

Most significant changes

Whether you are buying a new policy or renewing an existing one, you should be aware of the most significant changes to statutory accident benefits:

Benefit	Current Policy	New Policy
Medical and Rehabilitation for non-catastrophic injuries	\$50,000	These benefits have been combined and reduced to \$65,000 total
Attendant Care for non-catastrophic injuries	\$36,000	
Medical and Rehabilitation for catastrophic injuries	\$1,000,000	These benefits have been combined and reduced to \$1,000,000 total
Attendant Care for catastrophic injuries	\$1,000,000	

Some important things to remember about these benefits:

- If you have previously chosen to purchase optional benefits to increase these amounts, check your policy – they may have changed to reflect amounts available in new options.
- Medical, Rehabilitation and Attendant Care benefits for minor injuries are fixed at a maximum limit of \$3,500.

The optional benefits available for Medical, Rehabilitation and Attendant Care have also changed:

Current Optional Benefit	Optional Benefit available on or after June 1, 2016
Non-catastrophic injuries	
Medical and Rehabilitation for non-catastrophic injuries \$100,000	\$72,000 and \$100,000 options have been eliminated.
Attendant Care for non-catastrophic injuries \$72,000	New: Combined Medical, Rehabilitation and Attendant Care of \$130,000** for non-catastrophic injuries. If you have previously chosen to purchase these optional benefits check your policy or contact your agent or broker – they may have changed to reflect the amount available in this new option.
Catastrophic injuries	
Not available	New: Combined Medical, Rehabilitation and Attendant Care of \$1,000,000 for catastrophic injuries only.

The **\$1,000,000** Medical, Rehabilitation and Attendant Care optional benefit for all injuries (non-catastrophic and catastrophic) remains unchanged. If you have previously chosen to purchase this optional benefit it will appear on your new policy.

The chart below illustrates the overall benefit limits available depending on which optional benefit or combination of optional benefits you purchase, if any:

Options: Medical, Rehabilitation and Attendant Care	Maximum for Non-catastrophic injuries	Maximum for catastrophic injuries
Standard: No options purchased	\$65,000**	\$1 million
\$130,000 combined (non-catastrophic injuries)*	\$130,000**	\$1 million
\$1 million (all injuries)*	\$1 million	\$2 million
\$1 million (catastrophic injuries)	\$65,000**	\$2 million
Combinations:		
\$130,000 combined (non-catastrophic injuries) + \$1 million (catastrophic injuries)	\$130,000**	\$2 million
\$1 million (all injuries) + \$1 million (catastrophic injuries)	\$1 million	\$3 million

*\$130,000 optional combined (non-catastrophic injuries) and \$1 million optional (all injuries) cannot be purchased together.

** Duration of benefit is five (5) years for adults.

Other Optional Benefits

There are many other options available to purchase additional or increased benefits and coverages. The following chart lists some but not all of those and indicates if those options changed on June 1. You can also choose not to increase any benefit or coverage. If you have previously purchased any optional benefits, you should review your renewal documents as they may have changed.

Benefit/Coverage	Current Policy	New Policy	You can choose
Income Replacement benefit	70 per cent of gross income up to \$400 per week.	No change	To increase the weekly limit to \$600, \$800 or \$1,000 per week.
Caregiver benefit	Available only for catastrophic injuries: Up to \$250 per week for the first dependant plus \$50 for each additional dependant.	No change	To make the same amounts available in current policy for catastrophic injuries available for all injuries.
Housekeeping and Home Maintenance expenses	Available only for catastrophic injuries: Up to \$100 per week.	No change	To make the same amounts available in current policy for catastrophic injuries available for all injuries.
Death and Funeral benefits	\$25,000 lump sum to an eligible spouse; \$10,000 lump sum to each dependant; maximum \$6,000 funeral benefits.	No change	\$50,000 lump sum to an eligible spouse; \$20,000 lump sum to each dependant; maximum \$8,000 funeral benefits.
Dependant Care benefit	Not provided	Not provided	To purchase this benefit and add up to \$75 per week for the first dependant and \$25 per week for each additional dependant to a maximum of \$150 per week.
Indexation benefit	Not provided	Not provided	To add an annual adjustment for inflation for many benefits according to the Consumer Price Index for Canada to your policy.
Third Party Liability	\$200,000 minimum for claims as a result of lawsuits against you.	No change	Options exist to increase the minimum amount.
Tort Deductible	\$36,905.40 deductible for court awarded compensation for pain and suffering (Jan 1-Dec 31, 2016).	No change	Reduce deductible by \$10,000 regardless of annual indexation percentage increases.

Non-Earner benefit

The six-month waiting period for people who are not working to receive benefits has been reduced to four weeks. Conversely, benefits can now only be received for up to two years after the accident.

Duration of Medical, Rehabilitation and Attendant Care benefits

For all claimants except children, the amount of time that you can receive this standard benefit is now five years for non-catastrophic injuries, and it will be paid only as long as you remain medically eligible.

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How your insurance rate is determined:

1. Your personal profile

Your personal insurance profile is created by your insurance company based on:

The type of vehicle you drive

Learn how your car measures up by reading [How Cars Measure Up](#) published by the Insurance Bureau of Canada (IBC).

Your driving record*

Your driving record includes previous accidents, the length of time you've been licensed, whether or not you've taken driver training, speeding tickets, impaired driving convictions, etc. The better your record, the lower your premium.

Where you live

Auto insurance rates are usually higher in urban areas where accidents and car theft are more frequent.

Your age, gender and marital status

In general, mature drivers have fewer accidents than younger drivers, particularly teenagers. After the age of 25 years, insurance premiums typically drop considerably. Gender and marital status also affect your risk profile, and may make your rates vary.

The amount you drive

Your rates are also calculated based on the number of kilometres you drive per year, and whether or not you commute to work or school. As a rule of thumb, the more you drive, the higher your premiums.

2. The amount of coverage you purchase

If you buy additional protection, over and above the mandatory coverage, your rates will increase. If you drive an older vehicle, and forego collision and comprehensive coverage, your rates will be lower. Additional coverage that may increase your rates include:

- Comprehensive coverage to protect against theft, vandalism, hail or explosion
- Increasing your third party liability protection

- Increasing your standard accident benefits coverage

Always discuss your options with your auto insurance agent or broker.

3. The deductible you choose

Your deductible is the portion you will be required to pay in the event that you make an auto insurance claim. Your insurance company may offer separate deductibles for:

- Collision or Upset
- Comprehensive
- All Perils
- Specified Perils
- Direct Compensation-Property Damage (DC-PD) coverages

As a general rule of thumb, the lower your deductible, the higher your premiums. The higher your deductible, the lower your premiums.

4. The insurance company you choose

Auto insurance premiums can vary substantially from one insurance company to another. In general, insurance works according to the “pooling” concept, in which insurers group similar risk characteristics, with similar risk groups. In this concept, some members of a risk group may never make a claim, while others may make substantial claims.

Actuaries analyze the financial costs of risk and uncertainty. They use math, statistics and financial theory to assess risk and estimate future claims that may be made by your risk group, to develop appropriate individual premiums.

Subsequently, if your risk group was responsible for multiple claims with a particular insurance company, that company's premiums may be higher than one with a different experience.

For a copy of your automobile policy, please click here:

<https://www.fsrao.ca/industry/auto-insurance-sector/automobile-insurance-policy-oap-1-forms>