Contents

ANALYTICAL CONTENTS ix
LIST OF TABLES AND FIGURES xvii
INTRODUCTION 1

PART I—INJURY REPARATION IN THE UNITED STATES 21

Chapter 1. Systems of Reparation for Injury, Illness, and Death 23

Chapter 2. Functions of Reparation Systems 75


PART II—THE MICHIGAN AUTOMOBILE INJURY SURVEY 129

Chapter 4. Losses and Reparation Arising Out of Michigan Automobile Accidents Involving Personal Injury 137

Chapter 5. The Serious Injury Cases 159

Chapter 6. Tort Settlements in the Serious Injury Cases 181

Chapter 7. Automobile Injury Cases in the Courts 237
Contents

Chapter 8. Attitudes and Opinions of Claimants and Defendants 256
Chapter 9. Survey Methods: A Description 322
Chapter 10. Survey Methods: An Evaluation 382

PART III—FOREIGN SYSTEMS OF REPARATION FOR AUTOMOBILE INJURIES 413

Chapter 11. Automobile Injury Reparation in England by Professor Harry Street, University of Manchester 419
Chapter 12. Reparation for Personal Injuries in Sweden by Professor Jan Hellner, University of Stockholm 438
Chapter 13. Sources of Reparation for Automobile Accident Victims in France by Dr. Danièle Durin, University of Grenoble 455
Chapter 14. Reparation for Traffic Injuries in West Germany, by Herbert Bernstein, Doctor of Law and Referent, Max-Planck-Institute for Foreign and Private International Law, Hamburg 468

Appendix A Reliability of Sample Estimates 484
Appendix B Injured Person's Questionnaire 492
Index 501
Analytical Contents

Introduction 1

A. What the Study Shows 1
   1. How Much Do Injury Victims Lose? 2
   2. The Role of the Courts 3
   3. Sources of Relief for Injury Victims 4
   4. Levels of Relief 5
   5. The Burden of Reparation 7
   6. The Attitudes of Injury Victims 8
B. The Design of the Study 9
C. Sponsorship and Support 11
D. The People Who Helped 11
E. Bibliography of Other Studies and of Reform Proposals 15

PART I
INJURY REPARATION IN THE UNITED STATES 21

Introduction 22

Chapter 1. Systems of Reparation for Injury, Illness, and Death 23

Introduction 23
   A. A Case (or Two) in Point 25
   B. Roads to Reparation 28
      1. Legal Liability Systems 29
         a. Tort liability 29
         b. Workmen's compensation 31
         c. Employers' liability systems 32
      2. Private Loss Insurance 33
         a. Life insurance 33
         b. Health insurance 34
      3. Nonoccupational Disability Insurance and Sick Leave 35
ANALYTICAL CONTENTS

4. Social Insurance 36
5. Other Public Expenditures 38
C. The Plurality of Protection 40
D. The Dollar Pay-outs of Reparation Systems 43
E. The Dollar Output and Input of Reparation Systems 52
F. Changing Patterns of Reparation, 1940-60 66

Chapter 2. Functions of Reparation Systems 75

Introduction 75
A. Benefits to Injury Victims and Their Families 76
  1. Restoration 77
  2. Subsistence 82
  3. Loss Equalization 84
B. Allocating the Burdens of Reparation 86
  1. Punishing the Guilty 87
  2. Deterrence of Negligence 88
  3. Social Cost Accounting 92
  4. Loss Redistribution 97
  5. Linking Benefits and Burdens 99
C. Economy of Operation of Reparation Systems 102
D. Satisfying "the Popular Sense of Justice" 105
Summary on Functions 106

Chapter 3. Estimating the Social Value of a Reparation System,
With Particular Attention to Auto Injury Reparation 108
A. Determinants of Social Welfare 108
B. Equity in the Distribution of Income 110
C. Efficiency in Utilization of Resources 116
D. Application to Injury Reparation 120
E. An Illuminating Excursion 125
F. Is Quantification of the Benefits of Increased Equity
and of Improved Social Cost Accounting Possible? 126

