental Thresholds - no Ogden Adjustment

Standardised PPO Propensity by Settlement Year - No Ogden Adjustment
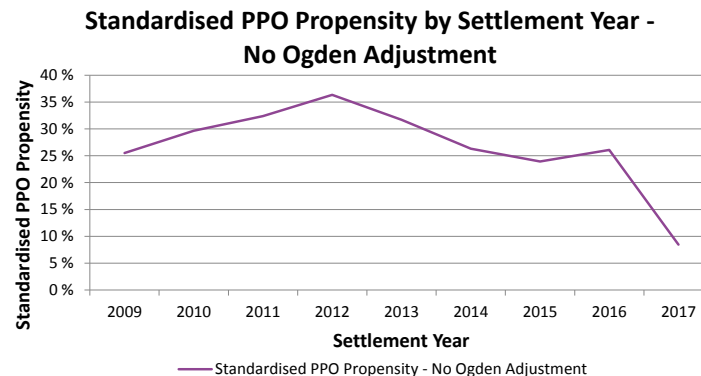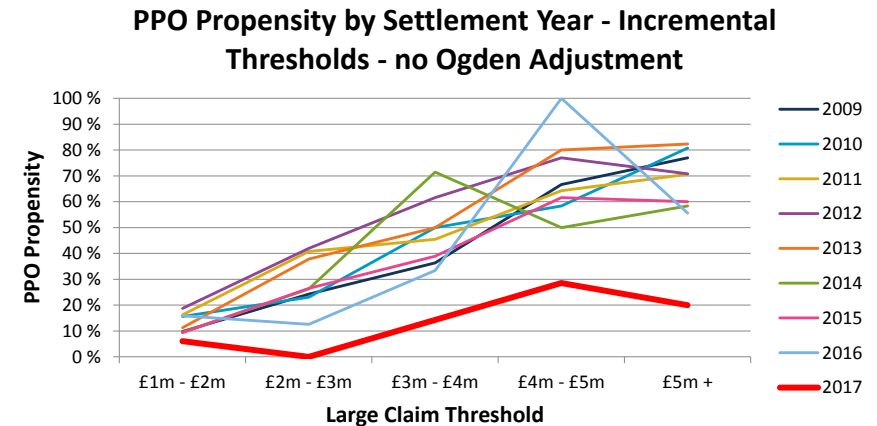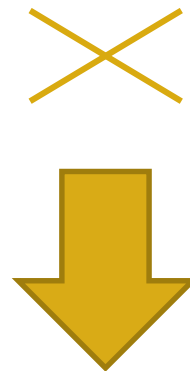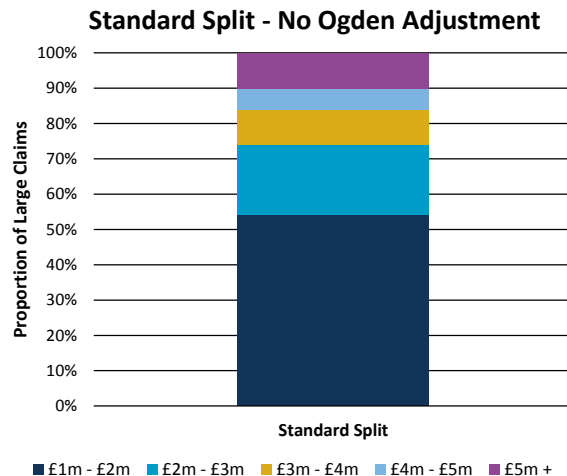
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Summary Statistics

- The following tables show the main summary statistics for different groupings of claimants.

