



September 04, 2024

The Hon. Peter Bethlenfalvy, Minister of Finance
Ministry of Finance
7 Queen's Park Crescent
Toronto, ON
M7A 1Y7

Subject: Proposed Amendments to the Insurance Act and Regulation 34/10 (Statutory Accidents Benefits Schedule)

Dear Minister Bethlenfalvy,

The Ontario Physiotherapy Association (OPA) is grateful to have the opportunity to present observations and recommendations on the proposed changes to the Insurance Act and Statutory Accident Benefits Schedule. The Ontario Physiotherapy Association represents over 5500 physiotherapist members and brings forth an important perspective from clinicians and consumers on the need for auto insurance reform in Ontario. We offer comments and recommendations on the implementation of optional insurance coverage and the removal of extended health coverage as the first payor for auto insurance claims. These recommendations aim to enable those injured in motor vehicle accidents access to the appropriate level and duration of care in a timely and efficient manner.

Enabling Consumer Choice with Coverage Optionality

The Ontario Physiotherapy Association (OPA) has concerns about the proposal to reduce mandatory coverage to only medical, rehabilitation, and attendant care benefits. While increased optionality is a benefit to consumers in the context of enabling greater choice and customization of insurance plans, it exposes some of Ontario's most vulnerable populations and communities to increased socioeconomic and healthcare burdens should they sustain a motor vehicle accident.

Examples of how an opt-in insurance model may adversely impact Ontarians are illustrated below:

1. Low-income and unemployed individuals, including students and seniors, are unlikely to select optional benefits due to the cost burden. If an individual in a low-income or non-earning group sustains a motor vehicle accident without opting into coverage, they are likely to face significant economic consequences and become less able to maintain their cost of living during the recovery period.
2. Employed Ontarians who do not purchase disability insurance, non-earner benefits, or income replacement benefits may be unable to support themselves and their families financially after sustaining injuries in a motor vehicle accident.



3. No-fault victims of motor vehicle accidents including pedestrians, cyclists, or passengers who do not have their own insurance will be subject to the insurance coverage purchased by the at-fault driver. If the at-fault driver purchased the minimum insurance required, the not-at-fault victims of the collision would receive this coverage, which may not be sufficient for their injuries and/or level of disability sustained.

All of the above scenarios will result in increased utilization of the public healthcare system including hospitals, and primary health care providers. Furthermore, they will increase utilization of the Ontario Disability Support Program (ODSP) and increase overall work and school absenteeism.

An opt-out model will create greater divides between the financially secure and insecure. Individuals with the education, policy knowledge, literacy, and financial stability to opt-in to additional coverage are more likely to do so, while those who lack the aforementioned are more likely to select the minimum coverage. Despite needing or wanting additional coverage, vulnerable populations may not be able to afford it, which will increase the socioeconomic burden placed upon them should they sustain a motor vehicle accident.

The OPA recommends that if the Government of Ontario pursues increased benefit optionality, an opt-out model is applied, rather than an opt-in model, to reduce the likelihood of the risks presented above. An opt-out model still allows for consumers to choose and customize their benefits; however, it will not automatically increase risk to vulnerable populations who may not have optimal understanding of the policies and procedures involved to opt-out. Furthermore, **the OPA strongly recommends that an explicit description of the risks and consequences of benefit optionality is provided to the public by insurance providers to help consumers make safe and appropriate choices about their coverage.**

Priority of Payment: Removing the Requirement to Use Extended Health Coverage

The OPA celebrates the Government of Ontario's proposal to remove extended health coverage benefits from first payor status for auto insurance claims. **The OPA fully supports the removal of extended health coverage as first payor**, as the current policy of utilizing primary and secondary extended health coverage increases complexity and hardship for both claimants and clinicians in several ways:

1. Administrative Burdens and Claims Process Confusion

For claimants without extended health coverage, the claims process is simple, with auto insurance being the only payor. However, when a claimant has one or more extended health coverage plans through their work and/or their spouse, the process becomes onerous for claimants and clinicians. Given that over 70% of Canadians have access to extended health coverage, the majority experience these burdens. At multiple points through the claims process, additional administrative steps are required, starting with the requirement for a physician referral that still exists for several plans. Care can be delayed at the onset of an auto insurance claim if a claimant



must wait to access their physician for a physiotherapy referral to use their extended health coverage. **The removal of extended health coverage as first payor will remove the requirement for claimants to see their family physician and will enable timely access to appropriate care providers as approved under the Statutory Accident Benefits Schedule.**

Further complicating the claims process is the requirement to submit to both primary and secondary benefits plans, if applicable, which do not always enable direct payment to the clinician. In some circumstances, claims are submitted manually, and payment is sent to the claimant, who then must reimburse the clinician. Given that the turnaround time for one claim can take up to 30 days, this process can cause significant delays in care and payment to providers, as well as financial burden for those who cannot afford to pay upfront for their services and await reimbursement from their insurance provider. **Removing extended health coverage as first payor will eliminate confusion, payment delays, and financial strain on claimants, and will consequently reduce treatment delays and improve system efficiency for all involved parties**

Once extended health coverage is exhausted, clinicians are required to submit an explanation of benefits to the auto insurance provider, which must come from the claimant and may not be presented in a timely manner. Given the turnaround time of up to 30 days per claim, an explanation of benefits may not be available until several weeks after a treatment course has been completed, which translates to clinicians submitting auto insurance invoices several weeks after a treatment plan has been completed. **By transitioning to auto-insurance as first payor, delays in explanation of benefits submissions will no-longer delay invoice approvals and will enable timely payment, thereby improving system efficiency for claimants and clinicians.**

2. Delays in Care and Health Status Deterioration

The administrative requirements outlined by the Statutory Accident Benefit Schedule, including the completion of the Ontario Claim Forms (OCF)-1 and OCF-3, in addition to the administrative issues outlined above, may cause significant delays in treatment plan approvals, resulting in delays in payment. in care. For example, some claimants require additional care beyond an initial treatment plan, and these extensions cannot be approved until remaining funds have been determined, which requires an explanation of benefits and approval of invoices. As such, care is often delayed while clinicians await these documents. These delays in care cause health status deterioration and often result in claimants requiring more care for longer periods of time and may delay return to occupations and increase utilization of public health services and ODSP. **The removal of the requirement to use extended health coverage for auto claims will reduce or eliminate care delays resulting from administrative burdens and will consequently improve care accessibility and outcomes, leading to lower rates of public health services and ODSP.**

3. Loss of Extended Health Coverage for Injuries Unrelated to a Motor Vehicle Accident

Claimants with extended health coverage are often required to pay a deductible if they have not used their benefits in the current renewal year. These deductibles can create additional financial



burdens, particularly for those who are currently not working due to accident-related injuries. Furthermore, the loss of health coverage for non-accident-related injuries later in the year can exacerbate financial burdens, as individuals are required to pay for their health services out of pocket, since they are used for their auto insurance claim. This financial strain creates additional public system burdens as individuals are unlikely to be able to afford paying for private health care. **By removing extended health coverage as first payor, claimants will not be required to pay deductibles for initiating treatment and will face fewer financial burdens throughout the claims process.**

In closing, the OPA appreciates the opportunity to provide feedback on these proposed changes. We would be pleased to meet with you to discuss the points we have made in this submission.

Sincerely,

A handwritten signature in blue ink that reads "Sarah Hutchison".

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A handwritten signature in black ink that reads "Courtney Bean".

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