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News Release

FAIR Treatment for Ontario Accident Victims

Group Says Auto Insurance Getting Worse in Ontario, Calls for Change

TORONTO — December 11, 2012 — FAIR, the Association of Victims For Accident Insurance Reform, says the Ontario government needs to fix the province's broken auto insurance system.

"We are concerned that the victims and survivors of car accidents are not being heard," said Rhona DesRoches, spokesperson for FAIR. "Every year, more than 60,000 people are hurt in car accidents in Ontario yet their voices are seldom heard. We are the only group that speaks for the victim."

"Most people who are hurt in car accidents are understandably focused on getting on with their recoveries and dealing with their auto insurance company to speak out about their experiences. Many are afraid to do so while their claims are still open."

FAIR is concerned that in 2010, the Ontario government arbitrarily limited the amount victims can claim for treatment after an accident to \$50,000 — cutting the limit in half overnight.

Ontario also lets insurance companies cap victims' claims for minor injuries at \$3,500. "While this may sound adequate, it can be barely enough to cover basic rehabilitation after an accident," DesRoches said.

FAIR wants MPPs from all political parties to look more closely at auto insurance in Ontario. The group also wants candidates for the Ontario Liberal Leadership to say where they stand — auto insurance affects all Ontario drivers and the new Leader will need to address the quality of insurance coverage consumers are legislated to buy.

"Auto insurance is the only product that seems to get worse over the years. It gets more expensive as they strip away our coverage. Why is that? Why is no one speaking out about the quality of auto insurance?" DesRoches said.

The group noted that in 2011, Ontario's Auditor General reported on a number of problems with auto insurance, such as a backlog in mediation that delayed tens of thousands of people receiving treatment. The Auditor General's 2012 report will be released tomorrow.

"We look forward to further action on the issues that the auditor raised last year. For example, where is the review of insurer profitability? By some estimates, Ontario auto insurers' profits soared after coverage was slashed. When coverage is reduced from \$100,000 to just \$3,500 for at least three out of four claimants, how can insurers not cash in? Those funds are not going to the victims who need it and who no longer have adequate coverage."

"The fundamentals are still broken. Thousands of victims routinely run out of funds for medical treatment and therapies long before they have recovered. Those most seriously injured or with brain damage can run out of treatment funds in less than six months. There are now almost 30,000 files in dispute, equivalent to half of the number of annual claims and most are waiting a year or more for resolution. Insurance company practices such as excessive demands for Independent Medical Exams by doctors they choose drive up costs and delay victims getting the help they need. There is the issue of the quality of the Independent Medical Exams that accident victims are legislated to attend and the reports that stem from these examinations. Far too many of these medical reports are substandard and are often prepared by unqualified or biased assessors hired by insurers."

FAIR invites victims and their families to contact the organization to learn more about how to demand better insurance coverage and treatment from their insurance companies.

For more information, contact:

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