



**CHANGES TO AUTOMOBILE INSURANCE EFFECTIVE JUNE 1, 2016**

The Financial Services Commission of Ontario has mandated changes to the automobile insurance system with the intended goal of reducing premiums in Ontario. You will have more choice and control over your insurance and premium.

**There are THREE major changes to the Standard Accident Benefits:**

- 1/ A **reduction** in the non-catastrophic benefit limits and the duration that benefits are available;
- 2/ A major **reduction** in the scope of non-earner benefits; and
- 3/ A **reduction** in the catastrophic impairment benefit limits.

**Regardless of who is at-fault**, many of the changes affect the statutory Accident Benefits you may receive should you be injured in an automobile accident.

**Your coverage, on renewal, will default to the new lower standard benefits shown below if you do not contact our office to increase your benefits or make changes. If you have previously chosen to purchase these optional benefits, check your policy – they may have changed to reflect amounts available in new options. Complete details of these changes will be included with your renewal. You may make changes any time after June 1, 2016.**

**MOST SIGNIFICANT CHANGES:**

BENEFIT	CURRENT POLICY	NEW POLICY	YOU CAN CHOOSE
Medical and Rehabilitation for non-catastrophic Injuries	\$50,000	These benefits have been combined and reduced to <b>\$65,000</b> total	Increase the benefit to <b>\$130,000</b> 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 <b>\$1,000,000</b> total	An additional <b>\$1,000,000</b> for a total of <b>\$2,000,000</b> for catastrophic injuries
Attendant Care for catastrophic injuries	\$1,000,000		
Medical, Rehabilitation and Attendant Care, all injuries	Not applicable	Not applicable	Increase the combined non-catastrophic benefit to <b>\$1,000,000</b> and the combined catastrophic benefit total to <b>\$2,000,000</b>

Some important things to consider about these choices:

- Medical, Rehabilitation and Attendant Care benefits for minor injuries are fixed at a maximum limit of \$3,500
- If clients purchase both additional Medical, Rehabilitation and Attendant Care benefit for catastrophic injuries for all injuries, the total eligible benefit amount for catastrophic impairment is \$3,000,000.

See reverse



**\*\*\* Considerations for updating your coverage:** \* You are a primary caregiver of young children, elderly parents or disabled family members \* You earn more than \$30,000 a year \* You are a snowbird \* You are responsible for housekeeping or home maintenance \* You have a pre-existing injury that requires regular treatments like physiotherapy or massage \* Your auto insurance policy is your only form of coverage (i.e. you do not have a group plan through an employer or spouse)

**Additional changes include:**

- Minor Accident** Insurers can no longer use a minor at-fault accident that occurs on or after June 1, 2016 (meeting certain criteria) to increase your premiums. Criteria include that no payment has been made by any insurer, that there are no injuries and that damages to each car and property were less than \$2,000 per car and were paid for by the at-fault driver. This provision is limited to one minor accident every three years.
- Interest Rate for Monthly Payment Plans** The maximum interest rate that insurers can charge if you make monthly premium payments has been **lowered** from 3% to 1.3% for one year policies, with corresponding reductions for shorter terms.
- Comprehensive Deductible** The standard deductible for Comprehensive coverage has been **increased** from \$300 to \$500.
- 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.

**Umbrella insurance** is an option which could save you money and provide additional coverage.

This document contains a summary of the amendments only. Please contact our office if you do not understand how these changes will affect you. For a complete list of all amendments, please refer to:

[www.fSCO.gov.on.ca](http://www.fSCO.gov.on.ca)

We are committed to providing you with expert advice on insurance products and services, specific to your needs.

Thank you for the privilege of allowing us to service your insurance needs.

*It's all about the customer*