

# ASP FAQ for July 2019 changes

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**\*\*Note:** when reporting a claim, always report the same statistical information from the last debit premium record, immediately before the accident date.

The statistical information must not change during the life of the claim.

Example of some statistical fields:

Information below from the premium record, would be copied over to each claim record, (Paid and reserve) on the one date of loss

- All Perils/Collision or Comprehensive/Specified Perils deductible amount
- Liability Limit
- Year of birth
- Number of years Licensed
- Number of Other operators
- Type A,B,C convictions
- Number of Claims
- Etcetera

## Type of Business 8 & 9

Q1. How will we handle Type of business codes on claims with accident date before July 1, 2019?

A1. Use the exact same Type of business code from the last debit premium record, immediately before the accident date. The statistical information must not change during the life of the claim.

Q2. How will we handle Type of business codes on claims with accident date before July 1, 2019, that was closed and reopened?

A2. Use the exact same Type of business code that was on the prior claims transactions, when the claim was open. This should be the same code from the last debit premium record, immediately before the accident date. The statistical information must not change during the life of the claim.

## Type of Business 3 and 4

- Q1. Fleets rated on a per car exposure basis are currently reported to the Automobile Statistical Plan as Type of Business 4. Why do the “per car” exposure rated fleets now need to be reported as Type of Business 3?
- A1. The rating and reporting of these “per car” exposure fleet rated policies varies across companies and therefore, for statistical purposes, Type of Business 3 would be more appropriate to report the Premiums for these policies

## Type of Use 01

- Q1. How will we handle Type of Use codes on claims with accident **BEFORE** July 1, 2019?
- A1. Use the exact same Type of Use code from the last debit premium record, immediately before the accident date. The statistical information must not change during the life of the claim.
- Q2. How will we handle Type of Use codes on claims with accident date **BEFORE** July 1, 2019, that was closed and reopened?
- A2. Use the exact same Type of Use code that was on the prior claims transactions, when the claim was open. This should be the same code from the last debit premium record, immediately before the accident date. The statistical information must not change during the life of the claim.
- Q3. In the past, we were forced to report type of use 02, when there was a short commute allowed. What if I have a mid-term change, such as vehicle substitution, territory change, Can I now report the correct Type of use code 01, instead of the 02?
- A3. YES – when you create an offset record for the vehicle substitute, ensure that you offset the type of use 02, then onset with new vehicle and type of use 01.

It is important to remember that you must always offset, information that needs to be changed then onset with the new information.

- Q4. We have allowed short commute on type of use 01, and we reported this as type of use 02 to IBC. Do we have to change this to type of use 01, mid-term on next renewal?
- A4. NO – you do not have to change this mid-term.  
Change the type of use reporting on the next renewal

## Trailers

- Q1. If we incorrectly reported the type of use on camper trailers, PPV and commercial trailers in the past, do we need to fix it mid-term?
- A1. NO. You can fix the type of use on the next renewal. If you have many trailers incorrectly reported in the past, IBC would help to correct the historical data, by completing a historical fix for the company.

## Operator Information

- Q1. How do we report operator information when reporting occasional operators, Type of use 05 or 06?
- A1. The rated operator information reflects the data applicable to the occasional operator (s) If the transaction being reported is for an occasional operator, the rated operator information reflects the information on the occasional operator (s).

## Number of Other Operators

- Q1. How do we report Number of Other Operators on claims with accident date **BEFORE** July 1, 2019, that was closed and reopened?
- A1. Use the exact same code for Number of Other operators that was on the prior claims transactions, when the claim was open. This should be the same code from the last debit premium record, immediately before the accident date.

## Number of Claims

- Q1. How do we report the Number of Claims, when each spouse is rated on their own vehicle and the each have one at fault claim?
- A1. When reporting this field, you must *ignore any accident forgiveness endorsement*, and report the number of at fault claims, in the last 6 years for all operators on the policy to whom the rate applies. In this case where each spouse is rated on their own vehicle, you would report a 1 at fault claim on each vehicle.

- Q2. What does it mean to report the combined claim experience in the last 6 years?
- A2. Report the appropriate code representing the applicable claims experience in the last six years of private passenger vehicle, moped or on-road motorcycle vehicle operation, without regard to any Accident forgiveness endorsement or similar policy provision.

If the information being reported reflects a Principal operator:  
Report the appropriate code reflecting the combined number of claims in the last six years of all operators on the policy to whom the rate applies, excluding any separately rated Occasional operator.

