



FSRA Priorities & Budget

Life and Health Insurance Sector

Overview

- General comments
- Some specific feedback on priorities:
 - Reducing Burden
 - Regulatory Effectiveness
 - Insurance Conduct
 - 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:
 - Open for business
 - Technologically savvy
 - Engaged with all stakeholders
 - 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
 - Most companies operate across provincial borders making harmonization an essential component of burden reduction and effective regulation
 - CCIR/CISRO play an important role in coordinating public policy

Reducing Burden

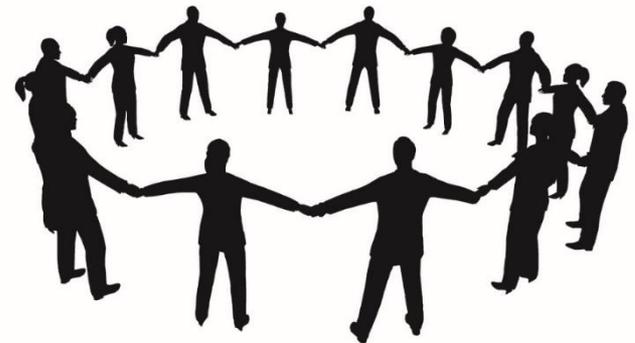
- Review Inherited Guidance
 - Industry is pleased to assist through working groups or other means of consultation
 - Much work to do in a short time
 - Harmonization helps to ensure appropriate consumer protections and fair outcomes
- Data Collection and Filing Requirements
 - In terms of life & health insurers, encourage FSRA to leverage data already collected (e.g., CCIR Annual Statement on Market Conduct)
 - Similar comment on time line
- Establish Meaningful Service Standards
 - 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
 - Life & health insurers continue to explore ways that insurers and distributors can work together to achieve better oversight; suggest further consultations with FSRA
 - Principles-based approach to regulation supports effective conduct standards & allows for evidence-based regulatory action
 - Harmonization will help to ensure effective market conduct standards
- Harmonize treating financial services consumers fairly guidance
 - Support harmonized regulatory approach to FTC
- Improve Licensing Effectiveness and Efficiency
 - Support system modernization, integration & reciprocal regulatory arrangements



Budget



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



Thank you