



IBC·BAC
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Amanda Dean

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September 1, 2023

Financial Services Regulatory Authority of Ontario
Auto Insurance Sector
25 Sheppard Avenue West, Suite 100
Toronto, ON M2N 6S6

Re: Public Warning Notices

Insurance Bureau of Canada (IBC) and its member property and casualty insurers welcome the opportunity to comment on the ideas proposed in the Financial Services Regulatory Authority of Ontario's (FSRA) recent proposed guidance on Public Warning Notices (Guidance). IBC wholeheartedly supports FSRA's efforts to crack down on fraudulent or unlicensed activity in the sectors that it regulates. These actions are critical to continuing to ensure consumer confidence in Ontario's auto insurance system.

We believe that FSRA has a considerable role to play in fostering consumer trust in all actors involved in Ontario's automobile insurance system. While the insurance industry itself has many market conduct-related guidance documents that it follows, there are fewer equivalents for FSRA-licensed health care providers. The issuance of public warning notices has the potential to incentivize better market conduct practices among some of the health care providers with a history of questionable behavior.

IBC supports the proposed desired outcomes, applicable principles and contents of public warning notices outlined in the proposed guidance. IBC has several additional considerations for FSRA to strengthen the proposed guidance.

Pursuing Formal Enforcement

According to the proposed guidance, FSRA may, in its discretion, **consider** pursuing formal enforcement action. IBC recommends that anytime FSRA identifies individuals or entities operating without a license, it pursue formal enforcement action. This should be combined with FSRA's proposed ability to proceed with a more robust media strategy to ensure that the public is aware of the dangers of operating with these individuals or entities. In addition, we strongly recommend that FSRA conduct a thorough and careful investigation of the facts prior to issuing the warning.

These combined actions will help ensure that one of FSRA's stated desired outcomes, to deter those who carry on unlicensed activities, can be achieved.

Information Sharing

According to the proposed guidance, FSRA's first step may be to reach out to the individual or entity and demand that they cease conducting the unlicensed activity. This suggests that there will likely be a lag between when FSRA first identifies an individual or entity operating without a license, and when the public is eventually informed.

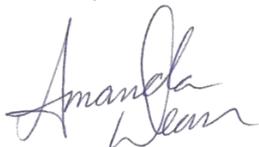
IBC has several recommendations related to information sharing that we believe will improve the proposed guidance:

- FSRA should inform relevant industry associations prior to any other actions being made public, which could then inform its members directly. Providing insurers with as much warning as possible about illegitimate activities will allow them to take mitigation steps internally, such as modifying suggested health care provider lists and drafting lists of claimants that may have been impacted. This way, once the guidance is released, insurers will be able to act immediately;
- FSRA should establish its own internal targeted timelines for the length of time between when it confirms unlicensed activity and when it informs industry associations; and
- There are several organizations, including FSRA, Equite, and police services, to name a few, that have an interest in clamping down on fraudulent activity. IBC recommends that for insurers that encounter unlicensed individuals, FSRA should outline a path of which organization should be first notified.

Finally, the proposed guidance makes reference to unlicensed individuals, but also to 'improper dealings with FSRA'. IBC recommends that FSRA's intent around 'improper dealings' be clarified.

Thank you for the opportunity to comment on FSRA's proposed guidance on public warning notices. If you have any questions please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Amanda Dean". The signature is written in black ink and is positioned above the typed name.

Amanda Dean
Interim Vice President, Ontario