



To: All Automobile Statistical Plan Reporting Companies

Date: July 23, 2019

Bulletin: GISA 2019-04

Revision to Newfoundland and Labrador Automobile Insurance Reform

The General Insurance Statistical Agency (GISA) is deferring implementation of the Statistical Plan reporting requirements that were announced earlier this year until January 1, 2021. This will give stakeholders additional time to assess and implement the changes.

This bulletin is to serve notice of this deferral for the initial reporting requirements issued in GISA bulletin 2019-02 on June 19, 2019 with regard to the Newfoundland & Labrador (NL) amendments to accommodate the introduction of Direct Compensation Property Damage (DCPD) coverage. This was required as part of the spring 2019 Bill 3 reforms to the *Insurance Act*. The implementation of the data collection changes will now be effective January 1, 2021, although regulatory requirements for processing of policies and claims under the new regulations have not changed.

Bill 3 amendments are available at:

<https://www.assembly.nl.ca/HouseBusiness/Bills/ga48session4/bill1903.htm>

GISA as the statistical agent for Newfoundland & Labrador has requested its service provider, Insurance Bureau of Canada (IBC), make the following changes to the Automobile Statistical Plan (ASP) NL reporting requirements.

1. New Coverages for Policy Effective Dates on or after January 1, 2021

For transactions with Policy Effective Dates (not Endorsement Dates) on or after January 1, 2021, companies will be required to report in the ASP field positions listed below, new Third Party Liability (TPL) and DCPD coverage codes, premium and deductible amounts in dollars (\$). These codes and field positions are identical to the current Ontario, Nova Scotia, New Brunswick and Prince Edward Island ASP requirements.

| Coverage | | Code | Field Positions | | |
|----------|-------------------------|--------|-----------------|-------------|--------------|
| | | | Premium Record | | Claim Record |
| | | | Code | Amount (\$) | Code |
| TPL | Bodily Injury | 10 | 494-495 | 496-501 | 302-304 |
| | Excess Insurance | 69 | | | |
| | Property Damage | 11 | 502-503 | 504-509 | |
| DCPD | Standard Deductible | 12 | 510-511 | 521-526 | |
| | Non-standard Deductible | 19 | | | |
| | Rate Group Type | A-E, X | 340-340 | | 212-212 |
| | Rate Group | 01-99 | 341-342 | | 213-214 |

| Description | Code | Field Positions | |
|---|-------|-----------------|--------------|
| | | Premium Record | Claim Record |
| Actual deductible amount (WHOLE DOLLARS) | value | 514-520 | 317-323 |

Deferral of statistical plan requirements will require insurers to report the combined Third Party Liability (TPL) premium consisting of the aggregate sub-coverages (i.e. Bodily Injury, Property Damage and Direct Compensation Property Damage) for the time being as per current statistical plan requirements.

2. Retirement of Current TPL Coverage Reporting Requirements for Newfoundland & Labrador

The introduction of the new NL TPL and DCPD coverage reporting requires that the following changes be made to the current ASP TPL requirements for transactions with Policy Effective Dates on or after January 1, 2021:

- Reporting of Bodily Injury and Property Damage Coverage Code '62' for Premium (Field Positions 477-478) or Claims will no longer be valid, and
- Excess Insurance Coverage Code '69' can no longer be reported on Premium records in Field Positions 477-478.

3. New Kind of Loss Codes for Accident Dates on or after January 1, 2021 for Newfoundland & Labrador

For Claim transactions with Accident Dates on or after January 1, 2021 the reporting of the following new TPL and DCPD Kind of Loss codes are identical to those reported for Ontario, Nova Scotia, New Brunswick and Prince Edward Island will be required.

| Coverage | | Kind of Loss | Code | Field Positions Claim Record |
|----------|---|--|------|---------------------------------|
| TPL | Bodily Injury and Excess Insurance | Outside Province by Passengers | 03 | 299-301 |
| | | Outside Province by any other third party | 04 | |
| | | Within Province by Passengers | 05 | |
| | | Within Province by any other third party | 06 | |
| | Property Damage | To third party vehicle or contents or other property | 15 | |
| DCPD | Standard and Non-standard Deductibles | Total Loss to insured Vehicle | 12 | |
| | | Damage to contents not owned by insured | 14 | |
| | | Other property damage to insured vehicle | 16 | |
| | | Property damage to contents owned by insured | 17 | |
| | | Loss of Use | 18 | |
| | | Damage to trailers | 19 | |

Deferral of statistical plan requirements will require insurers to report Direct Compensation Property Damage claims as Third Party Liability – Property Damage claims for the time being as per current statistical plan requirements.

4. Retirement of Current TPL Kind of Loss Codes for Newfoundland & Labrador

The introduction of the new Kind of Loss codes for Newfoundland & Labrador requires that the following Claim Kind of Loss Codes for TPL Bodily Injury and Property Damage will no longer be valid for transactions with Accident Dates on or after January 1, 2021:

- Bodily Injury by passengers in the insured automobile (Kind of Loss code '01'),
- Bodily Injury by any other third party (Kind of Loss code '02'), and
- Property Damage (Kind of Loss code '09').

5. Reporting of New Kind of Loss codes with Accident Dates prior to January 1, 2021 for Newfoundland and Labrador

TPL or DCPD Claim transactions with Accident Dates on or after January 1st, 2021, but with Policy Effective Dates prior to January 1, 2021 must be reported with:

- New TPL and DCPD Kinds of Loss codes, and
- TPL code that was reported on the Premium record.

6. New Winter Tire Discount Indicator for Policy Effective Dates on or after January 1st, 2021

NL has also amended Subsection 60(1) of the Act to require that insurers offer a discount to policyholders for the use of winter tires. Insurers are required to provide a winter tire discount. Reporting of the discount to the Automobile Statistical Plan is mandatory for contracts issued or renewed on or after January 1, 2021, for all eligible private passenger automobile policies.

Pursuant to the above, companies are required to report the following data elements on both premium and loss transactions reported with policy effective dates on or after January 1, 2021. The reporting on the ASP records are identical to those currently reported for Ontario.

| Field Name | Indicator Value | Code | Field Position Premium Record | Field Position Claim Record |
|--------------------------------|--|------|-------------------------------|-----------------------------|
| Winter Tire Discount Indicator | The Risk is written with a Winter Tire Discount | Y | 355 | 218 |
| | The Risk is not written with a Winter Tire Discount | N | | |

Companies are also required to report the following data element on both premium and loss transactions reported with policy effective dates on or after January 1, 2021. The reporting of this field on the ASP records are not required for Ontario.

| Field Name | Discount Applied | Field Position Premium Record | Field Position Claim Record |
|----------------------|---|-------------------------------|-----------------------------|
| Winter Tire Discount | Indicate percentage of discount applied to overall policy with 1 implied decimal (e.g. 075 means 7.5%) when a discount has been indicated | 356-358 | 219-221 |

7. Advance Premiums

The NL Automobile Insurance Reform ASP changes are scheduled to be implemented on November 1, 2020 to accommodate advance renewals for Policy Effective Dates on or after January 1, 2021.

8. Documentation Updates

The NL Automobile Insurance Reform updates to the ASP manual and Edit Rules Documentation are currently in progress and a bulletin will be distributed when the changes have been completed.

If you have any questions related to these changes, please contact your Data Quality Analyst at IBC: 416-445-5912 or 800-761-6703.

General Insurance Statistical Agency