

Travel smart
Stay safe while
on vacation



Pet insurance A cost-saving necessity



September 2012

# INSURANCE







**Peter Wouters** Educating yourself about debt and interest charges is beneficial



# Canada's insurance industry is taking a **proactive** approach to meeting your needs by making it easier to focus on your family's safety.

# Why Canadians can depend on the life and health insurance industry

insurance industry of today is vastly different from the one we knew even a decade ago. So much has changed-from technology to global economic circumstances. As a result, in adapting to meet the changing demands of its customers, the industry is more dynamic and diverse than ever before. So what are the current influencers and how is the industry reacting to meet these new needs?

he life and health

Today's reality is that on their own, governments are no longer in a fiscal position to meet the important needs of their citizens. As a result, Canadians need to find ways to take charge of themselves and their families' financial security and well-being.Canada's industry has responded to this need in two ways. It has provided products to help meet these changing necessities. It has also added its voice to the public policy discussions in order to help find solutions to the many challenges Canadians face.

## Three examples of the industry's proactive approach to meet the needs of Canadians:

The industry has long played a major role in helping people save for retirement and administers more than two-thirds of Canada's private pension plans. Although, over 50 percent of Canadians working in the private sector still do not have access to a pension plan. As a result, the industry has been a strong proponent of the low-cost Pooled Registered Pension Plans (PRPPs). The federal and provincial governments will be implementing PPRPs in the near future, hopefully by 2013. We believe that PRPPs will help fill the gap for private sector workers, particularly those employed by small and mid-sized business enterprises (SMEs).

Another area in which the industry is urging action is longterm care. Our polling has shown that three quarters of Canadians admit to having no financial plan for long-term care. There is a massive funding gap with the baby boomer population entering into the phase of their lives where they will require assistance caring for themselves.We estimate that it will cost \$1.2 trillion to provide long-term care to this generation; however, current government programs will only be able to cover about half of that cost. For these reasons, we are calling upon governments and Canadians to work together to find ways to provide long-term care more effectively, both in terms of cost and how it is

The third example is related to ensuring the ongoing affordability of drug benefit plans, particularly for SMEs. SMEs would struggle the most if an employee should require a high-cost drug treatment. The industry recently announced an agreement to - protect fully-insured private drug plans from the full financial impact of high-cost drugs. This pooling agreement is the first of its kind and represents a win-win scenario for all stakeholders: a financially stable drug plan for em-



Frank Swedlove, President, Canadian Life and Health

plovers, guaranteed access to treatment for employees, and the ability to share the burden of high-cost claims for participating insurers.

# **Meeting your needs**

Canada's life and health insurance industry is here for the long term. It is here to continue to meet the needs of the 26 million Canadians it serves and to contribute to the strength of the Canadian economy.

FRANK SWEDLOVE

editorial@mediaplanet.com

# Saving Ontario's auto insurance industry

# A man and his wife had the good fortune to own a goose which laid a golden egg. Lucky though they were, they soon began to think they were not getting rich quickly enough.

Since the goose laid eggs of gold, they imagined that the bird must be made of gold inside. They decided to kill it in order to secure the whole store of precious metal at once. When they cut it open they found it was just like any other goose. They neither got rich nor enjoyed the daily addition to their wealth. The moral: He who always wants more, loses all.

This Aesop fable unfortunately applies to Ontario's auto insurance system. The Golden Goose? The province's auto insurance benefits, which are the most generous in North America. The man and wife represent those who prey on the system and unjustly target the maximum benefits.

Consider this the fact that between 2006 and 2010 the number of collisions in Ontario dropped by seven percent. But the cost of no-fault injury benefits rose by 118 percent. So as collisions decreased, benefits increased. Who is profiting?

Who is to blame? Between 2008 and 2011, losses by insurers (which is claims minus premiums) on Ontario auto insurance approached three billion dollars. Fraud accounts for a large part of the losses; however, a significant part is also due to the attitudes and actions of too many for-profit health care facilities, medical suppliers, and legal representatives. They believe that if the money is there, they should get it-regardless of specific medical needs.