PART II THE MICHIGAN AUTOMOBILE INJURY SURVEY 129

Introduction 131

Chapter 4. Losses and Reparation Arising Out of Michigan Auto-
mobile Accidents Involving Personal Injury 137
A. The Economic Losses of Serious Injury Victims 137
  1. What Was Measured
ANALYTICAL CONTENTS

2. The Aggregate Losses 142
3. The People Who Lost 144
B. The Reparation of Losses 145
C. Comparisons of Reparation and Loss 152
D. The Road to a Tort Settlement 154

Chapter 5. The Serious Injury Cases 159
A. The Significance of Serious Injuries 159
B. The Serious Injury Victims 161
   1. Who Are They? 161
   2. How Were They Injured? 162
C. The Economic Losses of Serious Injury Victims 164
   1. The Measurement of Losses 164
   2. Illustrations 166
   3. Amounts of Economic Loss Sustained in Individual Cases 168
D. Reparation for Serious Injuries 170
   1. Sources of Reparation 170
   2. Comparing Reparation With Loss 175
   3. Ratios of Net Reparation to Loss 178

Chapter 6. Tort Settlements in the Serious Injury Cases 181
A. Stages of Claim and Litigation 181
B. Gross Tort Settlements 185
C. Collection Expenses 190
D. Ratios of Settlements to Loss 192
E. Meaning of the Ratios of Settlement to Loss 196
F. Ratio of Settlement to Expenses Incurred 199
G. The Bargaining Process 202
   1. First Offers 202
   2. Initial Demands and Damage Allegations 208
H. Determinants of Bargaining Behavior 209
I. Time Intervals in Tort Settlements 221
J. Consulting and Hiring Lawyers 223
   1. Time Intervals 224
   2. Choice of Lawyer 225
   3. Hiring a Lawyer 225
K. Problems of Claims Handling as Seen by Lawyers for Claimants 227

Chapter 7. Automobile Injury Cases in the Courts 237
A. What Kinds of Cases Get to Court? 237
B. In Which Court Filed? 240
C. Stages of Litigation 240
D. Time Lags in Settlements 242
E. Claimants' Lawyers' Views on Delay 244
F. Ratios of Settlements to Economic Loss 248
G. Automobile Injury Cases in the Judicial Workload 252

Chapter 8. Attitudes and Opinions of Claimants and Defendants 256
Introduction 256
A. Background Factors 257
1. Demographic Characteristics of Claimants 257
2. Previous Experience with Automobile Accidents or with the Courts 259
B. Opinions and Attitudes of Claimants 262
1. General Opinions and Attitudes Toward the Tort System 262
2. Opinions and Attitudes Toward the Specific Cases Being Investigated
   a. Outcome of the cases 267
   b. Attitudes and opinions toward outcome 272
C. A Discussion of Claimant Subgroups 281
1. Claimants with Serious Injuries Who Did Not File Suit 281
2. Claimants with Serious Injuries Who Filed Suit 288
3. Claimants with Minor Injuries Who Filed Suit 292
D. Opinions and Attitudes of Defendants 296
E. Basic "Hostility" as a Factor in the Behavior and Attitudes of Accident Victims 309

Chapter 9. Survey Methods: A Description 322
Introduction 322
A. The Universe Defined 322
B. Survey Design: An Overview 323
C. The Police Sample 328
1. Sample Design Considerations 328
2. Final Sample Design 331
D. Mail and Telephone Screening Interviews 332
1. Purpose 332
2. Questionnaire Content and Eligible Respondents 332
3. Results 333
E. The Michigan Court Sample 334
1. Sample Design 334
F. Personal Interviews with Plaintiffs and Mail and Telephone Respondents Reporting "Serious" Injuries 338
1. Purpose 338
2. Questionnaire Content and Eligible Respondents 339
3. Results 340

G. Computation of Weights for Police and Court Records, and Mail, Telephone, and Personal Interviews 342

H. Substitution of Personal Interviews Completed with Plaintiffs from the Court Sample for Plaintiffs from the Police Sample 345
  1. Procedure for Designating Plaintiffs from the Police Sample 345

I. Personal Interviews with Claimants' Lawyers 350
  1. Purpose 350
  2. Questionnaire Content and Eligible Respondents 350
  3. Results 353
  4. A Note Concerning the Effectiveness of Waivers 357

