

**Work Plan**

*Updated October 2018*

<b>Phase I</b>				
<b>Terms of Reference</b>	<b>Responsibility</b>	<b>Actions and Deliverables</b>	<b>Start Date</b>	<b>Completion Date</b>
To conduct a <i>closed claims study</i> to determine the costs associated with Third Party Liability/Section A bodily injury claims arising from the use of private passenger vehicles, including the use (or no use) of interim payments and whether Accident Benefits were available.	Insurance Bureau of Canada	<ul style="list-style-type: none"> <li>• Collect data from industry using Board approved methodology.</li> <li>• Provide electronic data file to Oliver Wyman.</li> </ul>	October 2017	March 2018
	Oliver Wyman Limited	<ul style="list-style-type: none"> <li>• Conduct analysis of closed claims data.</li> <li>• Findings to be presented in <i>Private Passenger Automobiles Closed Claim Study Report</i>.</li> </ul>	March 2018	April 19, 2018
<p>To review the impact on rates of a <i>monetary cap on claims</i> for non-economic loss for minor/mild injuries and the implications of such a cap for claimants.</p> <p>To review the impact on rates of continuing with the current <i>deductible of \$2,500 or increasing the deductible</i>.</p>	Oliver Wyman Limited	<ul style="list-style-type: none"> <li>• Conduct analysis using cap amounts and minor injury definitions determined by the Board.</li> <li>• Conduct analysis using deductible amounts determined by the Board.</li> <li>• Findings to be presented in <i>Report on the Impact on Rates of a Deductible or Cap</i>.</li> </ul>	March 2018	April 19, 2018  Amended May 17, 2018
To conduct an <i>audit of taxi closed claims</i> to determine the causes of poor claims experience, including details regarding the underlying causes of loss and high claim costs incurred, and provide any recommendations to reduce claim costs and reduce rates.	Cameron & Associates Insurance Consultants Limited	<ul style="list-style-type: none"> <li>• Collect Newfoundland and Labrador taxi closed claims information from Facility Association.</li> <li>• Conduct on-site claims audit of Facility Association Servicing Carriers.</li> <li>• Findings to be presented in <i>Taxi Closed Claims Audit Report</i>.</li> </ul>	October 2017	March 20, 2018

Phase II				
Terms of Reference	Responsibility	Actions and Deliverables	Start Date	Completion Date
<p>To review the current mandatory <i>Section A/Third Party Liability</i> limit of \$200,000 and the rate implications of increasing the limit.</p> <p>To review <i>Section B/Accident Benefits</i> coverage and impact on rates with respect to mandating coverage and the relationship of Section B benefits to the settlement of Section A benefits.</p> <p>To review the impact of offering <i>direct compensation for physical damage</i> to automobiles (Section C).</p> <p>To review <i>Section D/Uninsured Automobiles</i> coverage in the Province.</p>	<p>Oliver Wyman Limited</p> <p>Public Utilities Board</p>	<ul style="list-style-type: none"> <li>• Analysis to be conducted following completion of the closed claims study.</li> <li>• Board to conduct research to gather information with respect to the various automobile insurance coverages.</li> <li>• Board to seek public and industry input.</li> <li>• Findings to be presented in <i>Report on Other Automobile Insurance Issues</i>.</li> </ul>	<p>March 2018</p>	<p>April 25, 2018</p>
<p>To review the <i>financial profitability</i> of the auto insurance industry in Newfoundland and Labrador.</p>	<p>Oliver Wyman Limited</p>	<ul style="list-style-type: none"> <li>• Review and report will be completed in multiple parts.</li> <li>• Part 1 will examine historical profit for last 5-years using General Insurance Statistical Agency (GISA) data.</li> <li>• Parts 2 and 3 will examine prospective profit levels and rate level adequacy.</li> <li>• Findings to be presented in <i>Automobile Insurance Financial Profitability Report</i>.</li> </ul>	<p>October 2017</p>	<p>March 29, 2018</p>

Phase II (continued)				
Terms of Reference	Responsibility	Actions and Deliverables	Start Date	Completion Date
<p>To review the auto insurance product offered in Newfoundland and Labrador and conduct a <i>jurisdictional scan</i> of other provinces' auto insurance product offerings.</p> <p>To review <i>Section B/Accident Benefits</i> coverage and impact on rates with respect to coverage limits, benefit payment practices, order of payment of benefits, timeliness and efficiency of the injury assessment process.</p> <p>To review the impact of Newfoundland and Labrador adopting <i>minor injury diagnostic and treatment protocols</i> such as those provided in Alberta and Nova Scotia and how mandatory Section B coverage and the diagnostic protocols would impact Section A claim costs.</p> <p>To report on measures to improve <i>highway safety</i> and automotive accident prevention in Newfoundland and Labrador.</p> <p>To review the current <i>auto insurance market</i> and provide comment of insurer exits and report on ways to encourage new entrants into the market.</p> <p>To report any <i>other cost savings</i> or other improvements on any aspect of automobile insurance offered in this Province.</p>	Public Utilities Board	<ul style="list-style-type: none"> <li>• Conduct research to gather information with respect to the automobile insurance product offerings in Newfoundland and Labrador.</li> <li>• Conduct a primary survey to capture the automobile insurance product offerings in all Canadian jurisdictions.</li> <li>• Conduct research to gather information with respect to: <ul style="list-style-type: none"> <li>○ benefit payment practices;</li> <li>○ the injury assessment process;</li> <li>○ minor injury diagnostic and treatment protocols;</li> <li>○ highway safety programs;</li> <li>○ ways to encourage new entrants into the market; and</li> <li>○ other potential cost savings.</li> </ul> </li> <li>• Seek public and industry input.</li> <li>• Findings to be presented in the Board's <i>Automobile Insurance Review – Report to Government</i>.</li> </ul>	September 2017	December 2018

## Hearing Schedule

The Board has reviewed the intervenor submission forms, requests for presentations, submissions and comments filed in relation to Automobile Insurance Review and has set the following schedule for the hearing:

### Public Hearing

June 4, 2018 (Monday)	Ms. Paula Elliott, Oliver Wyman, will present the reports filed with the Board by Oliver Wyman and will be available to answer questions from the intervenors.
June 11, 2018 (Monday)	Mr. James Cameron, Cameron and Associates, will present the report filed with the Board by Cameron and Associates and will be available to answer questions from the intervenors.
June 4 – June 14, 2018	Public presentations will be scheduled during the June 4 – June 14, 2018 timeframe. A full schedule of public presentations will be posted to the Board's website when available.
September 6 – 14, 2018	This block of days has been reserved for the continuation of the public hearing component of the review as required.

### Written Process

June 27, 2018 (Wednesday)	Written questions to Oliver Wyman (reports or presentation) may be filed.
July 9, 2018 (Monday)	Oliver Wyman responses filed.
July 18, 2018 (Wednesday)	Expert/consultant reports may be filed by the intervenors.
July 27, 2018 (Friday)	Written questions on the intervenors' expert/consultant reports may be filed.
August 8, 2018 (Wednesday)	Responses to the questions on the intervenors' expert/consultant reports filed.
August 15, 2018 (Wednesday)	Requests to reconvene the public hearing may be filed with an explanation of why it is necessary.
August 20, 2018 (Monday)	The Board will advise if the public hearing will reconvene.
September 14, 2018 (Friday)	Deadline for final written comments from the public.
September 21, 2018 (Friday)	Deadline for final written submissions from the intervenors.