One of the key problems is a definition of "catastrophic impairment". It has been too open to interpretation and used to target maximum benefits for individuals with less serious injuries.

The numbers are revealing:

■ There are 62,000 collision injuries in Ontario every year, most of which are minor (strains, sprains, and whiplash).

More than 8,600 health care facilities are enrolled in the provincial online billing system to provide services to these injury victims.

Every month, these providers submit 27,000 treatment and assessment proposals to insurers.

So if we do the math for a year, 62,000 injuries, (most of which are



Ralph Palumbo, Vice President, Ontario Insurance Bureau of Canada

minor), generate 324,000 treatment and assessment proposals on an annual basis. That's an average of 5.2 proposals per claimant.

This is a story of fraud and abuse. Added to the costs of organized criminal insurance fraud, the tally reaches up to \$1.6 billion, as recently estimated by KPMG.

Claims costs continue to rise, despite important reforms introduced by the Ontario government in 2010. Unfortunately, as claims costs rise,

so do premiums. As a result, auto insurance in Ontario is the most expensive in the

country. This is a fact that has to

change.

It's time all of us to come together-industry, government, policy holders, stakeholders, and members of the legislature-and work to do whatever is necessary to drive down

# **Tips for Consumers:**

**Know the law** It is a crime to:

claim costs.

- Include pre-collision damage in an auto insurance claim.
- Claim property items not stolen
- or damaged during a break-in.
- Exaggerate injuries following a collision in order to collect benefits.
- Make an insurance claim for an event that never happened (collision, break-in, etc.).
- Offer or accept "free" treatment for an injury unrelated to a collision. Charge an insurance company for treatments that were never received (through a health care facility).

Call 1-877-IBC-TIPS to report fraud. And to have your say on Ontario's auto insurance system go to our website at www.ibc.ca and click on Your Car Insurance Premiums Should Be

**RALPH PALUMBO** 

editorial@mediaplanet.com

SEAN PIERCE,

# you are paying on your debt. Know the difference between

dangers of credit card debt and the interest

WE RECOMMEND

"Be aware of the

**Medical tourism** Facts on this booming industry

**Panel of experts** Three thought leaders discuss insurance.

good debt and bad."

INSURANCE 2ND EDITION, SEPTEMBER 2012

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# FIRE SPRINKLER FACTS

Eight out of 10 fire deaths occur in the home. Usually occurring at night, these fires grow very fast and can go from a tiny flame to total destruction in as little as 3 minutes. Fire sprinklers can suppress a fire, giving your family time to escape.

# Can we afford to live without them?

- Installing smoke alarms and a fire sprinkler system reduces the risk of death in a home fire by 82 percent (relative to having nei-
- ther). Only the sprinkler closest to the fire will activate, meaning 90 percent of fires are contained by the operation of just one sprinkler.
- On average, home fire sprinkler systems add about two percent to the cost of constructing a home.
- Modern residential sprinklers are inconspicuous and can be mounted flush with walls or ceilings. ■ The City of Vancouver has had
- a residential sprinkler bylaw for more than 18 years; in this time, not one person has perished due to fire in a home properly equipped with fire sprinklers.

THE HOME FIRE SPRINKLER COALITION

editorial@mediaplanet.com

# PERSONAL INSIGHT

# Pet insurance: A cost-saving necessity

When the Hieberts first introduced their new pup Winston, an adorable little Shih Tzu, to their family, the last thing on their minds were the health complications associated with the dog's breed.

Unexpected consequences

Like many pet owners, the Hieberts were looking for a breed that fit their family's lifestyle.

"You buy a pet on emotion but you don't do research about what could go wrong," says Allan Hiebert,who also happens to work in the financial

services

industry.

"We thought about it when we first got him, and then we put it off," Allan Heibert admits.

Six years later and the Hieberts have spent nearly \$6,000 in health-related expenses for Winston. This high cost could have been avoided had they just enrolled in pet insurance coverage.

Winston had to get surgery on a non-cancerous tumor in his ear canal—an expense that the Hieberts hadn't expected and had to dip into their savings to pay for.

