

# TYPES OF COVERAGE

If you own a vehicle in Ontario, you're required by law to purchase coverage in case an accident occurs. At a minimum you must carry **third-party liability**, **accident benefits**, **direct compensation property damage** and **uninsured automobile**. You have the option to increase limits and purchase additional **accident benefit coverage** to protect your lifestyle.

## THIRD PARTY LIABILITY

Protects you when someone is injured or killed, or property is damaged. Pays defense costs to settle claims from any lawsuits against you, up to the set limit. Legally in Ontario you must carry at least \$200,000 in liability.

## ACCIDENT BENEFITS

If you've been injured in an accident, regardless of who caused it, accident benefits cover expenses not covered by OHIP like rehabilitation, caregiving and loss of income. See chart for changes/options.

## DIRECT COMPENSATION PROPERTY DAMAGE

If someone else is at fault for an accident, direct compensation covers damage to your vehicle, its contents and equipment (stereo, speakers) including loss of use and contents.

## UNINSURED AUTOMOBILE

Protects you and your family if you're injured or killed by a hit-and-run driver or an uninsured motorist; covers damage to your vehicle caused by identified, uninsured drivers.

ACCIDENT BENEFITS COVERAGE		PRIOR TO JUNE 2016	AS OF JUNE 2016	OPTIONS
<b>Medical, Rehabilitation and Attendant Care Benefit<sup>1</sup></b>	<p><b>Medical and Rehabilitation:</b> Reimbursement for reasonable, necessary medical and rehabilitation expenses like physiotherapy not covered by OHIP or Group Insurance Plans.</p> <p><b>Attendant Care:</b> Reimbursement for an attendant to look after you either at home or within a healthcare facility.</p> <p><b>Non-Catastrophic Injuries:</b> Minor Injuries (sprains, whiplash) + Serious Injuries (broken bones).</p> <p><b>Catastrophic Injuries:</b> Loss of a limb, para/quadruplegia.</p>	<p>\$50,000 for Medical and Rehabilitation (<i>for Non-Catastrophic injuries</i>)</p> <p>\$36,000 for Attendant Care (<i>for Non-Catastrophic Injuries</i>)</p> <p>\$1,000,000 for Medical and Rehabilitation (<i>for Catastrophic Injuries</i>)</p> <p>\$1,000,000 for Attendant Care (<i>for Catastrophic Injuries</i>)</p>	<p>\$65,000 total for Medical, Rehabilitation and Attendant Care (<i>for Non-Catastrophic Injuries</i>)</p> <p>\$1,000,000 total for Medical, Rehabilitation and Attendant Care (<i>for Catastrophic Injuries</i>)</p>	<p>Increase Non-Catastrophic benefit to \$130,000 total</p> <p>Add an additional \$1,000,000 for a total of \$2,000,000 for Catastrophic Injuries</p> <p>Increase combined all injury benefit to \$1,000,000 and combined Catastrophic benefit total to \$2,000,000<sup>2</sup></p>
<b>Caregiver Benefit</b>	Reimbursement to hire someone to care for your dependants.	Up to \$250/week for first dependant, \$50/week for additional dependants ( <i>Catastrophic Injuries only</i> )	No Change	Extend benefit to cover all injuries ( <i>not just Catastrophic</i> )
<b>Housekeeping and Home Maintenance Expenses</b>	Reimbursement for someone to carry out your household responsibilities.	Up to \$100/week ( <i>Catastrophic Injuries only</i> )	No Change	Extend benefit to cover all injuries ( <i>not just Catastrophic</i> )
<b>Income Replacement Benefit</b>	A weekly income up to \$400; begins one week after the accident occurs.	70% of gross income up to \$400/week	No Change	Increase to \$600, \$800 or \$1,000/week
<b>Dependant Care Benefit</b>	Reimbursement for additional expenses to care for your dependants if you're employed and injured from a car accident.	Not Provided	No Change	Purchase up to \$75/week for first dependant and \$25/week for additional dependants (max \$150/week)
<b>Death and Funeral Benefit</b>	A lump sum payout to your spouse and dependant(s); a second lump sum payout to cover the cost of funeral expenses.	<p>\$25,000 to spouse; \$10,000 to each dependant</p> <p>Up to \$6,000 for Funeral</p>	No Change	<p>Increase to \$50,000 for spouse; \$20,000 for each dependant</p> <p>Increase to \$8,000 for funeral</p>
<b>Indexation Benefit</b>	Adjustment of benefits to account for changes in inflation.	Not Provided	No Change	Adjust annually according to the Consumer Price Index of Canada
<b>Tort Deductible</b>	The amount deducted for court awarded compensation for pain and suffering.	\$36,905.40 deductible (Jan 1 – Dec 31, 2016)	No Change	Reduce deductible by \$10,000 regardless of annual indexation

<sup>1</sup> Medical, Rehabilitation and Attendant Care Benefits for minor injuries are fixed at a max limit of \$3,500.

<sup>2</sup> If you purchase both the additional Medical, Rehabilitation and Attendant Care benefit for catastrophic injuries and for all injuries, the total eligible benefit amount for a catastrophic impairment would be \$3,000,000.

To help stabilize rates, the Ontario government has implemented changes to auto insurance. Several measures are aimed at reducing fraud and abuse of the system, which increase premiums.

As your lifestyle changes, so do your coverage needs. Regular reviews of your policy will ensure you have the coverage best-suited to your lifestyle.

## LIFESTYLE QUESTIONS

- \* Do you make more than \$30,000/year?  
*Consider increasing your Income Replacement Benefit to \$600, \$800 or \$1,000.*
- \* Are there people in your life who depend on you financially or for care (children, elderly or disabled)?  
*Consider extending your Caregiver Benefit and/or adding a Dependant Care Benefit.*
- \* Does your employer provide a Group Insurance Plan?  
*Talk to your administrator to find out what you're covered for and consider increasing your Medical Rehabilitation Benefit. Most benefit packages are limited to \$500 a year per practitioner, and OHIP doesn't cover things like occupational therapy, private nursing and psychology.*

Auto insurance coverage can be confusing. A licensed insurance broker will explain important details, review costs of increasing coverage and help you make informed decisions. They shop the market to find the right coverage based on your lifestyle. Consider an insurance broker as your trusted advisor.

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As your RIBO licensed insurance advisors, our mission is to explain important coverage details, review premiums, and help you make the informed decisions necessary for your financial security.

We cannot emphasize enough the importance of making the right decision.

Please review all of the information and call us to discuss the coverage and premiums involved in greater detail.

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