

Ontario drivers and those who assist them after a car crash injury are further ahead today

March 27, 2024 Statement on *2024 Ontario Budget: Building a Better Ontario*

There's some big misses in this 2024 Building a Better Ontario budget but there's some cost relief for some Ontario drivers and some improvement in the delivery of care for claimants.

The biggest miss is the failure to live up to the 2019 promise in the **2019 Blueprint for Putting Drivers First budget** where the promise was to increase Catastrophic coverage from \$1 million for med/rehabilitation to \$2 million in coverage as it had been reduced by the Wynne government in 2016. This has left the most injured claimants with inadequate coverage and we had hoped to see that change.

There is no increase to the Unfair and Deceptive Acts and Practices (UDAP) Administrative Monetary Penalty (AMP) that would enable FSRA to hold insurers and their associates to account in a meaningful way for unacceptable behavior. This is a big miss and consumers will continue to be at risk during the claims process because accountability needs to have teeth and FSRA could have used more clout.

As people who have made a claim can tell you, it's a complicated system that has had insurers as payors of the last resort so many Ontarians have been paying for coverage they'll never get to use. Or they have to exhaust their private plan to pay for MVA expenses – and that might rob them of healthcare they are depending on for medical reasons outside of a car crash injury. That is coming to an end and it lines up with FSRA's recently announced [Automobile Insurance Supervision Plan 2023-2025](#) to ensure the fair treatment of customers while promoting public trust and a robust insurance sector in Ontario.

Mandatory auto insurance accident benefit coverage will continue to apply to medical, rehabilitation and attendant care benefits, while all other benefits would become optional. This would provide drivers with an opportunity to lower their premiums by taking advantage of a wider range of coverage options to meet their needs. For example, drivers may already have access to certain benefits through their workplace benefit plans, so they should have the choice to not have to pay for them twice through their auto insurance policies.

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Like all plans, the devil may yet reveal itself in the details – will it be opt-out and maintain and build on consumers being informed about their premium purchases? Or will it be opt-in where the base price quoted by Brokers is bare bones and consumers will have to be willing to ask for the coverage and then pay out for what is surely still going to be basic coverage we have now? Opt-out protects consumers and insurers who are at risk when customers are not well informed about the coverage available to them. So while the government says implementation of the proposed changes will be done in a way to help

ensure that drivers are able to make informed decisions when choosing insurance coverage options we hope the most vulnerable consumers will have good information to work with to make an informed decision.

The government will be proposing to make auto insurance pay for medical and rehabilitation benefits following an auto accident before extended health care plans do. This would apply to all automobile accidents, regardless of the injury sustained. The proposed change would ensure that auto insurance companies pay for health care costs before extended health care plans and it would also help reduce paperwork and red tape for patients and their health care providers.

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The Minister of Finance and the Financial Services Regulatory Authority (FSRA) have been under fire for some time about the failure to adjust and index payments to treatment providers. We have been firm on our view that this was an attempt to repress provider wages and drive them out of the sector so insurers could 'make things right' afterward by substituting their own preferred treatment providers network (PPN) that would seriously impact consumer choice. We are relieved to see that the government has agreed to address this problem.

The government is committed to ensuring that those injured in auto accidents continue to receive the care they need and that health service providers are compensated appropriately for their services. The government is requesting that the Financial Services Regulatory Authority of Ontario (FSRA) review the Professional Services Guideline and the Attendant Care Hourly Rate Guideline, and consider updating these guidelines based on their findings. The government will consider FSRA's findings in future reviews of the Statutory Accident Benefits Schedule.

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There are a lot of issues not addressed in this budget, not the least of which is the poor state of the justice system claimants find themselves having to navigate. We see no funding to address the shortage of adjudicators at the LAT or to make any significant changes to the civil court system.

We are still optimistic. We are hoping for more discussions with government and FSRA to improve the system and improve care. We feel that many of the issues we care about were heard by this government and though there is a long way to go, it is a brighter path for many people today as we look toward implementation of this new direction.

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