

## **Explanatory Notes on Data Elements for the Revised Certificate of Automobile Insurance**

### **1. Text elements describing insurance coverages**

The text elements, as listed in the Data Elements attachment, must be printed with every certificate. The exact words and format must be used as provided.

### **2. Sample certificate versus designing your own certificate**

The sample certificate specifies all the data elements in a format we recommend. If you wish to use the exact sample format as your certificate, no further approval is required by the Financial Services Commission of Ontario (FSCO); however, you must file a copy of the actual form showing your company name and an example of how the form would be completed, with FSCO's Automobile Insurance Division.

*Designing a company certificate.*

If you wish to design your own certificate based on the data elements, you must:

- a. submit one copy of your certificate to FSCO's Automobile Insurance Division;
- b. submit another copy which includes an example of how the form would be completed. The information included on the certificate should be detailed enough that an insured person can determine how they've been rated and be certain they haven't been misclassified. Where descriptions are not set out on the face of the certificate, but are coded and referenced to an attached page, please provide the attachment; and
- c. submit your certificate as soon as possible. We will only review and approve complete certificates. Certificates are approved under section 232(5) of the *Insurance Act*.

### **3. Data elements**

As outlined in the data elements list, all elements are data fields unless otherwise stated. Text elements must use the exact words provided. Elements do not have to be used in the same sequence in the Data Elements attachment.

Data fields may be added or omitted; however, you must provide an explanation for adding or omitting data fields when you file for approval of your certificate. Please note

that FSCO wishes to ensure the highest possible degree of uniformity across the marketplace. We appreciate that some companies may have difficulty in conforming exactly to the data elements. The onus is on companies to explain a deviation.

The purpose of the certificate is to give policyholders' precise information about what coverages they have purchased, and to show them what data was used to determine the premium they paid.

If the data elements are detailed enough to allow the policyholder to verify that the rating information is correct, then the certificate will serve its purpose. Companies may organize the data elements in different ways but should keep in mind the policyholder's ability to verify the correct rating information, based on the company's rating criteria (e.g., age, accident and conviction history, and vehicle description).

Remember, if certain fields don't apply to your risk classification system, you may omit them from the certificate, but you must provide an explanation when you file for approval.

#### **4. Changes to the data elements**

The following changes have been made to the data elements:

- a. Element 7: Text wording now specifies "primary address" instead of "postal address".
- b. Element 10: Data element requiring the insured's "primary address" instead of "postal address".
- c. Elements 38-45: New optional benefits have been listed.
- d. Element 142: Revised wording for Accident Benefits coverage to reflect the changes in available optional accident benefits.

#### **5. Consumer Disclosure**

Insurers should note that a Reform Information Working Group (Group), comprised of representatives of the insurance industry and FSCO staff, is developing a point-of-sale disclosure document informing consumers of their new coverage choices effective June 1, 2016. Insurers will be required to include the document with new business and the first renewal of any existing policy with a renewal date that falls on or after June 1, 2016.

Once the Group has finalized the disclosure document, FSCO will issue an amended form of certificate that will introduce the text of the document as an additional data element for inclusion as an additional page or pages to be attached to and forming part of the certificate.

Insurers will not be required to re-file certificates that are amended for the sole purpose of reflecting the inclusion of the disclosure document.