J. Telephone Interviews with Defendants 360
  1. Introduction 360
  2. Questionnaire Content and Eligible Respondents 361
  3. Results 362

K. Mail Interviews with Defendants' Lawyers 363
  1. Introduction 363
  2. Results 366

L. Estimation of Economic Losses 366
  1. Introduction 366
  2. Property Damage 368
  3. Medical Costs 368
  4. Miscellaneous Costs 369
  5. Income Loss 369
  6. Procedures Used in This Study 375

M. Interviewing 380

N. Data Processing 380

Chapter 10. Survey Methods: An Evaluation 382
  Introduction 382
  A. Evaluation of Potential Sources of Sample Bias 384
     1. The Sampling Frame 384
     2. Nonrespondents 388
     3. Sample Substitution Procedure 393
  B. Accuracy of Personal Interview Respondents' Reporting of Hospital Expenses and Legal Fees 401
     1. Hospital Expenses: Respondent-Hospital Discrepancy 401
2. Hospital and Legal Expenses: Respondent-Lawyer Discrepancy

PART III FOREIGN SYSTEMS OF REPARATION FOR AUTOMOBILE INJURIES

Introduction

Chapter 11. Automobile Injury Reparation in England
   A. General Principles of the Law of Tort Relating to Automobile Accidents
   B. Liability Insurance
   C. The Expenses of Medical Treatment
   D. Lost Income During Disability
   E. Damage to Property
   F. Immediate Sources of Relief
   G. Gaps in the Provision for the Accident Victim
   H. Effects of Non-Tort Reparation on Tort Suits
   I. Conclusion

Chapter 12. Reparation for Personal Injuries in Sweden
   Introduction
   A. The "General Insurance" Program
      1. Hospital Bills
      2. Outpatient Fees
      3. Rehabilitation
      4. Pensions and Disability Benefits
      5. Survivors' Benefits
      6. Source of Funds
      7. Subrogation
   B. Industrial Injuries Insurance
   C. Voluntary Insurance and Sick-Leave Pay
      1. Accident Insurance
      2. Annuity Policies
      3. Sick Leave
      4. Life Insurance
   D. Tort Liability
      1. Measures of Damages
      2. Automobile Injuries
      3. Industrial Injuries
Chapter 13. Sources of Reparation for Automobile Accident Victims in France

A. Reparation by Social Security
   1. Common Law Accidents
      a. Medical benefits
         (1) The principle of direct payment by the injury victim
         (2) The principle of partial reimbursement
      b. Cash benefits
         (1) When payable
         (2) Amount
         (3) Duration
   2. Work Accidents
      a. Medical benefits for work accidents
         (1) The principle of direct payment by Social Security
         (2) The principle of full reimbursement
      b. Cash benefits
         (1) Temporary disabilities
         (2) Permanent disabilities