- The results are split according to pre 2017 and the 2017 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	34.5	28.7	17.3	1.0	485
Delay until settlement	6.4	5.6	3.4	1.5	485
Future life expectancy at settlement	43.3	45.9	18.7	-0.4	470
Life expectancy reduction	15.9	13.9	11.7	1.5	455
Annual PPO payment (£)	88,693	60,078	74,054	1.5	485
Lump sum (£)	1,853,351	1,680,000	1,118,631	1.2	483
Pre 2017	**Mean**	**Median**	**Standard Deviation**	**Skewness**	**Sample Size**
Age at settlement	34.1	28.6	16.7	1.0	471
Delay until settlement	6.4	5.6	3.3	1.6	471
Future life expectancy at settlement	43.7	46.1	18.3	-0.4	456
Life expectancy reduction	16.0	14.0	11.8	1.5	441
Annual PPO payment (£)	88,440	60,078	73,177	1.5	471
Lump sum (£)	1,862,065	1,688,020	1,118,435	1.2	469
2017	**Mean**	**Median**	**Standard Deviation**	**Skewness**	**Sample Size**
Age at settlement	50.0	50.4	28.0	0.2	14
Delay until settlement	6.4	4.5	4.6	0.8	14
Future life expectancy at settlement	31.2	28.6	25.4	0.1	14
Life expectancy reduction	12.9	11.4	8.3	0.8	14
Annual PPO payment (£)	97,205	62,500	98,743	2.3	14
Lump sum (£)	1,561,441	1,222,500	1,085,495	0.4	14

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All Private Motor Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	33.5	26.2	17.0	1.1	355
Delay until settlement	6.4	5.6	3.4	1.6	355
Future life expectancy at settlement	43.9	46.6	17.8	-0.4	347
Life expectancy reduction	16.4	14.5	11.7	1.6	333
Annual PPO payment (£)	87,613	60,000	74,507	1.6	355
Lump sum (£)	1,858,353	1,675,589	1,115,070	1.2	354
Pre 2017	**Mean**	**Median**	**Standard Deviation**	**Skewness**	**Sample Size**
Age at settlement	33.2	26.5	16.6	1.1	346
Delay until settlement	6.4	5.6	3.4	1.7	346
Future life expectancy at settlement	44.2	46.6	17.5	-0.4	338
Life expectancy reduction	16.4	14.6	11.8	1.6	324
Annual PPO payment (£)	87,767	60,000	74,617	1.6	346
Lump sum (£)	1,860,479	1,680,000	1,114,532	1.2	345
2017	**Mean**	**Median**	**Standard Deviation**	**Skewness**	**Sample Size**
Age at settlement	44.6	24.4	27.2	0.5	9
Delay until settlement	8.2	7.2	4.7	0.1	9
Future life expectancy at settlement	34.3	44.6	25.4	-0.2	9
Life expectancy reduction	14.9	11.6	8.8	0.7	9
Annual PPO payment (£)	81,676	65,000	69,893	2.1	9
Lump sum (£)	1,776,861	1,430,000	1,132,508	0.2	9

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Private Comprehensive Motor Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	35.5	29.7	18.1	0.9	222
Delay until settlement	6.1	5.2	3.2	1.6	222
Future life expectancy at settlement	40.6	41.9	18.4	-0.3	218
Life expectancy reduction	17.1	15.4	12.1	1.6	211
Annual PPO payment (£)	93,345	60,500	80,144	1.5	222
Lump sum (£)	1,770,683	1,600,000	1,051,860	0.8	222
Pre 2017	**Mean**	**Median**	**Standard Deviation**	**Skewness**	**Sample Size**
Age at settlement	35.1	29.7	17.4	0.8	214
Delay until settlement	6.1	5.2	3.1	1.7	214
Future life expectancy at settlement	40.9	41.9	18.0	-0.3	210
Life expectancy reduction	17.3	15.5	12.2	1.6	203
Annual PPO payment (£)	93,867	60,500	80,324	1.5	214
Lump sum (£)	1,776,168	1,602,500	1,049,219	0.8	214
2017	**Mean**	**Median**	**Standard Deviation**	**Skewness**	**Sample Size**
Age at settlement	47.5	39.3	27.5	0.3	8
Delay until settlement	7.7	6.0	4.7	0.4	8
Future life expectancy at settlement	33.0	32.5	26.7	0.0	8
Life expectancy reduction	13.3	11.4	8.0	1.2	8
Annual PPO payment (£)	79,385	57,500	73,813	2.1	8
Lump sum (£)	1,623,969	1,240,000	1,110,185	0.5	8

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Private Non-Comprehensive Motor Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	28.6	24.4	12.9	1.7	62
Delay until settlement	7.8	6.4	3.8	1.3	62
Future life expectancy at settlement	49.6	52.4	14.4	-0.7	60
Life expectancy reduction	16.8	14.0	13.0	1.6	53
Annual PPO payment (£)	74,636	62,378	49,256	1.0	62
Lump sum (£)	1,702,839	1,575,000	853,460	0.4	62

