

Financial Services Commission of Ontario

**Questions and Answers (Qs and As)
on Claimant Satisfaction Research**

March, 1999

Attachment to Bulletin No. A-2/99

Questions and Answers (Qs and As) on Claimant Satisfaction Research

These questions and answers (Qs and As) have been prepared to help better understand the contents of FSCO Bulletin, No. A-2/99.

Q1. What are private passenger automobile claims.

A1. Private passenger automobile claims are claims on risks that are underwritten as a private passenger type of use as defined under the Insurance Bureau of Canada (IBC) Automobile Statistical Plan. This means that claims on commercial, public automobile, garages, manufacturers and automobile dealers type of uses are not to be reported.

Q2. The Guidelines for Ontario Auto Insurance Claimant Satisfaction Research make reference to a “closed claim”. What does it mean?

A2. In the normal course of claims administration, files are kept open as long as there is a benefit entitlement claimable by the claimant. One such file is called an “open” or active file. However, when an insurer has paid out all the benefits to a claimant, and has carried out all the supporting activities relating to the benefit entitlement, the file is then viewed as a “closed claim” file.

Q3. What type of claims would the Guidelines for Ontario Auto Insurance Claimant Satisfaction Research apply to?

A3. The claimant satisfaction guidelines only apply to the following **four types of private passenger automobile insurance claims**; SABS, collision and direct compensation - property damage (DC-PD), comprehensive, and glass claims.

Q4. Should insurers who are Facility Association (FA) Servicing Carriers combine their regular and FA data when conducting the survey ?

A4. No, insurers who are also *active* FA servicing carriers *must* provide two closed claims registers, one for the regular business and one for the FA business to their market research organization. The market research organization will then conduct two separate surveys and file the results with the Financial Services Commission of Ontario (FSCO). The results from all the FA carriers will be then combined and published as a single company under the FA heading.

Q5. Why has the sample size increased to 800 from 300 for the 1999 Claimant Satisfaction Survey?

A5. A working group comprising representatives of the insurance industry, the IBC and the FSCO have endorsed the use of a higher sample size as a quality control measure, in order to reduce the margin of error for the survey from ± 5.8 to ± 3.5 , nineteen times out of twenty.

Q6. What would the market research organization we retain need from us to select the sample?

A6. To select an appropriate sample for the desired response rate, all insurers must provide their research organization with a closed claims register. The register is a list of the four types of private passenger automobile claim files that had been closed in the 1998 year, **regardless** of the policy year in which the policy was underwritten.

For example, for the survey in 1999, the closed claims register would
December 31, 1998.

be made up of th

NOTE: Research organizations *must* ensure that the sample chosen is representative. For example, if a company's closed claims register is made up of 20% SABS, 20% collision and direct - compensation property damage (DC-PD), 50 % comprehensive and 10% glass claims, then the sample chosen should have the same percentages of claims. Insurers **must** provide their research organization with a percentage summary of their 1998 closed claims register to enable the research organization to choose a representative sample size.

Q7. Can insurers use marketing research organizations that are not members of CAMRO?

A7. No, insurers must retain only marketing research organizations that are members of CAMRO.