B. Supplementary Reparation Regimes
   1. Mutual Benefit Societies
   2. Health and Welfare Funds

C. Reparation by Employers

D. Reparation Under Private Insurance
   1. Types of Policy
   2. Extent of Benefits

E. Subrogation to Tort Claims

F. Conclusion

Editorial Note: Tort Liability for Automobile Accidents in France

Chapter 14. Reparation for Traffic Injuries in West Germany

A. Tort Liability
   1. Absolute Liability
   2. General Law of Torts
   3. Comparative Negligence

B. Compulsory Liability Insurance

C. Sick-Leave Pay
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>D. Industrial Accident Insurance</td>
<td>475</td>
</tr>
<tr>
<td>E. Other Forms of Social Security</td>
<td>478</td>
</tr>
<tr>
<td>1. Health Insurance</td>
<td>478</td>
</tr>
<tr>
<td>2. Pensions</td>
<td>479</td>
</tr>
<tr>
<td>3. Subrogation</td>
<td>479</td>
</tr>
<tr>
<td>F. Additional Sources of Relief</td>
<td>480</td>
</tr>
<tr>
<td>1. Damage to Property</td>
<td>481</td>
</tr>
<tr>
<td>2. Private Accident and Life Insurance</td>
<td>481</td>
</tr>
<tr>
<td>G. Conclusion</td>
<td>482</td>
</tr>
<tr>
<td>Appendix A. Reliability of Sample Estimates</td>
<td>484</td>
</tr>
<tr>
<td>Nonsampling Errors</td>
<td>484</td>
</tr>
<tr>
<td>Sampling Variability</td>
<td>484</td>
</tr>
<tr>
<td>Appendix B. Injured Person's Questionnaire</td>
<td>492</td>
</tr>
<tr>
<td>Effects of Auto Accidents</td>
<td>492</td>
</tr>
<tr>
<td>Medical Care</td>
<td>492</td>
</tr>
<tr>
<td>Damage to Automobile and Other</td>
<td>494</td>
</tr>
<tr>
<td>Personal Property</td>
<td>494</td>
</tr>
<tr>
<td>Other Expense</td>
<td>494</td>
</tr>
<tr>
<td>Income Loss and Financial Adjustment</td>
<td>495</td>
</tr>
<tr>
<td>Compensation and Legal Proceedings</td>
<td>497</td>
</tr>
<tr>
<td>General Opinions and Attitudes</td>
<td>499</td>
</tr>
<tr>
<td>Demographic Data</td>
<td>500</td>
</tr>
<tr>
<td>Interviewer</td>
<td>500</td>
</tr>
<tr>
<td>Index</td>
<td>501-06</td>
</tr>
</tbody>
</table>
Tables and Figures

CHAPTER 1

Table 1-1 Summary of Reparation Coverage .................. 42
1-3 Loss-Shifting Expenses of Major Reparation Systems, 1960 .......................... 54
1-4 Direct Benefits Received and Total Costs of Principal Reparation Systems ................ 59
1-5 Sources of Reparation for Automobile Injuries in Michigan, 1958 ............................ 63
1-6 Pay-outs of Selected Reparation Systems, 1940-1960, With Some Comparison Figures .... 67

Figure 1-1 Total Costs and Direct Benefits Received Under Principal Loss-Shifting Systems .................. 61
1-2 Pay-outs of Selected Reparation Systems, 1940-1960 ................................. 70
1-3 Pay-outs of Selected Reparation Systems, 1940-1960, as Per Cents of Disposable Personal Income ........................................ 71
1-4 Cumulative Reparation, Medical Expenditures, and Accident Costs as Per Cents of Disposable Personal Income, 1940-1960 .......... 73

CHAPTER 3

Figure 3-1 ......................................................... 111
3-2 .............................................................. 118
CHAPTER 4

Table 4-1 Amounts of Economic Loss ..................... 138
4-2 Amounts of Reparation .................................. 139
4-3 Aggregate Amounts of Economic Loss of Various Types ................................................. 142
4-4 Persons Sustaining Economic Loss of Various Types ..................................................... 143
4-5 Number of Persons Sustaining Various Amounts of Economic Loss ................................. 144
4-6 Aggregates of Economic Loss Sustained in Various Amounts ........................................... 145
4-7 Comparison of Numbers Sustaining Economic Losses ..................................................... 145
4-8 Persons Receiving Reparation from Various Sources ...................................................... 146
4-9 Aggregate Reparation Received from Various Sources ................................................... 147
4-10 Persons Receiving Various Amounts of Reparation ....................................................... 148
4-11 Number of Persons Receiving Tort Settlements of Various Amounts ............................... 149
4-12 Aggregates of Tort Settlements of Varying Amounts .................................................... 149
4-13 Comparison of Number of Persons Receiving Tort Settlements and Aggregate Amounts ... 150

Figure 4-1 Aggregate Economic Loss Compared with Aggregate Reparation ................................ 151
4-2 Individual Economic Loss Compared with Individual Reparation ..................................... 152
4-3 Number of Cases Reaching Various Stages of Claim and Litigation .................................. 155
4-4 Number of Persons Receiving Tort Settlements at Successive Stages of Claim and Litigation .................. 156
4-5 Average Amounts of Tort Settlements Re-
Tables and Figures

Received at Successive Stages of Claim and Litigation ........................................ 157
4-6 Aggregate Amounts of Tort Settlements Received at Successive Stages of Claim and Litigation ........................................ 158

