

November 29, 2024

Financial Services Regulatory Authority of Ontario (FSRA)  
25 Sheppard Avenue West  
Suite 100  
Toronto, ON M2N 6S6  
Via email: [contactcentre@fsrao.ca](mailto:contactcentre@fsrao.ca)

## **Re: FSRA Auto Reform Consultation**

Équité Association (“Équité”) supports FSRA’s efforts to improve Ontario’s auto insurance system by ensuring modernization, cost efficiency and consumers obtain the necessary care. On behalf of the Canadian property and casualty (P&C) insurance industry, we welcome the opportunity to participate in the consultation on FSRA’s auto reform guidelines and frameworks, exclusively through the lens of fraud identification, deterrence, prevention, and suppression.

The recommendations within this submission reflect the collaborative efforts of Équité’s Members, supports FSRA’s initiatives and provides additional recommendations for the benefit of all Health Service Providers, automobile insurance stakeholders, and consumers through its use of the HCAI system.

### **FSRA’s Initiatives and Options:**

#### **Health Claims for Auto Insurance (HCAI) System Review**

**Recommendation: Support the enhancement of forms and advocate for the expansion of HCAI to allow for transparency, efficiency and supervision.**

We are in support of FSRA’s initiative to increase the number of forms submitted through HCAI. This initiative will facilitate in combatting fraud through the collection of data and in the supervision of fraudulent behavior. We agree that this initiative will contribute to quicker adjudication, standardization, and provide assistance in the exchange of health claim information between HSPs and insurance companies. We propose to prioritize the addition of OCF-19. The OCF-19 will provide insight into providers that support untenable catastrophic impairment applications to benefit from the cost of the assessments that must follow. This recommendation supports Équité’s referrals into FSRA, especially in light of a growing trend of catastrophic impairment applications.

Additionally, we recommend strengthening HCAI submission controls through three mechanisms:

1. Restrict HSP submissions through the use of the HSP’s registration number exclusively. This would prevent multiple entries of the same HSP and would prevent submission without the HSP’s knowledge.

2. Restrict submission of treatment plans from HSP that are under practice restrictions with their colleges. This would protect insureds who are unaware that they are using their insurance limits towards treatment from a provider who is restricted from providing that treatment.
3. Apply controls that would prevent duplicate submission of materials as this requires insurers to apply resources unnecessarily and creates opportunities for fraud where bad actors are able to overwhelm insurers with duplicate submissions.

We have also observed that PR codes are often inappropriately applied to services, allowing providers to bill at higher rates under the PSG than would be available if the appropriate codes were used for the individual services, thus by strengthening the code system, this will allow for greater transparency, accountability, and preservation of insured's limits for legitimate treatments received.

### **Health Service Provide (HSP) Framework**

#### **Recommendation: Support industry collaboration in the fight against insurance fraud and reduce duplication of efforts**

We are in support of information sharing between FSRA and Colleges and with other stakeholders. This will enhance communication and collaboration on compliance issues, as well as to allow for complaints and fraudulent activity identified to be transparent and shared across industries. We propose that FSRA maintain a list of HSP who are subject to college practice restrictions and to share this information with Insurers who will be able to protect the limits of insureds who are treated in contradiction to practice restrictions. Additionally, we recommend instituting beneficial ownership identification requirements to be pooled as part of the required dataset, as consumers, Insurers, and other stakeholders would benefit from a greater availability of data. This information can be used to reduce fraud and improve the appropriate tools for a collaborative approach.

We suggest that FSRA implement a definition of “supervision” for the purposes of providing services to automobile insurance claimants. This recommendation will provide greater accountability of services rendered to applicants and will also aid in the preservation of an applicant's limits.

### **Statutory Accident Benefits Schedule (SABS) Guideline Review Options**

#### *Professional Service Guideline (PSG)*

#### **Recommendation: Flat-Fee Billing may have a negative impact on fraud prevention**

We strongly caution against a flat-fee approach where fraud opportunities are abundant in that insureds may ultimately receive the lowest cost services for clinics to maximize profits under the flat-fee model.

#### *Attendant Care Hourly Rate Guideline (ACHRG)*

**Recommendation: Amend the Form-1 to include attestations of providers and acknowledgements from insureds.**

We recommend that the Form-1 Assessment of Attendant Care Needs include a signature attestation of the applicant that they have reviewed and agree with the recommendations made as well as an attestation of the service provider that they have reviewed the form with the applicant as insureds may be unaware of the recommendations made on their behalf and may not agree with all of the care requirements.

We trust that you have found our recommendations helpful. Should you have any questions, please feel free to reach out to me at the contact information below



Yours sincerely,

Danielle Wilkinson

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#### **About Équité Association**

As a not-for-profit, national organization, Équité Association supports Canadian insurers to fight fraud by using advanced analytics, intelligence best practices, and coordinated investigations. By leveraging relationships with law enforcement, partners and industry organizations, Équité delivers improved service and fraud analytics for vehicle, property, and cargo recovery. Équité also serves as a centre point for insurance crime across all property and casualty insurers. While keenly focused on eradicating insurance fraud and crime, Équité is invested in diminishing organized crime in Canada and protecting all Canadians against exploitation.