"Pet insurance is the best way to be sure you can provide enough care for your pets and not allow the potential financial strains be the deciding factor on their livelihood," says Kristen Lynch, Executive Director of the North American Pet Health Insurance Association.

"I don't think we quite understood how expensive it could get," says Hiebert. "The ounce of prevention would have been worth it." "I don't think
we quite
understood
how expensive
it could get...
The ounce of
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— Allan Heibert

## Peace of mind

"Savings can only take you so far, but insurance is the most cost-effective way," he adds.

Today the Hieberts include pet insurance for Winston as one of their fixed monthly expenses.

"We hear many stories from

people just like the Hieberts," says Dr. Colleen Skavinsky, Chief Veterinary Officer at Petsecure. "Veterinary medicine today rivals human medicine, and pet health insurance offers pet parents the ability to make the conscious choice to pursue the best in health care for their pets."

# Foreward thinking

The Hieberts have estimated that they would have only spent a third of their \$6,000 bill if they had gotten Winston insured from day one.

"It's very wise to make an investment in pet insurance. I know it will save you a lot of grief down the road," says Hiebert.

> MERYL KAYE DE LEON, COMMUNICATIONS NORTH AMERICAN PET HEALTH INSURANCE

ASSOCIATION editorial@mediaplanet.com



# Community. Connection. Quality.



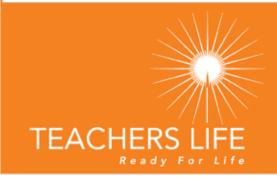
Think Local applies to insurance, too. This philosophy is at the heart of every insurance plan, member benefit and community program we develop.

Our community is the education community and for over 70 years we have celebrated that. As a not-for-profit fraternal insurer our connection is solely with our members – educators.

We don't ship profits off to Bay Street; we reinvest them to give members quality insurance coverage at reasonable rates, supported by caring service and a *give back* attitude.

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# INSPIRATION



# MANAGING YOUR DEBT

Household debt in Canada is at record levels averaging \$112,000. Many of us have debts far greater than that. On the other hand, debt finances our dreams. So is all debt bad?

Are mortgages for young families bad? Is freeing up values in the homes of elders to support their lifestyle bad? Are home equity loans bad? What about borrowing for university or financing a car? Is it bad to have a personal line of credit? Of

# The good debt

course not.

Mortgages account for almost twothirds of all household debt. Statistics Canada's household debt figure includes small businesses as well as landlords. We've seen small business expansion and more small investors buying condos and renting them out. This has led to a Canadian



Director, Tax & Estate Planning, Director, Retail Insurance Products & Marketing

household net worth of more than \$6 trillion—a record high. Debt can be good if it is taken on for these purposes and if it is held by people who can afford to repay it.

Paying down or eliminating debt should be a top priority. Older Canadians are less sure about reaching savings goals and expect to carry debt into retirement; this debt includes mortgages. Almost half of all baby boomers are still paying mortgages while saving for retirement.

### The not-so-good debt

Debt becomes even more of an issue if something happens to the household income. Eighty-two percent of average Canadian households say that the death or disability of a wage-earner would seriously impair the family's lifestyle and financial survival. Almost half of these households admit they would either have immediate trouble meeting everyday living expenses or would last for only a few months if this happened. Almost 40 percent of households admit they don't have enough life insurance and another 75 percent of working Canadians worry about not being able to afford long-term care in the future.

# Simple tips to help you be smart about managing debt

Consider down debt as an investment. Every dollar you owe in credit card balances, personal and

car loans and mortgages is a dollar you are not investing. If you are paying an average of 10 percent in non-deductible loan interest, you will have to earn 15.5 percent from a fully taxable investment, such as bonds or term deposits, just to match the return from paying down the loan. If you pay off your non-deductible debt as soon as possible, you will make your money work for you, not your creditors.

■ Educate yourself about debt and interest charges. Be aware of the dangers of credit card debt and the interest you are paying on your debt. Know the difference between good debt and bad.

