

FSRA's Auto Reform Reviews

Webinar



FSRA

Financial Services Regulatory
Authority of Ontario

Date: November 4, 2024 @ 1:00 pm to 2:00 pm

Speakers:

Shamaila Mian, *Senior Policy and Technical Lead, FSRA*

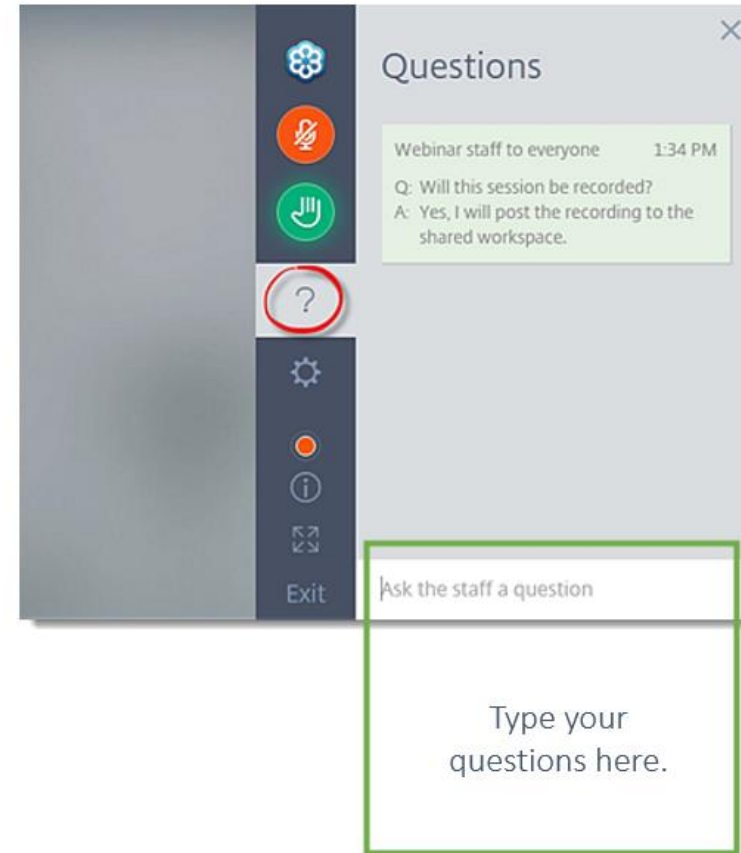
Haafiz Alibhai, *Senior Policy and Technical Lead, FSRA*



Ontario

House Keeping

Participating in today's Webcast Attendee Control Panel



House Keeping

Video and sound will be turned off automatically.



This webinar is intended to provide a high-level overview of FSRA's Auto Reform Reviews.



There will be a Q&A at the end of the session to answer questions about the three Reviews.



Feedback on the consultation papers, including answers to our consultation questions and/or suggestions about additional options/initiatives, can be submitted online through FSRA's auto reform consultation portal.

Agenda

- Introductions
- Land Acknowledgement
- Background & Context
- Scope of Reviews
- Reviews
 - *Statutory Accident Benefits Schedule (SABS) Guidelines*
 - *Health Service Providers (HSP) Framework*
 - *Health Claims for Auto Insurance (HCAI) System*
- Next Steps



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Introduction to the Team Presenting Today

- **Shamaila Mian**, *Senior Policy and Technical Lead, FSRA*
- **Haafiz Alibhai**, *Senior Policy and Technical Lead, FSRA*

Land Acknowledgement

We acknowledge the land we are on is the traditional territory of many nations including the Mississaugas of the Credit, the Anishinaabeg, the Chippewa, the Haudenosaunee and the Wendat peoples and is now home to many diverse First Nations, Inuit and Métis peoples. We acknowledge that Toronto is covered by Treaty 13 with the Mississaugas of the Credit and the Williams Treaties signed with multiple Mississaugas and Chippewa bands.

