



# Ministry of Justice Future Provision of Medical Reports in Road Traffic Accident related personal injury claims Response from AXA UK

## AXA UK

1. AXA UK (AXA) is part of the AXA Group, a worldwide leader in financial services. AXA Group operates in 61 countries with over 170,000 employees and 105 million customers. AXA has around 11 million customers in the UK and operates through specific operating companies – AXA Insurance and AXA PPP healthcare.

## Executive summary

2. As a leading motor insurer, AXA welcomes the opportunity to submit to this consultation. AXA has been supportive of the Civil Liability Act 2018, particularly the raising of the small claims track limit (SCT) for road traffic accidents (RTA) subject to adequate safeguards to protect genuine claimants. The reforms outlined in this consultation are good news for honest claimants as they deliver a more proportionate approach to RTA related personal injury claims.
3. AXA firmly supports measures that help ensure people who have been injured through no fault of their own receive fair and just compensation and can achieve that compensation through an efficient system. Therefore, the Government's intention to design and develop a new system for claimants to progress their claims is welcome.
4. AXA supports extending the scope of MedCo to ensure all initial medical reports for all RTA related personal injury claims under the SCT are provided under a single system.
5. AXA is supportive of an easy, user-friendly process which enables all claimants to present their claims and to receive the information, support and clarity they require. Ease of use of the portal is integral to the effectiveness of the new system.

## Question 1

**The Government proposes to extend the scope of MedCo so that all initial medical reports for all RTA related PI claims under the SCT are provided under a single system. Do you agree with this proposal?**

6. Currently, in the context of RTA related claims the use of MedCo is limited to claims involving soft tissue injuries to the occupants of motor vehicles. AXA considers that the same single system utilising MedCo is appropriate for all SCT claims. AXA believes that almost all claims in the raised SCT will involve soft tissue injuries and will be uncomplicated in nature. Moreover, it is likely that these claims will be capable of being assessed by a GP or Physiotherapist as they are now.



7. AXA also considers non-soft tissue injuries that are currently appropriate for the SCT to remain suitable, provided the same single system is used. These types of injuries continue to be uncomplicated in nature and capable of being assessed by a single medical report.
8. According to AXA data, based on claims that have settled for less than £5,000 in the portal process, and where a fixed cost medical report has been obtained, over 99% of these claims have been settled by way of a single fixed cost medical report from a GP or Physiotherapist. Furthermore, similar AXA data suggests that over 97% of claims valued up to £25,000 settled in the portal process also did so by way of a single fixed cost medical report from a GP or Physiotherapist.

## **Question 2**

**If you have suggestions for alternative approaches please provide details and, in particular, how they would work in practice.**

9. With regard to the SCT area, AXA is supportive of a single system operated via MedCo for the obtaining of medical reports. This process has the potential to reduce complexity in the claims process whilst improving clarity for claimants.
10. To make this approach as straightforward as possible, the unrepresented claimant needs the process to be low touch and stress free. Currently, MROs are probably best placed to provide guidance and assistance through the process. In the long-term, AXA is supportive of extending the SCT portal process with the presentation of selectable experts, the claimant's selection, the instruction of the expert, and the provision of the medical report facilitated by the portal. This would remove the need for an unrepresented claimant to have to undertake these tasks directly or appoint someone to do so on their behalf.
11. Any expert being put forward through any solution must be subject to their capacity, capability, coverage and include passing initial due diligence/approval and must be subject to the MedCo accreditation process with suitable scrutiny and sanction related to audit.

## **Question 3**

**If MedCo is extended to cover all types of medical reports for RTA related personal injury claims under the SCT, should other types of medical expert be added to those currently available for the purpose of providing medical reports?**

12. AXA agrees that MedCo should be extended to cover all types of medical reports for RTA related personal injury claims under the SCT. AXA also believes that such extension should be in place for all unrepresented claimant claims regardless of the claim track.
13. Within the SCT, it is AXA's view that there is no need to extend the list of experts who can provide medical reports. A GP will be adequately placed to address all injuries sustained in the SCT environment, and the current rules can remain in place. This will be helpful to



support the implementation of the Civil Liability Act and will avoid creating additional complexity to the MedCo process.

#### **Question 4**

**If additional specialists are added, should they be restricted to providing initial reports for claims which involve their specialisms, or should they be allowed to complete the full accreditation process and be allowed to provide all initial reports?**

14. As discussed in our response to Question 3, AXA believes that additional specialists will not be required. However, if additional specialist medical experts were to be allowed to provide medical reporting, AXA believes that they should not be allowed to provide the initial report. Furthermore, the additional specialism should only be needed when recommended by the initial expert and they should comment only on the injury within their area of expertise.

#### **Question 5**

**Do you agree that other types of practitioner (such as osteopaths or chiropractors) be included in the list of experts who can provide medical reports for claims subject to the new RTA SCT limit?**

**If you agree, please describe which types of additional practitioner should be included and why? If you disagree, please give reasons why.**

15. AXA do not believe that it is necessary to extend the current list of experts who can provide medical reports to other disciplines, such as osteopaths or chiropractors. As we have previously stated, AXA believes that a clinically trained and qualified GP is perfectly placed to provide assessments and medical reports on all SCT and RTA portal-based claims. Further additional reporting when indicated as necessary in the initial report can be obtained under existing rules.