**Don't ignore inflation.** For example, a \$250,000 insurance policy purchased 15 years ago is only worth \$186,301 today because of inflation being just under two percent. In another 15 years, it will only be worth \$138,424 if inflation stays the same. (Source: Statistics Canada, Actual inflation rate 1997-2011). So regularly review your insurance coverage to

make sure it continues to do the job

it was set up to do.

lifestyle. This is where life, critical illness, and disability insurance come in. You may have coverage through work or a union, or coverage that would pay off a loan such as a mortgage. Many working Canadians have no group coverage -- certainly not enough to cover their debts and protect their lifestyle. You need to know how much protection you need, how much you have, and what would happen if you suffered a loss or had to renegotiate a loan. The best way to do this is to discuss it with

We all want to realize our financial dreams. If you take steps now to manage debt and insure your dreams by protecting yourself from the unknown, you will have the peace of mind of knowing you can make those dreams come true.

your financial advisor.

\_\_\_\_

PETER WOUTERS
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# YOUR NEED FOR LIFE INSURANCE NEVER ENDS... SO WHY DOES YOUR TERM LIFE INSURANCE?

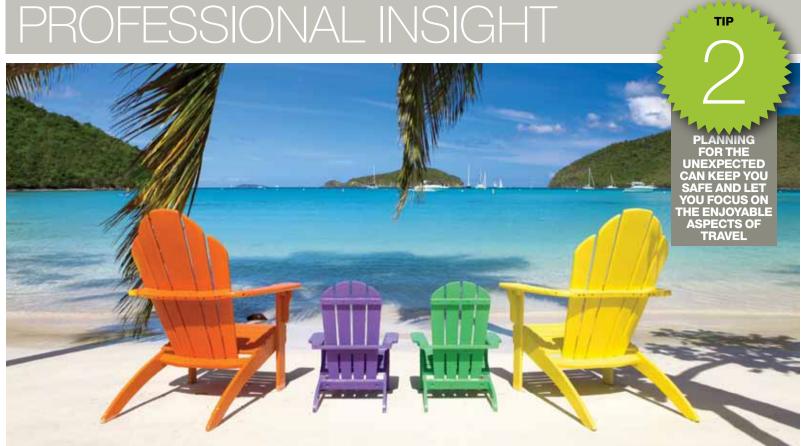
Empire Life offers permanent coverage at affordable term rates that level out after certain ages when you need it most. And, you can combine coverage with critical illness protection for complete protection and peace of mind.

For more information on term insurance, critical illness or other affordable insurance products from Empire Life visit www.empire.ca.

Empire Life is among the top 10 life insurance companies in Canada<sup>1</sup> and is rated A (Excellent) by A.M. Best Company.<sup>2</sup>

<sup>1</sup> Source: Office of the Superintendent of Financial Institutions (OSFI) and company annual reports, based on general and segregated fund assets <sup>2</sup>As at June 29, 2012





# taving safe while you

espite daily stories about natural disasters, civil unrest, and similar events, 30 to 40 percent of Canadians are not buying travel insurance. "One reason is that many misconceptions about travel insurance still exist," says David Hartman, President of the Travel Health Insurance Association (THIA). "As the leading voice for Canada's travel insurance industry, THIA's goal is to increase understanding in this area." THIA offers the following to help you get started on your own educational journey.

# Plan for the unexpected

When planning a trip, it's easy to focus on the more enjoyable aspects; however, it is important to factor in the unexpected. Travel insurance can help by protecting you in case of unexpected medical emergencies and related expenses while travelling. Coverage includes assistance with emergency hospital and med-



ical care, ambulance services, and prescriptions.

You might not consider details such as these until you're faced with them. You might think your government healthcare plan will cover you, but it only goes as far as the border - something only roughly 50 percent of Canadians are aware of. In fact, healthcare plans cover a fraction of

# **PROFILE About THIA**

THIA is the national organization representing travel insurers, brokers, underwriters, re-insurers, emergency assistance companies, air ambulance companies and allied services in the travel insurance field. THIA is the leading voice for the travel insurance industry in Canada; working

the more than \$10,000 per-day cost of a U.S. hospital stay, and you would have to pay the difference. Travel insurance helps you focus on your recovery, rather than how you're going to pay for it.

together for the protection

of the travelling Canadian.