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Commercial Motor Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	37.5	32.8	17.7	0.8	130
Delay until settlement	6.4	5.6	3.3	1.3	130
Future life expectancy at settlement	41.6	44.0	20.8	-0.2	123
Life expectancy reduction	14.7	12.6	11.7	1.1	122
Annual PPO payment (£)	91,644	69,103	72,720	1.3	130
Lump sum (£)	1,839,625	1,750,000	1,128,233	1.1	129
Pre 2017	**Mean**	**Median**	**Standard Deviation**	**Skewness**	**Sample Size**
Age at settlement	36.6	32.2	16.7	0.7	125
Delay until settlement	6.5	5.7	3.3	1.3	125
Future life expectancy at settlement	42.3	44.7	20.4	-0.3	118
Life expectancy reduction	14.9	12.8	11.8	1.1	117
Annual PPO payment (£)	90,303	70,000	69,002	1.0	125
Lump sum (£)	1,866,477	1,818,204	1,129,212	1.2	124
2017	**Mean**	**Median**	**Standard Deviation**	**Skewness**	**Sample Size**
Age at settlement	59.7	57.4	26.8	-0.2	5
Delay until settlement	3.1	3.2	1.3	0.5	5
Future life expectancy at settlement	25.7	19.0	24.4	0.9	5
Life expectancy reduction	9.3	8.6	5.8	0.3	5
Annual PPO payment (£)	125,157	60,000	131,500	2.2	5
Lump sum (£)	1,173,685	1,175,000	869,898	1.2	5

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Motor Brain Injury Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	33.0	27.3	16.4	1.1	382
Delay until settlement	6.9	6.0	3.5	1.5	382
Future life expectancy at settlement	45.4	48.9	18.6	-0.5	371
Life expectancy reduction	15.2	12.5	12.3	1.7	359
Annual PPO payment (£)	84,883	60,000	69,610	1.5	382
Lump sum (£)	1,742,176	1,600,000	1,026,175	0.9	381
Pre 2017	**Mean**	**Median**	**Standard Deviation**	**Skewness**	**Sample Size**
Age at settlement	32.9	27.3	16.1	1.1	374
Delay until settlement	6.9	6.0	3.4	1.5	374
Future life expectancy at settlement	45.5	48.9	18.5	-0.5	363
Life expectancy reduction	15.2	12.8	12.4	1.6	351
Annual PPO payment (£)	85,301	60,000	70,225	1.5	374
Lump sum (£)	1,738,765	1,600,000	1,023,127	0.9	373
2017	**Mean**	**Median**	**Standard Deviation**	**Skewness**	**Sample Size**
Age at settlement	39.9	23.7	26.3	1.1	8
Delay until settlement	8.0	6.0	4.6	0.5	8
Future life expectancy at settlement	41.3	49.9	22.6	-1.0	8
Life expectancy reduction	12.4	10.4	7.5	1.2	8
Annual PPO payment (£)	65,323	57,500	20,798	0.7	8
Lump sum (£)	1,901,188	1,912,348	1,148,263	-0.2	8

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Motor Spinal Injury Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	39.5	33.9	18.7	0.5	88
Delay until settlement	4.2	4.0	2.0	2.1	88
Future life expectancy at settlement	35.7	37.5	15.8	-0.3	85
Life expectancy reduction	18.8	18.1	7.8	0.2	82
Annual PPO payment (£)	112,276	86,768	89,694	1.2	88
Lump sum (£)	2,427,535	2,183,435	1,349,614	1.4	87
Pre 2017	**Mean**	**Median**	**Standard Deviation**	**Skewness**	**Sample Size**
Age at settlement	38.8	33.9	18.0	0.5	85
Delay until settlement	4.3	4.0	2.0	2.2	85
Future life expectancy at settlement	36.1	37.6	14.9	-0.3	82
Life expectancy reduction	19.2	18.1	7.7	0.2	79
Annual PPO payment (£)	108,071	86,250	84,297	1.1	85
Lump sum (£)	2,464,371	2,188,544	1,346,557	1.5	84
2017	**Mean**	**Median**	**Standard Deviation**	**Skewness**	**Sample Size**
Age at settlement	57.5	74.3	27.7	-1.7	3
Delay until settlement	2.9	1.9	1.5	1.7	3
Future life expectancy at settlement	25.4	7.0	29.2	1.7	3
Life expectancy reduction	10.8	13.2	4.0	-1.7	3
Annual PPO payment (£)	231,428	262,500	141,252	-0.8	3
Lump sum (£)	1,396,141	1,050,000	974,921	1.2	3