Chapter 5

Table 5-1 Amounts of Economic Loss in Serious Injury Cases ........................................ 165
5-2 Net Reparation from Various Sources ........................................ 172

Figure 5-1 Persons Sustaining Loss, Medical Expense, and Serious Injury ........................................ 160
5-2 Ages of Serious Injury Victims ........................................ 161
5-3 Education of Serious Injury Victims ........................................ 162
5-4 Family Income ........................................ 163
5-5 Accident Roles ........................................ 163
5-6 Amount of Economic Loss Per Case ........................................ 168
5-7 Amount of Economic Loss Per Case ........................................ 169
5-8 Amount of Economic Loss Per Case in Urban and Rural Areas ........................................ 170
5-9 Employment Status of Persons Sustaining Varying Amounts of Economic Loss ........................................ 171
5-10 Sources of Aggregate Reparation ........................................ 174
5-11 Net Reparation as a Percent of Economic Loss ........................................ 177
5-12 Net Reparation as a Percent of Economic Loss ........................................ 178
5-13 Net Reparation as a Percent of Economic Loss for Losses of Varying Amounts ........................................ 179

Chapter 6

Table 6-1 Amounts of Tort Settlement ........................................ 182
6-2 Injured Persons' Reasons for Not Receiving a Tort Settlement ........................................ 210
6-3 Injured Persons' Reasons for not Seeing a Lawyer ........................................ 211
6-4 Claimants' Lawyers' Reasons for Disagreement ........................................ 213
Tables and Figures

6-5 Reasons for Choosing Lawyer ........................................ 226
6-6 Views of Lawyers for Claimants on Claim-Handling Problems .................. 230

Figure 6-1 Disposition of Cases at Various Stages of Claim and Litigation ........ 184
6-2 Amounts of Tort Settlements at Successive Stages of Claim and Litigation ........ 185
6-3 Aggregate Tort Settlements at Successive Stages of Claim and Litigation .......... 186
6-4 Frequency of Settlements of Various Amounts ..................................... 187
6-5 Comparison of Amounts of Economic Losses and of Tort Settlements ................ 188
6-6 Comparison of Amounts of Economic Loss and of Tort Settlements in Settled Cases .......... 188
6-7 Amounts of Tort Settlements at Successive Stages of Claim and Litigation .......... 189
6-8 Collection Expense as a Percent of Settlement ..................................... 191
6-9 Collection Expense as a Percent of Settlement for Settlements of Varying Amounts .................. 192
6-10 Collection Expense as a Percent of Tort Settlement with and without a Lawyer .......... 193
6-11 Collection Expense as a Percent of Tort Settlement at Successive Stages of Litigation ........ 193
6-12 Net Tort Settlement as a Percent of Economic Loss ................................ 195
6-13 Net Tort Settlement as a Percent of Economic Loss for Settlement of Varying Amounts ........ 195
6-14 Net Tort Settlement as a Percent of Economic Loss for Varying Amounts of Economic Loss .......... 197
6-15 Gross Tort Settlement as a Percent of Expenses Incurred .......................... 200
6-16 Gross Tort Settlement as a Percent of Expenses Incurred in Cases with Varying Amounts of Expenses .................. 201
6-17 First Offer as a Percent of Economic Loss ........................................ 203
6-18 First Offer as a Percent of Economic Loss in
Cases with Varying Amounts of Economic Loss .............................................. 204
6-19 First Offer as a Percent of Tort Settlement ................................................. 205
6-20 First Offer as a Percent of Tort Settlement for Varying Amounts of Economic Loss ............................................. 206
6-21 First Offer as a Percent of Tort Settlement for Varying Amounts of Settlement ......................................................... 207
6-22 First Offer as a Percent of Tort Settlement in Cases Settled with and without Lawyers ......................................................... 208
6-23 First Offer as a Percent of Initial Demand ..................................................... 209
6-24 Claimants' Lawyers' Selection of Reasons for Disagreement ......................... 214
6-25 Defendants' Lawyers' Selection of Reasons for Disagreement ......................... 215
6-26 Factors Augmenting Tort Settlement ............................................................ 217
6-27 Factors Limiting Amount of Tort Settlement .................................................. 220
6-28 Time from Injury to Tort Settlement .............................................................. 222
6-29 Time from Injury to Settlement for Settlements of Various Amounts .................. 223
6-30 Consultation of Lawyers ................................................................................. 224
6-31 Time Between Injury and Seeing a Lawyer ....................................................... 225