To experience peace of mind when you travel, it's important to:

Purchase coverage when booking your trip, including trip cancellation insurance. If your trip is cancelled or interrupted unexpectedly, insurance can cover non-refundable trip costs.

Provide complete and accurate health information when applying for coverage to help get the right protection for your medical conditions. If there is any doubt about your medical conditions, ask your doctor for help with any medical application forms.

Read and understand what your policy covers—and what it doesn't so you know what assistance is available if you need it. In particular, pay attention to the pre-existing conditions, eligibility, exclusions, and limitations. These differ between poli-

For policy-related questions, assistance, and clarification, ask your travel insurer for help.

> DAVID HARTMAN editorial@mediaplanet.com



## KNOW THE FACTS

# **Better safe than sorry**

New research conducted recently for PC Insurance shows that the majority of Canadians (82 percent) believe that travel insurance is essential when travelling outside the country, particularly those aged 65 and older (91 percent). Despite that, only 41.4 percent of those surveyed actually purchase travel insurance.

# Canadians say they take a number of precautions when travelling though, including:

- Ensuring relatives or friends know their itinerary (73 percent)
- Travelling with somebody else (56 percent) Hiding jewelry or leaving it at
- home (48 percent) Checking existing insurance
- coverage (43.9 percent) Putting locks on their luggage
- (37 percent)
- Ensuring they have up-to-date vaccinations (32 percent)

### What we think

While nearly half of Canadians surveyed (45 percent) believe they are fully covered through their existing insurance plans, this isn't always the case. Find out what your plan does and doesn't include before travelling and purchase additional coverage as required. Better safe than sorry!

These findings come as part of ongoing research into the Canadian family conducted by Leger Marketing for President's Choice Financial® and President's Choice Services Inc. For more information visit: www.pcinsurance.ca

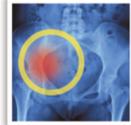
**COURTESY OF PC INSURANCE** 

editorial@mediaplanet.com

# When travelling abroad, medical emergencies can be expensive.



Broken thumb \$9,000





Fractured hip \$47,000



Heart attack

\$132,000

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Life often has a way of interrupting our best laid travel plans. GMS TravelStar Travel Insurance can cover medical emergencies, trip cancellations & interruptions and baggage. Visit your broker, call 1.800.667.3699 or buy online at www.gms.ca/travel today.

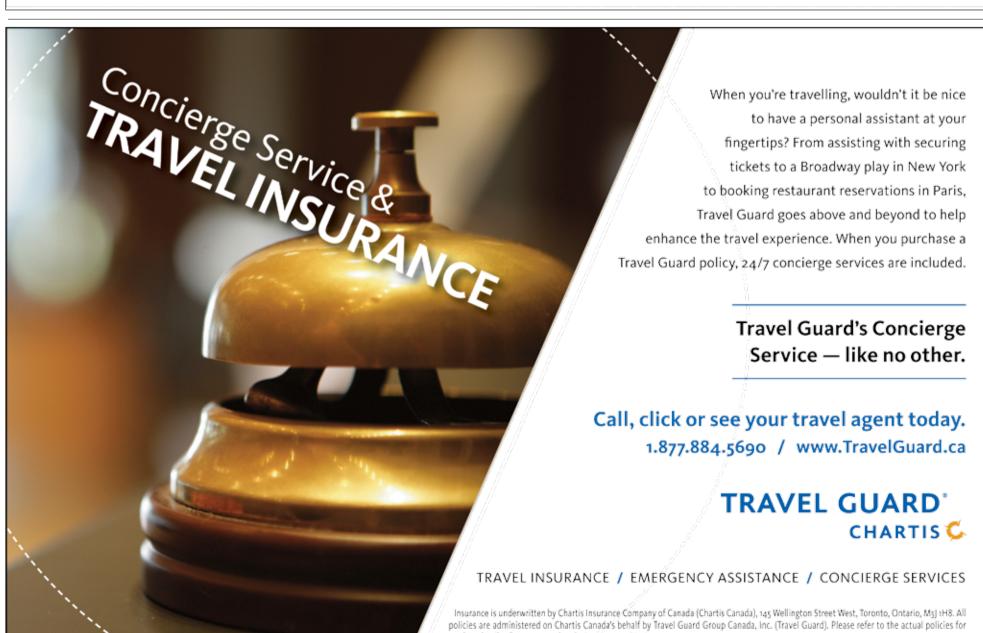




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Group Medical Services is the operating name for GMS Insurance Inc. in provinces outside of Saskatchewa



