FSRA Priorities & Budget

Life and Health Insurance Sector
Overview

• General comments
• Some specific feedback on priorities:
  o Reducing Burden
  o Regulatory Effectiveness
  o Insurance Conduct
  o Proposed Budget
General Comments

• Support priorities set out in consultation document

• Both the identified priorities and proposed budget strike the right balance of ensuring a steady and stable transition to FSRA as Ontario’s regulator, while also demonstrating FSRA’s intention to distinguish itself as a regulator that will be:
  o Open for business
  o Technologically savvy
  o Engaged with all stakeholders
  o An innovation enabler

• Timelines are ambitious; industry stands ready to assist

• Harmonization: Life & health insurers support coordination where regulatory requirements and expectations are similar across jurisdictions
  o Most companies operate across provincial boarders making harmonization an essential component of burden reduction and effective regulation
  o CCIR/CISRO play an important role in coordinating public policy
Reducing Burden

• Review Inherited Guidance
  o Industry is pleased to assist through working groups or other means of consultation
  o Much work to do in a short time
  o Harmonization helps to ensure appropriate consumer protections and fair outcomes

• Data Collection and Filing Requirements
  o In terms of life & health insurers, encourage FSRA to leverage data already collected (e.g., CCIR Annual Statement on Market Conduct)
  o Similar comment on time line

• Establish Meaningful Service Standards
  o Look forward to industry consultations

• Expertise on current life & health insurance products, distribution channels, regulatory requirements, and standards of practice could help in achieving the above targets
Regulatory Effectiveness

- **Protecting the public interest**
  - Industry supports a client centric approach to understand consumers’ needs and how they may be impacted by policy decisions
  - Access to insurance products and advice means that consumers are able to protect themselves and their families
  - The role of the Consumer Office should be clearly defined

- **Enable Innovation**
  - Innovation is essential to serving consumers and ensuring a thriving & competitive marketplace
  - Encourage an approach to the Innovation Office that facilitates new products and new methods for service delivery while ensuring consumer protection

- **Enhance Stakeholder Collaboration**
  - Appreciate consultative approach to date & look forward to ongoing collaboration
  - Believe greater life & health insurance expertise on FSRA Board and staff, which would take into account the uniqueness of our products & distribution channels in contrast to the other sectors FSRA will regulate, would enhance the collaborative process

- **Modernize System Process**
  - Modern systems support underpin all priorities: e.g. innovation, licensing effectiveness, and efficiency
Insurance Conduct

• Adopt effective market conduct standards
  o Life & health insurers continue to explore ways that insurers and distributors can work together to achieve better oversight; suggest further consultations with FSRA
  o Principles-based approach to regulation supports effective conduct standards & allows for evidence-based regulatory action
  o Harmonization will help to ensure effective market conduct standards

• Harmonize treating financial services consumers fairly guidance
  o Support harmonized regulatory approach to FTC

• Improve Licensing Effectiveness and Efficiency
  o Support system modernization, integration & reciprocal regulatory arrangements
Budget

- Reasonable
- Appreciate consultation to date
- Support funding for industry specific expertise
Thank you