CHAPTER 7

Table 7-1 Urbanization of Counties in Which Accidents Occurred and in Which Suits Were Filed ......................................................... 240
7-2 Claimants' Lawyers' Views on Delay ............................................................... 249

Figure 7-1 Frequency of Suit in Cases with Varying Amounts of Economic Loss ......................................................... 239
7-2 Stages of Litigation Reached in Suit Cases ....................................................... 241
7-3 Time from Injury to Settlement in Suit Cases for Varying Amounts of Settlement ......................................................... 243
7-4 Time from Injury to Settlement in Cases That Came to Trial Compared with All Suit Cases ......................................................... 243
7-5 Time from Injury to Settlement in Cases of Varying Economic Loss .................. 245
Tables and Figures

7-6 Net Tort Settlement as a Percent of Economic Loss ........................................ 250
7-7 Net Tort Settlement as a Percent of Economic Loss in Settlements of Varying Amounts ... 251
7-8 Net Tort Settlement as a Percent of Economic Loss in Cases with Varying Amounts of Loss .................................................................................. 251
7-9 Net Tort Settlement as a Percent of Economic Loss in Cases Terminated at Various Stages of Litigation ................................................................. 252
7-10 Automobile Injury Suits in the Courts' Case Load at Various Stages of Litigation and by Type of Trial ................................................................. 254

Chapter 8

Table 8-1 Demographic Characteristics of Personal-Interview Respondents Distributed by Claimant Groups ................................................................. 258
8-2 Accident or Litigation Experience of Personal-Interview Respondents Distributed by Claimant Groups ................................................................. 260
8-3 Attitude Toward Suing Distributed by Claimant Groups ........................................ 263
8-4 Whether Anything Should be Done to Make Things Easier for People Involved in Automobile Accidents ...................................................... 264
8-5 Whether Pain and Suffering Should be Compensated ........................................ 265
8-6 Whether Claimant's Lawyer Should Be Paid if He Loses the Case .................. 266
8-7 Whether Insurance Company Will Offer a Larger Settlement if Lawyer Hired .... 267
8-8 Net Reparation as a Percent of Economic Loss ................................................ 269
8-9 Net Tort Settlement as a Percent of Economic Loss ........................................ 271
8-10 Whether Suit or Counterclaim Filed Against
TABLES AND FIGURES

Respondent in Connection with This Accident ............................................. 273
8-11 Attitude Toward Tort Settlement ......................................................... 274
8-12 Whether Respondent Thinks a Larger Settlement Could Have Been Obtained if Things Had Been Done Differently ............................... 274
8-13 Attitude Toward Final Outcome of the Case ......................................... 277
8-14 Whether a Lawyer Was Seen After the Accident ................................... 283
8-15 Reason for Choosing Lawyer ................................................................... 285
8-16 Whether Any Disagreement with Lawyer ............................................... 290
8-17 Defendant's Knowledge Concerning Outcome of Case ............................ 297
8-18 Amount of Tort Settlement as Reported by Defendants .......................... 298
8-19 Number of Days Required by Defendant to Handle His Suit .................. 300
8-20 Expense Incurred by Defendant in Handling the Suit ............................. 302
8-21 Defendant's Attitude Toward Outcome of Case Distributed by Whether Penalty Imposed and Type of Penalty ........................................... 303
8-22 Defendant's Attitude Toward Outcome of Case Distributed by Time Required to Settle the Case ................................................................. 303
8-23 Defendant's Attitude Toward Outcome of Case Distributed by Sex of Defendant .............................................................. 304
8-24 Defendant's Attitude Toward Outcome of Case Distributed by Family Income of Defendant .............................................................. 305
8-25 Defendant's Feelings About Fairness of Treatment Received .................. 307
8-26 Whether Defendant Would Have Preferred to Settle the Case Sooner Distributed by Whether He Thinks the Case Could Have Been Settled Sooner ............................ 308
8-27 Whether Defendant Would Have Preferred to
Settle the Case Sooner Distributed by Time
Required to Settle the Case ......................... 310