complete details of coverage and exclusions. 1529 08/13/12

# Insurance can play a part through all of life's stages



Leslie Byrnes Distribution and Pensions, Can-Health Insurance Association



Policy Development and Health, Canadian Life and Health Insurance Association



Media Relations, Insurance Bureau

**Steve Kee** 

**Question:** What are some of the current issues in insurance for Canadians?



Canadians often think of insurance as a way to protect their homes or leave money to their family who will need financial support after we die.

Although, today's insurance industry can offer solutions that go far beyond by helping provide a secure retirement or funds to care for us as we age. The industry is also working towards greater affordability for Ontario's drivers of all ages.

# High auto insurance

There were recent government changes to insurance that lowered basic payout rates for rehabilitation and related services with menu options to increase cover-

"Canada has a huge gap when it Insurance Association (CLHIA).

says Steve Kee, Director of Media Relations for the Insurance Bureau of Canada (IBC).

The main reason, he says, is fraud: "just recently we've had news stories about staged collision rings operating in the Greater Toronto area. The IBC is very focused on working together with all sectors to reduce the rate of fraud."

Steve also notes that the most important advice he can give is to "take the time to review your policy every year and talk to an insurance representative. Ask questions so you understand what's covered."

# **Aging population**

Less well-known areas of insurance coverage concern the later stages of life beyond simply having a death benefit policy.

comes to long-term care funding," says Stephen Frank, Vice President of Policy Development and Health for the Canadian Life and Health The association estimates that

gap to be almost \$1.2 trillion to provide long-term care to the baby boomer generation as they pass through old age.A recent CLHIA survey

indicated that "three-quarters of Canadians admit they have no financial plan to pay for long-term care if needed." The majority also don't realize they will have to pay for a good deal of that care. That's where an innovative insurance option can play a part.

### **Need for care**

"It is estimated that 15 to 20 percent of seniors will need long term care, whether it's at home or in a care facility," says Frank. "That's just the type of risk long term care insurance is suited for."

Frank adds that the CLHIA advocates an "integrated continuum of care, and insurance can play one part in this."

# Plan for the future

Another area of concern to consumers as well as financial advisors is the lack of adequate retirement income in the face of declining employer-sponsored pensions.

Towards this end, the federal and provincial governments announced the Pooled Registered Pension Plan (PRPP) in 2010. PRPPs will allow Canadians who work in small business, or who are self-employed, to make contributions to a workplace pension plan to save for retirement.

"When PRPPs comes on stream, hopefully sometime in 2013, they will offer a tremendous new opportunity, especially for middleincome earners," says Leslie Byrnes, CLHIA Vice President of Distribution and Pensions.

> **DIANA MCLAREN** editorial@mediaplanet.com



# **Facts about medical** tourism

Every year, millions of people in North America travel abroad for medical care.

It's not well known that topquality healthcare and multilingual service is now available in Southern countries at a fraction of the cost to be found in North America

In Mexico, Costa Rica, Brazil, and other Southern countries, there are a growing number of medical facilities which are accredited by reliable organizations, such as the Joint Commission International.

Joint replacement, spinal repair, heart valve replacement, bariatric surgery, transplants, dental and eve care are some of the most popular procedures in medical tourism.

A rising number of travel insurance companies are now offering insurance for medical complications to provide medical tourists with peace-of-mind while abroad.

To learn more, contact a medical tourism facilitator in Canada.Visitwww.MedBrick.com

**SOURCE: MEDBRICK** 

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# SECURING

In the hustle and bustle of everyday life it is easy to forget about home security. However, it is important to remember that your home is a prime target for thieves looking for valuables they know will be in your home, especially when you are not.

