

Insurance Rating Model



July 2019

Making car insurance better

To get the car insurance system back on track and better for B.C. we're making changes to it. Starting September 2019, ICBC is moving to an insurance model that's more driver-based where driving experience and crash history will play a bigger role in determining premiums. This means crashes will be tied to the driver, not the vehicle, to help make sure drivers are more accountable for their driving decisions.

Key resources

- [ICBC.com/change](https://www.icbc.com/change)
- [ICBC.com](https://www.icbc.com)
- [Customer Education Tool](#)

Feature Topic: Listing Drivers

Why?

Under the new model, at-fault crashes will follow the driver, not the vehicle. So if your friend causes a crash using your car, the claim is counted on their driving record - not yours. Listing those who drive the car helps to make sure the right person is held accountable for the crash, and the risk involved in insuring the customer's car is more accurately assessed.

How?

From September 1, 2019, when customers purchase or renew insurance, they will be asked to list those who drive their vehicle by providing the driver licence number and date of birth for each driver they want to list. Customers can add or remove drivers any time at a broker office. Adding drivers won't necessarily change a customer's premium - it will depend on many factors including the driving experience and crash history of the listed drivers. The majority of the premium will be based on the principal driver - the person who drives the car the most.

Learn more by using our interactive tool

The Customer Education tool will guide customers through a few simple questions to help them understand what to expect when they renew their insurance. This tool will give customers a driver type, which is a driver example or profile that closely matches their own situation. Then, based on the choices they make about how the car is driven and who drives their car, it will show how their Basic premiums may be impacted. Drivers can try it out at [icbc.com/change](https://www.icbc.com/change).

*Note: the Customer Education tool is for educational purposes only and is not an accurate measure of a customer's premium.

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What does this mean for fleet customers?

Customers who have a fleet insurance policy with ICBC will not experience significant changes from the current way their insurance is rated. For the most part, fleet policies will continue to be rated the same as today and fleet operators will not be asked to list drivers. Fleet customers may see some rate changes based on changes to rate class groups and territory pricing. Two new discounts are also available for fleets – a discount for vehicles driven less than 5,000 km per year and a discount for vehicles equipped with autonomous emergency braking. Be sure to discuss your eligibility with a broker.

Moving to an insurance model that's more driver-based means crashes will now follow the driver - which may impact your employees and customers. Whether there is an impact depends on the rate class of the fleet vehicle involved in the crash. For more information on changes for fleets visit [icbc.com/fleetplan](https://www.icbc.com/fleetplan).

What does this mean for customers who drive for work?



If a customer has a crash which they are responsible for while driving a vehicle with a **personal rate class**, that claim will impact **all** policies the driver is listed on, including those for other personal-use vehicles **and** all commercially-rated vehicles. For example, if a sales representative whose vehicle is rated for business is responsible for a crash, it will impact any other personal and non-fleet commercial policies the driver is listed on.



If a customer has a crash which they are responsible for while driving a vehicle with a **commercial rate class**, the crash will impact **only** other policies with commercial rate classes that the driver is listed on. For example, if a customer is a delivery driver and crashes their delivery truck that claim will affect all other policies the driver is listed on that are also rated for commercial use, but will not impact any personal policies the driver is listed on. This will not impact fleet premiums as fleet policies will not be listing drivers.

For more information

- For further details, please visit [icbc.com](https://www.icbc.com) or speak to your broker.