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All Liability Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	46.1	50.5	16.3	-0.5	38
Delay until settlement	6.5	4.5	7.4	5.1	38
Future life expectancy at settlement	26.6	25.9	13.8	0.7	37
Life expectancy reduction	21.3	19.6	15.4	1.8	37
Annual PPO payment (£)	90,069	62,500	76,395	1.0	38
Lump sum (£)	1,447,360	1,257,990	1,077,045	1.0	38

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Liability Brain Injury Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	45.3	50.5	16.7	-0.5	31
Delay until settlement	5.8	4.9	2.7	1.5	31
Future life expectancy at settlement	28.0	26.0	14.4	0.5	30
Life expectancy reduction	20.8	17.1	16.6	1.9	30
Annual PPO payment (£)	84,300	55,000	72,026	1.3	31
Lump sum (£)	1,477,353	1,220,980	1,126,443	1.1	31

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All MIB Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	34.1	30.2	13.1	0.6	170
Delay until settlement	7.4	6.7	3.4	1.3	170
Future life expectancy at settlement	42.5	44.0	16.8	-0.3	170
Life expectancy reduction	16.2	14.4	11.0	1.2	170
Annual PPO payment (£)	59,418	42,328	58,534	2.6	170
Lump sum (£)	1,241,059	1,000,000	840,141	2.2	170
Pre 2017	**Mean**	**Median**	**Standard Deviation**	**Skewness**	**Sample Size**
Age at settlement	33.8	30.0	12.9	0.6	166
Delay until settlement	7.4	6.6	3.5	1.3	166
Future life expectancy at settlement	42.7	44.0	16.8	-0.3	166
Life expectancy reduction	16.3	14.8	11.1	1.2	166
Annual PPO payment (£)	58,646	42,000	58,267	2.7	166
Lump sum (£)	1,243,712	1,000,000	847,989	2.2	166
2017	**Mean**	**Median**	**Standard Deviation**	**Skewness**	**Sample Size**
Age at settlement	48.3	50.4	12.8	-0.6	4
Delay until settlement					
Future life expectancy at settlement	34.5	32.5	12.3	0.5	4
Life expectancy reduction	11.5	11.5	1.4	0.0	4
Annual PPO payment (£)	91,463	95,750	60,577	-0.2	4
Lump sum (£)	1,130,971	1,230,191	378,988	-0.8	4

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MIB Brain Injury Statistics

All	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	32.5	28.2	12.6	0.8	128
Delay until settlement	7.5	6.8	3.5	1.3	128
Future life expectancy at settlement	43.9	46.0	17.0	-0.4	128
Life expectancy reduction	16.5	13.8	11.8	1.2	128
Annual PPO payment (£)	65,037	44,825	61,673	2.6	128
Lump sum (£)	1,236,656	951,026	892,160	2.4	128
Pre 2017	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	32.2	28.1	12.4	0.8	125
Delay until settlement	7.5	6.8	3.5	1.3	125
Future life expectancy at settlement	44.1	46.0	17.1	-0.4	125
Life expectancy reduction	16.6	14.7	11.9	1.2	125
Annual PPO payment (£)	64,071	44,650	61,286	2.7	125
Lump sum (£)	1,242,145	950,000	900,346	2.4	125
2017	Mean	Median	Standard Deviation	Skewness	Sample Size
Age at settlement	45.5	44.4	13.8	0.3	3
Delay until settlement					
Future life expectancy at settlement	37.7	40.0	12.7	-0.7	3
Life expectancy reduction	10.9	10.2	1.3	1.6	3
Annual PPO payment (£)	105,283	141,500	64,255	-1.6	3
Lump sum (£)	1,007,961	1,010,383	361,916	0.0	3

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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	17.6	17.7	5.2	-0.5	16
Annual PPO payment (£)	49,641	34,750	49,958	2.9	16
Lump sum (£)	1,611,360	1,635,000	595,318	0.2	16

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