There are a number of simple, yet effective, ways that you can keep your home safe and secure all year round.

# **Deter break-ins**

- Your first line of defence in home security is installing an alarm system and displaying the alarm company's decal in a visible location. An alarmed home can be an effective deterrent for thieves looking for an easy target.
- Also, always keep your doors and windows locked, even

when you are expecting guests. Equip your entry doors with deadbolts and install outdoor motion-sensor lights. Trim shrubbery to eliminate hiding places for unwanted visitors.

# Always appear to be home

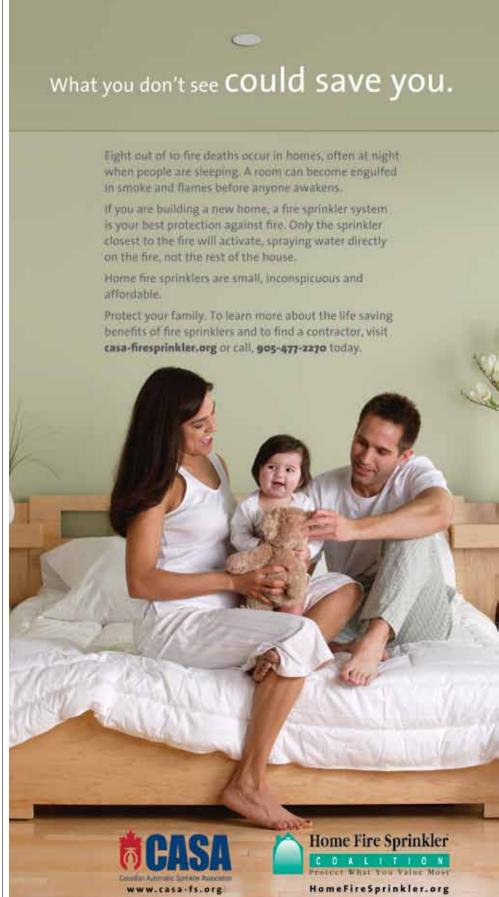
- An occupied home is a less attractive target than a vacant one. Any steps you can take to make your home appear occupied when you are away can help lessen the likelihood of a break-in.
- Install timers to internal and external lights, and set TVs and radios to turn on and off in your absence. Stop mail service and ask a neighbour to take care of your garbage.
- Try not to advertise your vacation plans on Facebook or other social media sites. Thieves pay attention to people's comings and goings and will take advantage of any

"updates" that indicate your home will be vacant.

# Reduce false alarms

- Playing an active role in reducing false alarms will help ensure response personnel will be available when true emergencies arise.
- Ensure your alarm monitoring station's "call list" is always updated. This includes adding the phone numbers of any caretakers who will be watching your home while you are away. Give your caretaker your alarm passcode and monitoring station's phone number so they can notify personnel of accidental false alarms. This allows caretakers to address issues and communicate with your monitoring company in your absence.

SOURCE: CANASA editorial@mediaplanet.com



# be aware of?

**David Blodgett,** President and CEO **Group Medical Services (GMS)** 

# **Question 1:** According to your expertise, what types of insurance should our readers

It's important to have a balanced insurance portfolio that protects you and your family, medically and financially. Having health and dental insurance, along with out-of-province/ country medical insurance, is increasingly important as provincial health plans don't cover all expenses and are subject to legislative change. Protecting your financial security in the event of death, a life-threatening injury or illness, or disability is also important. The best way to protect yourself against these financial losses is with life, disability and critical illness

# **Question 2:**

Will my medical status or age affect the policy and cost of insurance?

Your health and age are used to determine your insurance premium and whether you're eligible to purchase a product. When you're young and healthy, the likelihood of a claim is relatively low, so your premium is also low. As you age, the likelihood of a claim increases, so your premium also increases. When you need long term insurance coverage, such as life or critical illness, it's often advisable to purchase when you're young as it will be inexpensive and easier to obtain.

# **Question 3:**

How do i ensure all my insurance needs are met?