8-28 Characteristics of Respondents Who Were
High and Low on the "Hostility" Index .......... 313

8-29 Characteristics of Respondents Who Did and
Did Not Show any Overt Aggression in
Their Behavior ........................................ 315

8-30 "Hostility" and Attitude Toward Tort Settlement
Distributed by Net Tort Settlement as
a Percent of Economic Loss ...................... 319

8-31 "Hostility" and Attitude Toward Outcome of
Case Distributed by Net Tort Settlement as
a Percent of Economic Loss ...................... 320

Figure 8-1 Average Net Reparation as a Percent of Eco-
nomic Loss for Claimant Groups ................. 270

8-2 Average Net Tort Settlement as a Percent of
Economic Loss for Claimant Groups ............ 272

8-3 Relationship Between Various Characteristics
and Dissatisfaction with Outcome of Case .... 278

8-4 Relation Between Various Characteristics and
the Decision to File Suit and the Decision
Not to File Suit ....................................... 282

8-5 Relation Between Whether Defendant Knew
the Outcome of the Case and Stage of Litiga-
tion Reached ........................................ 298

8-6 Defendant's Average Cost of Defense .......... 301

8-7 Defendant's Attitude Toward Outcome of
Case ..................................................... 301

8-8 Relationship Between Defendant's Attitude Tow-
ard Outcome of Case and Family Income .... 306

8-9 Various Characteristics Related to the "Hostil-
ity" Index ............................................ 314

CHAPTER 9

Table 9-1 Sample Size and Response Rate for Mail and
Telephone Screening Questionnaire .......... 333
9-2 Composition of the Michigan Court Sample . . . 337
9-3 Sample Sizes and Response Rates for Personal
Interview Questionnaires . . . . . . . . . . . . . . 341
9-4 “Adjusted” Sample Sizes and Response Rates
for Personal Interview Questionnaires . . . 341
9-5 Response Rates and Determination of Inter­
view Weights for Information from Police
Records and for Mail and Telephone Inter­
views Completed by Respondents from the
Police Sample . . . . . . . . . . . . . . . . . . . . . 343
9-6 Response Rates and Determination of Inter­
view Weights for Personal Interviews Com­
pleted with Respondents from Police
Sample . . . . . . . . . . . . . . . . . . . . . . . . . . . 343
9-7 Response Rates and Determination of Inter­
view Weights for Information from Court
Calendars and for Personal Interviews Com­
pleted with Plaintiffs from the Court
Sample . . . . . . . . . . . . . . . . . . . . . . . . . . . 344
9-8 Designation of Plaintiffs in Police Sample . . 348
9-9 Sample Sizes and Response Rates for Personal
Interviews Completed with Claimants’ Law­
yers . . . . . . . . . . . . . . . . . . . . . . . . . . . . 352
9-10 Response Rates and Determination of Inter­
view Weights for Information from Court
Calendars and for Personal Interviews Com­
pleted with Plaintiffs’ Lawyers from the
Court Sample . . . . . . . . . . . . . . . . . . . . . 354
9-11 Reason Why Questionnaire Was Not Com­
pleted with Plaintiff’s Lawyer, Court Sam­
ple . . . . . . . . . . . . . . . . . . . . . . . . . . . . 355
9-12 Reason Why Questionnaire Was Not Com­
pleted with Claimant’s Lawyer, Police Sam­
ple . . . . . . . . . . . . . . . . . . . . . . . . . . . . 356
9-13 Personal Interview Results with Plaintiff’s Law­
yer by Personal Interview Results with
Plaintiff and by Whether Plaintiff Signed a Release, Court Sample .................. 358
9-14 Personal Interview Results with Claimant's Lawyer by Whether Claimant Signed a Release, Police Sample .................. 359
9-15 Response Rates and Determination of Interview Weights for Information from Court Calendars and for Telephone Interviews Completed with Defendants from the Court Sample .................. 364
9-16 Reason Why Questionnaire Was Not Completed with Defendant, Court Sample .... 365
9-17 Concentration of Cases for Sampled Plaintiffs' and Defendants' Lawyers, Court Sample .... 366
9-18 Response Rates and Determination of Interview Weights for Information from Court Calendars and for Mail Interviews Completed with Defendants' Lawyers from Court Sample .................. 367
9-19 Present Value of an Annuity of $1,000 Per Year for a Term of Years at Various Interest Rates .................. 374
9-20 Levels of Wage-Salary Income on Which Lifetime Income Tables Can be Based ........ 376