Auto Reform: Background Context

- The **Government's 2024 Spring Budget** included several **auto reform initiatives led by FSRA**, including reviews of Health Service Provider Guidelines and Frameworks:
 - Statutory Accident Benefits Schedule (**SABS**) Guideline Review
 - Review the Professional Services Guideline and the Attendant Care Hourly Rate Guideline and consider updating these guidelines based on their findings
 - Health Service Provider (**HSP**) Framework and the Health Claims for Auto Insurance (**HCAI**) System
 - Review the HSP Framework and HCAI System to find administrative and cost efficiencies to contribute to having a more modern and efficient system



Auto Reform: Scope of Review

Consultation Scope:

- FSRA has developed consultation papers for each of its reviews and is soliciting **stakeholder feedback** on the proposed options and initiatives it has identified.
 - Paper contents **synthesize past findings/ reports, review existing guidelines/ processes, and leverage previous stakeholder feedback.**
- Stakeholder input will be used to **inform FSRA's review findings and recommendations** and to advance the government's commitments to improve Ontario's auto insurance system.



Statutory Accident Benefits Schedule (SABS) Guideline Review

SABS Guideline Review: Background

Medical and rehabilitation costs are a **major component of the total cost** of auto insurance claims. The primary drivers behind medical and rehabilitation costs are the fees that HSPs charge for goods and services.

To support FSRA's statutory objects and the **Government's 2024 Budget** commitment, FSRA is reviewing the HSP rates and fees set out in the following three SABS Guidelines:

1. Professional Services Guideline (PSG);
2. Attendant Care Hourly Rates Guideline (ACHRG); and
3. Minor Injury Guideline (MIG).



SABS Guideline Review: Background

In reviewing the three SABS Guidelines, FSRA is guided by the following principles and outcomes:

- **Principles:** Maintain the care that consumers receive and the continued availability of services.
- **Outcomes*:** Ensure that those injured in auto accidents continue to receive the care they need and that health service providers are compensated appropriately.



FSRA has synthesized past findings/ reports, reviewed existing SABS Guidelines, and leveraged previous stakeholder feedback as part of its SABS Guideline Review.

* These outcomes were identified by the Government in its 2024 Ontario Budget.

Professional Services Guideline (PSG)

Option A	Option B	Option C	Option D
Index Maximum Hourly Rates	Move to flat rate fees	Do Not Prescribe Rates	Maintain existing hourly rates

Consultation Questions

1. If PSG rates are indexed (Option A), what should they be indexed to and why?
2. If PSG are moved to flat rates (Option B), how should those flat rates be determined and why?
3. Should rate increases (Option A or Option B) be staggered incrementally over a few years, or should it take place at once?
4. Should FSRA review fees regularly, and if so, at what frequency (i.e. annually, biennially etc.)?
5. What are the key implementation considerations that must be taken into account for each option (i.e. timing, updates to billing systems, etc.)?
6. Are there other options/considerations related to rates/fees that should be considered for the PSG?

Attendant Care Hourly Rate Guideline (ACHRG)

Option A	Option B	Option C
Index the maximum hourly rates for all levels	Index maximum hourly rates for Levels 1 and 3	Status Quo – Maintain current maximum hourly rates

Consultation Questions

1. How should Level 1 and 3 (Option B) attendant care rates be indexed?
2. Should Level 1 and 3 rate increases (Option B) be staggered incrementally over a few years, or should it take place at once?
3. Should FSRA review the rates of all three levels regularly, and if so, at what frequency (i.e. annually, biennially etc.)?
4. What are the key implementation considerations that must be taken into account for each option (i.e. timing, updates to billing systems, etc.)?
5. Are there other options/considerations related to rates/fees that should be considered for the ACHRG?

Minor Injury Guideline (MIG)

Option A	Option B
Index the rates in the fee schedule	Status Quo – Maintain fees in schedule

Consultation Questions

1. If MIG rates are indexed (Option A), what should they be indexed to and why?
2. Should rate increases (Option A) be staggered incrementally over a few years, or should it take place at once?
3. Is the existing block fee structure/amounts for pre-approved MIG treatment appropriate? Why or why not?
4. Should FSRA review MIG rates regularly, and if so, at what frequency (i.e. annually, biennially etc.)?
5. What are the key implementation considerations that must be taken into account for each option (i.e. timing, updates to billing systems, etc.)?
6. Are there other options/considerations related to rates/fees that should be considered for the MIG?