To start, review your existing coverage with an insurance advisor. As your life changes, for example when you get married, have a baby, or switch jobs, you should consult an advisor to ensure your coverage is complete. Having a balance between personal insurance and employee benefits is essential. Government insurance only provides basic coverage and employee benefits can change. Having your own personal insurance portfolio will help you fill in any gaps in your insurance coverage as vour needs evolve.



Dario Battista,

Often travelers are concerned with their health and the invested dollars in their trip medical and trip cancellation insurance products address these protection needs. Government health insurance plans provide very little coverage, if any, for medicalrelated expenses while outside of Canada, which is why medical coverage is so important. Trip cancellation coverage is protection for the money invested into the trip. If you invest \$7,500 in pre-paid trip costs, and something happens in that causing cancellation, this insurance can recover your investment.

Insurance premiums are based on the probability of an event. Age, trip cost, medical status, and the length of time that you will be away affect the cost of the insurance. If one has medical history [preexisting conditions] and age is added to those factors, then it is expected that an older person with medical history will pay more for their insurance than someone younger with no medical history.

It's all about your specific needs. If your main concern is medical coverage, make sure your provider has 24/7 assistance services to help you in any situation and verify that they pay medical bills up-front so you're never out of pocket. Understanding what your coverage limits are, the availability of assistance services (multilingual, at that), and any limitations on the policy that would prevent you from being protected, should all be main priorities. Lastly, read your policy (tedious yes, but wise) and if you have questions, contact your provider!



**David LaFayette,** President, Travel Guard Canada

When it comes to auto, home or commercial insurance, the answer is all of the above. My first advice is understanding your policy. For your Auto policy consider: Collision, Comprehensive, Family Protection, and Waiver of Depreciation for new autos. With Home policy, look at Comprehensive coverage, and avoid policies with limited sewer back up coverage. With Commercial Insurance, never assume you are covered. The marketplace offers a wide range of coverage, so don't limit your choices. Deal with an independent licensed insurance broker and ask questions!

Medical status will not affect your auto, home or commercial insurance. Specifically with auto insurance, you have the options to purchase Increased Optional Accident Benefit (like Increased Funeral & Death Benefits, or Increased Medical and Rehabilitation) without any medical requirement. With respect to age, many insurers offer age discounts on auto and home insurance, so be sure to check the marketplace for the policy that best fits you and ask about these discounts.

Policies have numerous options today, so engage a licensed, independent insurance broker who can assess your needs and advise what coverage is best for you. Reaching out to an independent broker allows you to be provided with unbiased advice with what marketplace as to offer. Also, your needs will likely change over time, and there is no one size fits all insurance company. Each insurer targets specific clients, risk profiles, ages etc, so get to know a broker and let them work for

# QUESTION AND ANSWER



Maria Forlini

# What should consumers think about when shopping for auto insurance?

where insurance brokers come in.A broker can get quotes from multiple insurance companies. They give their customers options while saving them time and money. We think this is a better approach than having only one insurance company to offer

# How can consumers feel confident about their level of coverage?

complexities of insurance. Our brokers take the time to shop up to nine different insurance companies, explain your coverage, and answer your questions.

## Why does Ontario have the highest premiums and policy rates in Canada?

Shopping for auto insurance can be a Brokers are licensed profes- There is no simple answer to this time consuming experience. This is sionals who understand the question. A variety of changing market factors, including increased insurance fraud, the costs of making a claim, and the regulatory framework in Ontario all contribute to the current insurance environment.

# ■ How can consumers save on auto insurance?

By using a broker you get all the discounts you qualify for right up front. In addition, driving safely ensures you maintain a clean record which will make certain that

you qualify for the best rate.

MARIA FORLINI

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# **EXAMPLE OF A FRAUDULENT INSURANCE CLAIM**

AUTO REPAIR \$2,487

HOUSEKEEPING







MEDICAL EXAMS

\$62,194



**TOTAL CLAIM \$129,466** 

BY THE WAY,
THIS IS THE CLAIMANT'S
5TH SUSPICIOUS "ACCIDENT" IN
11 YEARS

AND 3 OF THE "MEDICAL CLINICS"
THE CLAIMANT USED ARE

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**HOME & AUTO INSURANCE**