

Auto insurance in BC

what's changing?



The provincial government and ICBC have announced a multi-part solution to relieve the pressure on basic insurance rates and create a care-based insurance model for British Columbia, which makes taking care of people injured in a car crash the top priority.

Significant increases to ICBC Accident Benefits

What are ICBC Accident Benefits?

ICBC (Part 7) Accident Benefits help with medical care and wage loss if you are injured in a crash, regardless of who is at fault. ICBC pays accident benefits to all occupants of a vehicle licensed and insured in B.C. They are also available if the customer named on an owner's certificate, or a member of their household, is hit by a vehicle while a pedestrian or cyclist.

Changes effective Jan 1, 2018

The overall limit for medical and physiotherapy costs for treatments increases to \$300,000, up from \$150,000



Changes effective Apr 1, 2019

Wage loss payments **increase** to **\$740/week**, up from \$300/week



to help with cooking, cleaning and other activities inside the home, **increase** to **\$280/week**, up from \$145 /week

Funeral costs **increase** to **\$7,500**, up from \$2,500

Death benefits are being simplified and **increased** to **\$30,000**, up from a range of \$17,580 to \$20,080



More money for treatments

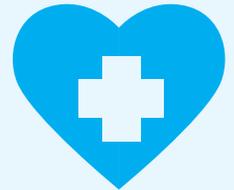
- ✓ ICBC to cover the full cost of most treatments, whether the driver is at-fault or not.
- ✓ The rates ICBC pays will be determined in consultation with medical service providers.
- ✓ ICBC currently pays 1991 rates (for example \$23/visit for physiotherapy) and the customer pays the rest. The customer can be reimbursed the extra charges, often referred to as user-fees (up to \$50/visit), only if they are not at-fault in the crash.
- ✓ With these changes, whether a customer is responsible for a crash or not they will not be out of pocket for their treatment costs.



More types of treatments will be covered:

Currently only the most common types of treatment are pre-approved by ICBC for payment (general practitioner, physiotherapy, occupational therapy, and chiropractic treatment).

ICBC will add **new treatment providers** including **kinesiology, acupuncture, counselling** and **massage therapy** to the list of treatments pre-approved for payment, which means injured customers don't need to wait for their ICBC's approval before getting these types of treatments.



\$5,500 limit on payouts for pain and suffering on minor injuries, effective April 2019

- ✓ Pain and suffering describes the physical pain and emotional distress from being in a crash.
- ✓ Payments for pain and suffering are entirely separate from compensation for any medical care and wage losses, which are covered by ICBC Accident Benefits. The limit on pain and suffering payments does not impact compensation for any additional economic losses, including additional wage loss and treatment costs over and above what is covered by ICBC Accident Benefits. The right to seek this additional compensation remains for injured people who are not at-fault for a crash.
- ✓ The limit on pain and suffering payments for minor injuries will move the focus away from maximizing compensation and, by reducing legal costs, more money can be added to the care, treatments and support the customer needs to get better.
- ✓ Introducing a limit on pain and suffering payments for minor injuries will move the focus away from maximizing compensation and, by reducing legal costs, more money can be added to the care, treatments and support the customer needs to get better.
- ✓ The limit applies to minor injury claims only. It will not apply to broken bones, brain injuries or other serious and catastrophic injury claims.
- ✓ The provincial government has made it very clear that they are not considering a no-fault model – changes are being made to the existing tort system.

What's a minor injury?

ICBC is working to develop a clear, legal definition of a minor injury claim in British Columbia. It is anticipated the new legal definition in B.C. will include sprains, strains, general aches and pains; cuts and bruises; mental anxiety and stress from a crash.



If after 12 months, these symptoms persist and have a significant effect on activities of daily living, such as work and school, the injury would no longer be considered minor. Minor injury does not include broken bones or brain injuries.

Who decides if an injury is minor?

A medical professional – not ICBC – will determine the diagnosis of a customer's injuries and this will determine whether the injury falls under the definition of a minor injury.



Disputes over certain motor vehicle injury claims, including the classification of an injury, will be adjudicated by B.C.'s Civil Resolution Tribunal, an independent tribunal that already adjudicates strata and small claims disputes in the province.

Can people injured in a crash still hire a lawyer?

These changes do not impact a customer's ability to seek legal representation for any type of claim – minor or serious.

The limit on pain and suffering payments applies to minor injury claims only. And it also does not impact compensation for any additional economic losses, including additional wage loss and treatment costs over and above what is covered by ICBC Accident Benefits. The right to seek this additional compensation remains for injured people who are not at-fault for a crash.

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