

Summary of Changes to Saskatchewan Auto Injury Coverage

Media backgrounder – June 14, 2016

Amendments to The *Automobile Accident Insurance Act* were introduced in the Legislative Assembly today. The legislation is anticipated to be passed during the fall 2016 sitting of the Legislature, with changes taking effect Jan. 1, 2017. A summary of the changes is below.

Better benefits for customers who are injured:

- Cover costs of using special equipment (such as wheelchairs) – repairs, increased utility costs, etc. (No Fault)
- Provide a recreation allowance for those who need special equipment or someone to assist them in order to participate in leisure activities (No Fault)
- Injured customers will be eligible for the current maximum rehabilitation benefit amount (\$6.7 million for No Fault in 2016, and \$197,000 for catastrophic injuries and \$26,000 for non-catastrophic injuries under Tort and Reduced No Fault coverage in 2016), rather than the amount in place at the time they were injured
- Make interim benefit payments if permanent impairment has not been paid as of the one-year anniversary of the date of the collision, and pay interest on the permanent impairment benefit from the date of the collision until the full payment is made (No Fault, Tort and Reduced No Fault)
- Add funding for extra expenses that customers incur as a result of subsequent specialized vehicle purchases (No Fault)

Addressing inconsistencies:

- When an impaired driver causes a collision and is killed, allow an innocent party or the family impacted to sue for pain and suffering or bereavement damages (No Fault, Tort and Reduced No Fault)
- Change the permanent impairment calculation to address non-facial scarring concerns as many customers have told SGI that they feel payment for non-facial scarring is too high compared to payments for more serious impairments (No Fault, Tort and Reduced No Fault)

- Expand the list of offences that trigger the ability for an innocent party to sue for pain and suffering or bereavement damages to include: criminal negligence causing death or bodily harm, criminal negligence causing bodily injury, flight from a peace officer and dangerous operation while street racing (No Fault, Tort and Reduced No Fault)
- Calculate death benefits based on date of death rather than date of injury, to keep the family's benefits consistent with the circumstances of the deceased at the time of their death (No Fault, Tort and Reduced No Fault)

Close gaps in coverage for everyone injured in an auto crash:

- Provide counseling benefits to immediate family members affected by an individual's injury (No Fault)
- Calculate the income benefit for owners of limited businesses from corporate income tax returns instead of pay stubs (No Fault)
- Expand coverage to include costs of moving and labour costs for incomplete renovations, if a person's injuries mean they must incur extra costs (No Fault)
- Improve the calculation of income benefits for seasonal workers to ensure those in their job less than two years are compensated fairly (No Fault)
- Allow self-employed customers to change between an income benefit or replacement labour as often as they need to, to manage their business (No Fault)
- Give greater flexibility in applying a benefit for customers who are responsible for care of a dependent child or adult (No Fault)
- Use a more objective rating method to determine benefits for those with moderate brain injuries (No Fault, Tort and Reduced No Fault)
- Cover costs of lost wages, meals, accommodations, transportation and other expenses for those attending to a seriously injured family member (No Fault)

- Specify that child care benefits will be based on minimum wage (No Fault)
- Ensure the income benefit does not fall below minimum wage (Tort and Reduced No Fault)
- Provide an income benefit for customers who had returned to work, but must take another leave for surgery or a rehabilitation program related to their injury (Tort and Reduced No Fault)

Keeping coverage affordable:

- Change medical and rehabilitation coverage legislation to prevent lawsuits (No Fault):
 - for expenses not covered under the program
 - for rehabilitation expenses above the amounts for allowed items the customer is eligible for

Other improvements:

- Create a position independent of SGI to assist customers with the appeal process (No Fault) (This change will take effect in spring 2017, pending legislative approval)
- Allow nurse practitioners to submit medical reports on behalf of injured customers so they can access treatment and benefits more quickly (which will particularly assist rural customers) (No Fault, Tort and Reduced No Fault)
- Make the legislation clear as to what rehabilitation costs are covered (No Fault)
- Better inform customers of their option to choose No Fault, Tort or Reduced No Fault

Deferred changes:

Two recommendations that were previously announced have been deferred to a later date due to cost considerations. The changes not moving forward at this time are:

- Updating amounts paid for living expenses to reflect current market rates, increasing the overall amount available for assistance to those with cognitive impairment and implementing a process to regularly review the amounts for alignment with market rates (No Fault).
- Ending the practice of reducing income benefits by the amount a customer receives through Canada Pension Plan disability (No Fault).