#### **Question 6**

**Should the current fixed recoverable cost regime for initial soft tissue injury medical reports be extended to cover initial reports for all RTA related PI claims under the SCT?**

16. Yes, AXA would be supportive of an extension of the current fixed recoverable cost regime for soft tissue injury medical reports to cover initial reports for all RTA related personal injury claims under the SCT.
17. Furthermore, we also believe that the same fixed cost regime can be extended to all claims within the RTA portal (up to £25,000). Further to our answer to Question 2, AXA believes that consideration should be given to extending the use of Direct Medical Experts (DMEs) for all claims within the SCT and to claims made by unrepresented claimants. This approach would reduce complexity of process for unrepresented claimants and on the lowest value claims.



#### **Question 7**

**Should the fixed recoverable cost regime be extended to all initial reports for claims that fall under the revised SCT in the new IT platform, if additional experts are added to and sourced through MedCo?**

18. Yes, as discussed in our answer to Question 6, the fixed recoverable cost regime can be extended to all claims within the revised SCT including any additional type of expert.

#### **Question 8**

**When extending the current MedCo search system to unrepresented claimants, what, if any, changes should be made to the current MedCo Qualifying Criteria?**

19. AXA does not believe it is necessary for any changes to be made regarding the MedCo qualifying criteria. In alignment with our responses elsewhere in this document, AXA believes that if additional types of medical expert are allowed they should also be subject to the same qualifying criteria.

#### **Question 9**

**When extending the current MedCo search system to unrepresented claimants, what changes would you like to see as to how the information returned should be presented (i.e. currently only contact details are returned, but should more information about the provider and their service offering be provided)? Please give reasons for your answer.**

20. AXA would be supportive of more information being provided. These measures should show the claimant the medical expert's expertise (such as GP, Physiotherapist), their location and distance from the claimant, their current waiting times for an appointment and the time currently taken to prepare the report. Extending the MedCo search system in this manner would facilitate the claimant making an informed and appropriate choice, as ultimately these are the factors that would be important when selecting an expert.
21. The current system whereby a large number of results are returned could unsettle the unrepresented claimant and lead to confusion, so a smaller number of relevant options would be preferable. Therefore, AXA would support further thoughts being given as to how randomisation would work, to prevent strategies designed to place relevant MROs or DMEs at the top of the list every time.

#### **Question 10**

**If you are an MRO or a DME will you be opting in to the new service providing medical reports for unrepresented claimants at £180 (plus VAT) rate?**

22. Not Applicable to AXA.



#### **Question 11**

**When extending the current MedCo search to unrepresented claimants, do you think it should include a standardised set of service level agreements?**

23. AXA is supportive of unrepresented claimants receiving signposting for the next steps of the claim process at all stages of the claim. The new portal facility should, to a large extent, help to provide this signposting.
24. In relation to the appointment of the medical expert, a standardised set of Service Level Agreements should be provided covering the timescales for the appointment setting, examination and reporting stages.

#### **Question 12**

**What other changes do you think would need to be made to the current MedCo system for unrepresented claimants to be able to obtain a medical report?**

25. Depending on other changes linked to the wider claims process in the Civil Liability Act, AXA believes consideration may need to be given regarding who will pay any cancellation charges for a medical examination appointment not attended by the claimant, what the process will be and where additional signposting may be required.

#### **Question 13**

**Please provide with supporting evidence the average cost of an initial medical report for non-soft tissue RTA related PI injuries.**

26. It has proven difficult to differentiate between soft tissue and non-soft tissue injuries within AXA's payments data. Nonetheless, AXA is able to provide evidence that when fixed cost medical reports have been obtained, just over 99% of those claims, settled up to £5,000, were settled on the basis of a single fixed cost (£216) medical report.

#### **Question 14**

**Do you agree with an assumption that around 400,000 claims would be processed through the MedCo portal; and of these, around 10,000 (5%) would be non-soft tissue claims.**

27. AXA does not take a contrary view to the methodology used in the consultation. However, we have not been able to substantiate the assumption using proprietary data. As indicated in the response to Question 13, AXA's data does suggest that nearly all claims settled up to £5,000 were settled on the basis of a fixed cost medical report and this would indicate that these claims would be related to soft-tissue injuries.



**Question 15**

**Do you agree with the assumptions that around two thirds of claims processed on the MedCo system would be with legal representation (made up of just under 50% of claims with BTE insurance and under 20% with other legal representation) and one third of claims without legal representation?**

28. AXA does agree with these assumptions, but it should be noted that the actual behaviour of claimants, in practice, is often hard to predict.
  
29. Ease of use of the portal, the availability of support and guidance for claimants explaining how the claims process would work and the advertising and marketing of claimant firms who wish to remain in the low value injury market will all be relevant factors determining how claims are processed on the MedCo system.

If you have any questions regarding this submission, please contact AXA UK's Public Affairs Executive, Jonathon Murphy, on [Jonathon.murphy@axa-uk.co.uk](mailto:Jonathon.murphy@axa-uk.co.uk) or 07866 032309.