Bulletin

No. A-13/97

Property & Casualty

- Auto

1998 Optional Indexation Benefit Percentage Under Bill 59, 1998 Indexation Percentage and New Deductibles / Monetary Amounts Under Bill 164

To the attention of all insurance companies licensed to transact automobile insurance in Ontario

The Ontario Insurance Commission is reproducing here, for insurers' easy reference, recently published information by the Ontario government announcing the 1998 optional indexation percentage that applies to insured persons receiving Statutory Accident Benefits under Bill 59 (the *Automobile Insurance Rate Stability Act, 1996*), if they qualify for the optional indexation benefit.

Also included is the 1998 indexation percentage, the amount of average weekly earnings for Ontario, and new deductibles/monetary amounts, which apply to persons receiving Statutory Accident Benefits under Bill 164.

These amounts have been published in the December 6, 1997 edition of The Ontario Gazette.

The indexation percentage for both Bill 59 and Bill 164 claims reflects the year-over-year Consumer Price Index for Canada (All Items) from September, 1996 to September, 1997, published by Statistics Canada.

Indexation under *Bill 59*

The 1998 indexation percentage that is applied to benefits and monetary amounts on **January 1, 1998 is 1.6%**. It is applied in accordance with the "Optional Indexation Benefit Guideline" - October 28, 1996. Under Bill 59, indexation is relevant only to insured persons where the optional indexation benefit is purchased. The 1998 indexation percentage relates only to accidents that occurred on or after November 1, 1996 and before January 1, 1998.

Indexation under *Bill 164*

The 1998 indexation percentage that is required to be applied to benefits and monetary amounts on January 1, 1998 is 1.6%. It applies to existing and continuing benefits that are required to be indexed and payable to insured persons who were involved in accidents after December 31, 1993 and before November 1, 1996.

The 1998 indexation percentage, the revised deductibles and monetary amounts are listed in the enclosed chart, entitled 1998 Indexation Percentage, Revised Deductibles and Monetary Amounts for Automobile Insurance under the Insurance Act and the Statutory Accident Benefits Schedule (Accidents After December 31, 1993 and Before November 1, 1996).

OIC Contact for information

If you have any questions regarding the attached chart or matters outlined in this Bulletin, please contact Tony Toy at the Ontario Insurance Commission's Accident Benefits Analysis Unit -- tel. (416) 590-7257, fax (416) 590-7265.

Dina Palozzi

Commissioner

December 8, 1997

Attachment (PDF):

- 1998 Indexation Percentage for Statutory Accident Benefits under Statutory Accident Benefits Schedule -

Accidents on or after November 1, 1996 1 Chart

To view PDF files, you will require Adobe Acrobat® Reader version 7.0. You can download this free software from Adobe's Web site.

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Financial Services Commission of Ontario
5160 Yonge Street
Toronto, ON M2N 6L9
1-800-668-0128
(416) 250-7250

1998 Indexation Percentage for Statutory Accident Benefits under the Statutory Accident Benefits Schedule - Accidents on or after November 1, 1996

The 1998 indexation percentage is **1.6%**. This indexation percentage should be used on January 1, 1998 and applied, in accordance with the "Optional Indexation Benefit Guideline" - October 28, 1996, to the benefit amounts and monetary limits for insured persons who have purchased the optional indexation coverage and had accidents that occurred after October 31, 1996.

ONTARIO INSURANCE COMMISSION

1998 Indexation Percentage, Revised Deductibles and Monetary Amounts for Automobile Insurance under the *Insurance Act* and the *Statutory Accident Benefits Schedule - Accidents After December 31, 1993 And Before November 1, 1996*

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1998 Indexation Percentage, Revised Deductibles and Monetary Amounts for Automobile Insurance under the *Insurance Act* and the *Statutory Accident Benefits Schedule - Accidents After December 31, 1993 And Before November 1, 1996*

INDEXATION PERCENTAGE			
Section reference in the *Insurance Act*	**Description**	**Amount 1997**	**Amount 1998**
268.1	indexation percentage	1.5%	1.6%

DEDUCTIBLE AMOUNTS			
Section reference in the *Insurance Act*	**Description**	**Amount 1997**	**Amount 1998**
267.1(8)3	non-pecuniary loss deductible	$10,404.22	$10,570.69
	Family Law Act deductible	$5,202.11	$5,285.34

MONETARY AMOUNTS			
Section reference in the *SABS*	**Description**	**Amount 1997**	**Amount 1998**
10(9)	maximum weekly income replacement benefit	$1,040.43	$1,057.08
15(5)	Average Weekly Earnings for Ontario	$636.93	$644.00
16(1)(a)	lump sum benefit for each year of elementary school	$2,080.84	$2,114.13
16(1)(b)	lump sum benefit for each year of secondary school	$4,161.68	$4,228.27

	lump sum benefit for each semester of secondary school	$2,080.84	$2,114.13

MONETARY AMOUNTS			
Section reference in the *SABS*	**Description**	**Amount 1997**	**Amount 1998**
16(1)(c)	lump sum benefit for each year of post-secondary school	$8,323.38	$8,456.55
	lump sum benefit for each semester of post-secondary school	$4,161.68	$4,228.27
18(5)	weekly caregiver benefit for first person	$260.10	$264.26
	weekly caregiver benefit for each additional person	$52.02	$52.85
28(4)	maximum weekly loss of earning capacity benefit	$1,040.43	$1,057.08
32(5)	maximum sum of weekly loss of earning capacity benefit and weekly supplement	$1,040.43	$1,057.08
46(1)	maximum limit on supplementary medical benefits and rehabilitation benefits	$1,040,421.69	$1,057,068.44
47(4)	maximum monthly attendant care benefit (all insureds)	$3,121.27	$3,171.21
47(5)	maximum monthly attendant care benefit (catastrophic injuries)	$6,242.53	$6,342.41
47(6)	maximum monthly attendant care benefit (multiple, catastrophic injuries)	$10,404.22	$10,570.69
	maximum monthly attendant care benefit	$10,404.22	$10,570.69

47(7)	(severe brain injuries with violent behaviour)		

MONETARY AMOUNTS			
Section reference in the *SABS*	**Description**	**Amount 1997**	**Amount 1998**
50(10)	hourly rate for personal attendant care (when using Form 1)	$9.10	$9.25
	hourly rate for skilled attendant care (when using Form 1)	$14.57	$14.80
51(1)(b)	death benefit to spouse where insured would not have qualified for income replacement benefits	$52,021.08	$52,853.42
51(4)(a)	death benefit to dependant	$10,404.22	$10,570.69
51(4)(b)	death benefit to former spouse	$10,404.22	$10,570.69
51(5)	death benefit where insured was a dependant	$10,404.22	$10,570.69
51(8)	minimum death benefit to spouse	$52,021.08	$52,853.42
	maximum death benefit to spouse	$208,084.34	$211,413.69
52(2)	funeral benefit	$6,242.53	$6,342.41
54(4)	weekly dependant care expenses for first dependant	$78.03	$79.28
	weekly dependant care expenses for each additional dependant	$26.01	$26.43
54(5)	maximum for weekly dependant care expenses	$156.07	$158.57