Health Service Provider (HSP) Framework Review

The primary function of an HSP licence is for HSPs to receive direct payments from auto insurers for services provided to SABS consumers.

- By licensing HSPs, FSRA can better detect and address fraud in the sector and identify and address billing fraud and any potential conflicts of interest.
- Through its licensing regime, FSRA's licensing regime enables it to address the issues and manage the risks within the sector as they relate to HSPs receiving direct payment from insurers.
- To support FSRA's statutory objects and the **Government's 2024 Budget** commitment, FSRA is reviewing the HSP Framework and setting out administrative and cost-efficient options to modernize the system and make it more efficient.



HSP Framework Review: Background

In undertaking its HSP Framework Review, FSRA is guided by the following principles and outcomes:

- **Principles:** Ensure that the HSP Framework is accomplishing its intended goals.
- **Outcomes*:** Realize administrative and cost efficiencies to contribute to having a more modern and efficient HSP Framework.

FSRA has synthesized past findings/ reports on the HSP Framework, reviewed existing processes, and leveraged previous stakeholder engagement as part of its HSP Framework Review.



* These outcomes were identified by the Government in its 2024 Ontario Budget.

Note: the initiatives below do not need to be mutually exclusive

Initiative A	Initiative B	Initiative C
Modernize HSP Licensing Through FSRA Process and System Improvements	Modernize Supervisory Approach with a New HSP Supervisory Tool	Enhance Cooperation and Collaboration with Regulatory Health Colleges (RHC)

Consultation Questions

1. What features should a HSP licensing system focus on to have better user functionality?
2. Are there any concerns/considerations FSRA should keep in mind when developing and implementing the new centralized HSP Supervisory Tool?
3. What areas of licensing and supervision can Regulatory Health Colleges (RHCs) and FSRA work together on to better alleviate issues in the sector?
4. What are the key implementation considerations that must be taken into account for each initiative (i.e., timing, communication, education, etc.)?
5. How can FSRA help to ensure that prioritized initiatives / changes are communicated to HSPs and other stakeholders?
6. Are there any considerations which have been missed that should be considered as part of the HSP review and/or the proposed initiatives?

Health Claims for Auto Insurance (HCAI) System Review

HCAI System Review: Background

HCAI automates the exchange of standardized health claim information between HSPs and insurance companies.

The purpose of HCAI is to:

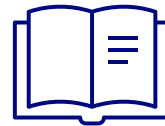
- Facilitate the **efficient and cost-effective transmission** of claimant and health provider information between insurers and healthcare providers pertaining to claims made under the SABS; and
- Facilitate the effective **collection of aggregated and anonymized information** pertaining to the delivery of health care services for which claims may be made under the SABS.



In undertaking its HCAI System Review, FSRA is guided by the following principles and outcomes:

- **Principles:** Ensure that the HCAI system is accomplishing its intended goals.
- **Outcomes*:** Realize administrative and cost efficiencies to contribute to having a more modern and efficient HCAI System.

FSRA has synthesized past findings/ reports on HCAI, reviewed existing processes, and leveraged previous stakeholder feedback as part of its HCAI System Review.



* These outcomes were identified by the Government in its 2024 Ontario Budget.

HCAI System Review

Note: the initiatives below do not need to be mutually exclusive

Initiative A	Initiative B	Initiative C	Initiative D
Prioritize Increasing the Number of Forms Transmitted Through HCAI	Prioritize Revising Forms	Prioritize Data-related Initiatives	Prioritize Other Initiatives

Consultation Questions

1. Which initiative(s) should be prioritized? Why?
2. Are there significant benefits/drawbacks, including potential stakeholder impacts, missing from the analysis that should be included?
3. Are there any additional considerations that should be included?
4. What are the key implementation considerations that must be taken into account for each initiative (i.e., timing, communication, education, etc.)?
5. Are there any other opportunities for administrative and cost efficiencies that FSRA should consider to make the HCAI system more modern and efficient that are not included in the list of initiatives above?

