

# Premiums to fall further, says PIAB

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Insurance premiums will be driven down by a significant drop in the cost of processing accident claims, according to the Personal Injuries Assessment Board (PIAB).

PIAB, which was established in 2004 to assess the amount of compensation due to accident victims, now processes all personal injury claims in the State, and has reduced processing costs to 7 per cent of the amount awarded to the claimant.

Previously, under the court system, legal fees typically amounted to 46 per cent of the compensation sum.

Chief executive Patricia Byron said insurance companies have reduced their premiums, and as PIAB continued to reduce processing costs, consumers could expect to see premiums being driven down even further.

PIAB was now targeting an

annual cost-saving of €40 million.

She said the level of compensation awarded had not been affected by the reduction in costs. PIAB had delivered personal injury awards in excess of €100 million to date.

As PIAB had now reached "full-flow activity", dealing with all personal injury claims, she predicted that more than €100 million would be awarded to accident victims annually from 2008 onwards.

She said claims were also being processed three times faster by PIAB than through litigation.

In the past, she said, claims took an average of three years to process, with many taking as long as four or five years. PIAB was obliged to process a claim within nine months of registration.

According to Ms Byron, the average processing time was now approximately 7.3 months, well within the statutory time-frame.