Figure 9-1 Study Design .................. 327
9-2 Income Loss of Men and Employed Single Women Permanently Disabled at Various Ages .................. 377
9-3 Income Loss of Men and Employed Single Women Fatally Injured at Various Ages .... 378
9-4 Income Loss of Non-Employed Women Disabled or Fatally Injured at Various Ages .... 379

Chapter 10

Table 10-1 Estimate of Bias Resulting from Nonreporting of Personal-Injury Automobile Acci-
<table>
<thead>
<tr>
<th>Table/Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-2</td>
<td>Role of Person in Accident</td>
<td>389</td>
</tr>
<tr>
<td>10-3</td>
<td>Whether Respondent Arrested or Cited for a Traffic Violation</td>
<td>390</td>
</tr>
<tr>
<td>10-4</td>
<td>Extent of Injury</td>
<td>390</td>
</tr>
<tr>
<td>10-5</td>
<td>Sex of Injured Person</td>
<td>391</td>
</tr>
<tr>
<td>10-6</td>
<td>Age of Injured Person</td>
<td>391</td>
</tr>
<tr>
<td>10-7</td>
<td>Race of Injured Person</td>
<td>392</td>
</tr>
<tr>
<td>10-8</td>
<td>Occupation of Injured Person</td>
<td>393</td>
</tr>
<tr>
<td>10-9</td>
<td>Selected Motor Vehicle Accident Data for Michigan, 1955-1961</td>
<td>397</td>
</tr>
<tr>
<td>10-10</td>
<td>Sex of Injured Person, Police and Court Samples</td>
<td>398</td>
</tr>
<tr>
<td>10-11</td>
<td>Age of Injured Person at Time of Accident, Police and Court Samples</td>
<td>398</td>
</tr>
<tr>
<td>10-12</td>
<td>Race of Injured Person, Police and Court Samples</td>
<td>399</td>
</tr>
<tr>
<td>10-13</td>
<td>Extent of Injury, Police and Court Samples</td>
<td>399</td>
</tr>
<tr>
<td>10-14</td>
<td>Discrepancy Between Respondent's and Hospital's Reporting of Hospital Expenses</td>
<td>403</td>
</tr>
<tr>
<td>10-15</td>
<td>Respondent's Reporting Discrepancy Distributed by Amount of Hospital Bill</td>
<td>405</td>
</tr>
<tr>
<td>10-16</td>
<td>Respondent's Reporting Discrepancy Distributed by Length of Time Between Accident and Interview</td>
<td>407</td>
</tr>
<tr>
<td>10-17</td>
<td>Total Medical Expense as Reported by Claimants and Claimants' Lawyers</td>
<td>410</td>
</tr>
<tr>
<td>10-18</td>
<td>Legal Expense as Reported by Claimants and Claimants' Lawyers</td>
<td>411</td>
</tr>
</tbody>
</table>

Figure 10-1 Substitution Procedure: Michigan Automobile Accident Study | 395  |

Appendix A

Figure A-1 Standard Errors of Proportions for Design Used in Survey | 487  |
A- 2 Approximate Standard Errors of Difference Between Proportions of Mutually Exclusive Subgroups for Design Used in this Study . . 488
A- 3 Approximate Standard Errors of Differences Between Proportions of Mutually Exclusive Subgroups Used in this Study . . . . . 488
A- 4 Approximate Standard Errors of Differences Between Proportions of Mutually Exclusive Subgroups Used in this Study . . . . . . 489
A- 5 Approximate Standard Errors of Differences Between Proportions of Mutually Exclusive Subgroups Used in this Study . . . . . . 490