- Q3. Are collision claims counted, when the insured voluntarily pays back a claim to the insurer?
- A3. Collision claims where the loss or reserve amounts are zero dollars are not to be counted in the “Number of Claims” and the “Number of Years Claims Free” fields.

Examples:

Number of vehicles	Number of drivers	Experience	Report as:
1	1	Driver A: 1 claim 4 years ago	1
1	2	Driver A: 1 claim 4 years ago Driver B: 1 claim 2 years ago	2
1	3	Driver A: 3 claims last 6 years Driver B: 4 claims last 6 years Driver C: 3 claims last 6 years	9 (maximum)
2	2	Driver A: 2 claims last 6 years	2
		Driver B: 1 claim last 6 years	1

If the information being reported reflects an Occasional operator:

Report the appropriate code reflecting the combined number of claims in the last six years of all occasional operators on the policy to whom the separate rate applies.

Examples:

Number of vehicles	Number of Occasional Operators	Experience	Report as:
1	1	Driver O1: 1 claim last 6 years	1
1	2	Driver O1: 1 claim last 6 years Driver O2: 1 claim last 6 years	2
1	1	Driver O1: 1 claim last 6 years	1
	1	Driver O2: 2 claims last 6 years	2
2	1	Driver O1 <sup>1</sup> : 1 claim last 6 years	1
	1	Driver O2 <sup>2</sup> : 1 claim last 6 years	1

## Number of Years Claims Free

- Q1. How do we report Number of Years Claims Free, when principal operator has accident forgiveness, and has had an at fault loss?
- A1. When reporting this field, you must *ignore any accident forgiveness endorsement*, and report the number of years of claims-free private passenger vehicle, moped or on-road motorcycle vehicle operation.

If the information being reported reflects a Principal operator:  
Report the number of years of claims-free operation of the operator with the least number of years of claims-free experience of all operators on the policy to whom the rate applies, excluding any separately rated Occasional operator(s).

Examples:

Number of vehicles	Number of Drivers	Experience	Report as:
1	1	Driver A: 1 claim 3.5 years ago	3
1	2	Driver A: 1 claim 3.5 years ago Driver B: no claims, 30 years licensed	3
2	2	Driver A: 1 claim 3.5 years ago	3
		Driver B: no claims, 30 years licensed	30

If the information being reported reflects an Occasional operator:  
Report the number of years of claims-free operation of the operator with the least number of years of claims-free experience of all occasional operators on the policy to whom the separate rate applies.

Number of vehicles	Number of Occasional Operators	Experience	Report as:
1	2	Driver O1: 1 claim 6 months ago Driver O2: no claims, 5 years licensed	0
1	1	Driver O1: 1 claims 6 months ago	0
	1	Driver O2: no claims, 5 years licensed	5

Q2. How do we report Number of Years Claims Free on claims with accident date **BEFORE** July 1, 2019, that was closed and reopened?

A2. Use the exact same code for Number of Years Claims Free that was on the prior claims transactions, when the claim was open. This should be the same code from the last debit premium record, immediately before the accident date.

## Claim Deductible Amount

Q1. How do we report a disappearing deductible on the claims record, when the deductible amount will NOT be the same as the amount reported on the premium record?

A1. Report the deductible amount that was used when settling the claim. Be sure that the claim coverage code on the claims record is the same as the coverage code that was reported on premium record.

When a company has a disappearing or other non-standard deductible, the coverage code will end with a '9'

- 29 – Specified Perils
- 39 – Collision
- 49 – All Perils
- 89 – Comprehensive

When using these coverage codes it is reasonable to see one deductible on the premium record and a different deductible on the claims record.

Example:

Insured has a \$500 collision deductible. A collision claim occurs. The \$500 collision deductible with coverage code 39, is reported on the premium record. If the insured has a disappearing deductible, coverage code 39 must be reported on the claims record and the deductible amount is the amount used in adjusting the claim.

## Group Marketing Indicator:

Q1. When do we have to start reporting this code?

A1. A Group Marketing Indicator has existed only in the province of Ontario. Each company that has rates for Group Marketing, has filed with FSCO to be allowed to offer group rates. Only these companies will need to report a Y, in the Group Marketing Field. The remaining companies in Ontario that do not have filed group rates with FSCO will need to report a "N" in this field.

All other companies outside of Ontario, will need to report “N” in this field.

## General questions

How long can we continue to use the old codes?

<b>Policy Effective date</b>	<b>ASP July 2019 Changes</b>
GE July 1, 2019	New values must be reported
LT July 1,2019	Old values must be reported on premium and claims records