



Ontario Brokers Welcome Crackdown on Auto Insurance Fraud

Finance Minister Dwight Duncan announces targeted Budget initiative to benefit insurance industry

(Toronto, Ontario), March 29, 2011. Today, the Insurance Brokers Association of Ontario (IBAO) welcomes the Ontario government and Finance Minister Dwight Duncan on their continued support of Ontario's insurance industry and small businesses. Today's Budget highlights that the government will continue to target abuse and fraud in the auto insurance system. This announcement proves that the government remains committed to the insurance industry and consumer protection.

New auto regulations came into force in September, 2010. The Budget reminds Ontarians that these reforms directly targeted abuse and fraud in the auto insurance system, which increase costs and lead to higher premiums.

The budget also states that the government will build on these reforms by taking further immediate steps to reduce fraud. These include:

- working with the industry to use the newly established Health Claims for Auto Insurance (HCAI) database to detect potentially fraudulent activity;
- introducing new rules to ensure that treatments are provided as invoiced;
- establishing an auto insurance anti-fraud taskforce to determine the scope of auto insurance fraud in Ontario and make recommendations regarding detection, investigation, enforcement and consumer education; and
- requiring auto insurers to annually attest that their companies have established effective compliance controls to satisfy the rules that protect the rights of policyholders and accident victims.

"We commend Premier McGuinty and Minister Duncan on today's Budget," stated Randy Carroll, IBAO CEO. "Insurance brokers are committed to protecting Ontario consumers and keeping them informed. Today's Budget announcement only reminds the insurance industry of the need for us to all work together to protect Ontario consumer interests."

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The Insurance Brokers Association of Ontario (IBAO) is a 'not for profit' association that represents and serves the interests of over 11,400 independent Property & Casualty Insurance Brokers in the Province of Ontario. For information about IBAO, visit www.ibao.org or www.ibao.org/blog to receive timely news and information updates. You can also follow IBAO on Twitter or join the IBAO Facebook Fan Page.

For more information, please contact:

Emily Reid

IBAO Public Relations

Tel.: (613) 233-8906, (613) 796-4708

Email: emily@impactcanada.com