- FSRA's auto reform consultation closes on Friday, November 29, 2024.
 - FSRA is collecting data to validate its review recommendations. We also encourage stakeholders to **share relevant data or evidence** so that we may consider it as part of our auto reform reviews.
 - We encourage stakeholders to **share any relevant data or evidence** so we may consider it as part of our reviews. We also welcome stakeholder ideas about other opportunities not included in the consultation papers.
 - Stakeholders feedback can be submitted to FSRA via the **online consultation portal**.

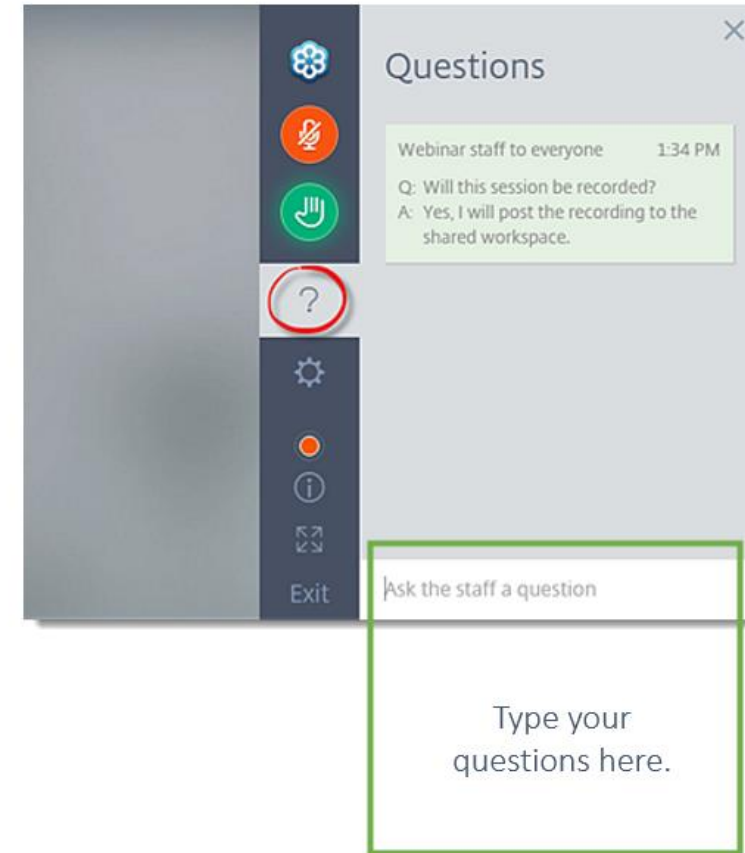
Timeline	Activity
September 27 – November 29, 2024	<ul style="list-style-type: none">• 60-day Public Consultations• Webinar November 4, 2024• Targeted Consultations
Winter 2024/2025	<ul style="list-style-type: none">• Develop Recommendations
March 2025	<ul style="list-style-type: none">• Deliver Recommendations to Government
Spring/Summer 2025	<ul style="list-style-type: none">• Begin Implementing Recommendations

Participating in today's Webcast Attendee Control Panel

Scope:

We will be answering questions about FSRA's Auto Reform Reviews.

Comments/feedback on the consultation papers, including answers to our consultation questions and/or suggestions about additional options/initiatives, can be submitted online through FSRA's auto reform consultation portal.



Thank You

A recording of this webinar, transcript, and copy of this presentation deck will be posted to the [webinars](#) page on FSRA website.

Appendix

Appendix: Consultation Papers

- [Statutory Accident Benefits Schedule Guidelines Review Consultation Paper](#)
- [Health Service Provider Framework Review Consultation Paper](#)
- [Health Claims for Auto Insurance System Review Consultation Paper](#)