

## Frequently Asked Questions: Ontario Auto Reform

### 1. What changes are coming to accident benefits on July 1, 2026?

Ontario is making Accident Benefits customizable. Medical, Rehabilitation, and Attendant Care will remain mandatory, while all other Accident Benefits become optional, giving automobile policyholders more flexibility to choose the protection that fits their needs.

In addition, automobile insurers must pay first for medical and rehabilitation (excluding medications) before any private plans respond.

Who is covered is also changing – optional accident benefits will now only apply to the named insured, the spouse of the named insured, dependents of the named insured and any listed drivers on the policy.

The new optional coverage for Caregiver, Housekeeping and Home Maintenance includes coverage for an impairment, a broader definition. Prior to July 1, the standard option included coverage for Catastrophic injuries only.

### 2. Who is covered?

Starting July 1, 2026, newly optional benefits under your auto policy will only apply to:

- The named insured
- The spouse of the named insured
- Dependents of the named insured and of the named insured's spouse
- Persons specified in the policy as drivers of the automobile

This means that some individuals who may have been covered in the past may no longer be eligible for certain optional accident benefits; such as pedestrians, cyclists and certain passengers.

It also means that when the named insured chooses which optional accident benefits to include or exclude, those decisions determine what benefits anyone in the household may be able to access if they are injured in a car accident — whether they were driving, riding as a passenger, or involved in another way.

This is why it's important for the named insured to consider the needs of everyone in the household when reviewing or changing accident-benefit coverage.

*The descriptions of the statutory accident benefits in this document is a summary of the statutory accident benefits in Ontario Regulation 34/10 (the "SABS"). Do not rely on this summary alone. For full details, refer to the SABS or speak with your insurer, agent, or broker.*

### 3. Which accident benefits will be optional and which will remain mandatory?

Standard medical, rehabilitation and attendant care benefits will continue to be included in all auto insurance policies. These benefits are available regardless of who caused the accident. They cover medical expenses, therapy and personal care assistance for injuries from an accident, including doctor visits, physiotherapy and help with daily activities such as bathing and dressing.

To provide drivers with more choice and flexibility, all other accident benefits will be optional, including:

- **Income replacement:** Helps replace income you or another covered person may lose because of an auto accident.
- **Non-earner:** If you or another covered person is a student or unemployed and an auto accident keeps you from leading a normal life, this benefit can provide financial support while you recover.
- **Caregiver benefits:** Helps cover caregiving expenses if you or another covered person is injured in an auto accident and can no longer provide care for a household member, such as a child or aging parent, who needs it.
- **Lost educational expenses:** If an auto accident keeps you or another covered person from attending school or an education program, this benefit can help cover the costs you have lost.
- **Expenses of visitors:** Helps cover reasonable and necessary expenses of visitors, such as a sibling or parents, if you or another covered person is injured in an auto accident.
- **Housekeeping and home maintenance:** Helps cover costs if you or another covered person is unable to perform the housekeeping and home maintenance tasks normally done before an auto accident.
- **Damage to personal items:** Helps cover the cost to repair or replace personal items (e.g., clothing, prescription eyewear, hearing aids, etc.) damaged in an auto accident.
- **Death benefits:** Compensates some family members if you or another covered person die due to an auto accident.
- **Funeral benefits:** Helps cover some funeral costs if you or another covered person die due to an auto accident.

Supplementary medical, rehabilitation and attendant care benefits, dependant care benefits, and indexation will continue to be optional.

### 4. How is Caregiver, Housekeeping and Home Maintenance coverage changing?

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Before July 1, these benefits were automatically included only for catastrophic injuries. Customers could pay extra to extend them to non-catastrophic injuries.

As of July 1, these benefits are optional and apply based on an impairment, which is a broader definition than catastrophic injury.

At renewal, your policy keeps what you already had.

If you did not previously purchase the non-catastrophic option, your coverage will renew with catastrophic injuries only, unless you choose to make a change.

## **5. Who can purchase optional benefits under an auto insurance policy?**

Every policyholder can add or remove optional accident benefits from their policy.

## **6. Why would someone choose to add or remove or decline optional benefits?**

Some Ontarians already pay for benefits through their employer or private insurance plans. These reforms eliminate a one-size-fits-all approach, and consumers will no longer have to pay for benefits they may already have elsewhere or do not want to buy.

Starting July 1, 2026, you can tailor your auto insurance to fit your personal situation. That means you will not have to pay for optional benefits you do not need, and you can choose to add optional benefits that provide extra protection for you and your family.

## **7. How does removing optional benefits affect my insurance premiums?**

The changes to Ontario auto insurance give consumers more choice and control over coverage. If you choose to remove benefits that have now become optional from your existing coverage, it may impact your premium.

## **8. What steps should I follow to determine which optional benefits suit my needs and confirm if I have the appropriate coverage?**

Before deciding to remove or add optional benefits, you should take the following steps:

- **Review your current coverage (if applicable).** Know what benefits you already have today through your auto insurance policy.
- **Review your workplace or private benefits plan.** You may already have coverage through your employer, private benefits plan, or life and health insurance providers.

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- **Think about your needs.** Consider which coverage is right for you and whether opting out is practical.
- **Speak to your broker.** They can help explain your options in relation to your auto insurance coverage.

Make informed decisions; choose the benefits that best fit your needs.

## 9. Where can I find more information about optional insurance coverage?

To learn more about optional benefits, speak with your broker. You may also visit our website for more information.

## 10. What information do I need to know before speaking to my broker?

Before speaking with your broker, you should review your current auto insurance policy to better understand what coverage you currently have and think about your needs. Thoroughly review your personal or work benefits to see if they already provide similar coverage.

To help you get started, you can download our self-assessment checklist.

## 11. What if I have an existing policy? Will these changes affect me?

Yes, if you're a renewing customer, all accident benefits except medical, rehabilitation and attendant care will become optional.

Your policy will renew automatically with your current coverage and limits unless you agree with your insurer in writing to decline certain benefits or make changes to them.

You can review and update your coverage based on your needs. Before making changes, check if your personal or work benefits already provide similar coverage.

Although your current policy will renew with the same coverage and limits, who is covered for newly optional accident benefits under your policy **will change on July 1, 2026, regardless of renewal effective date.**

## 12. How will this impact me if I'm buying insurance for the first time or starting a new policy on or after July 1, 2026?

Customers who are purchasing or renewing a policy on or after July 1, 2026, can choose which optional accident benefits they would like to purchase. Ask your broker which benefits are included in your quote. You may want to add optional benefits to your policy based on your needs.

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### **13. Can I change my optional benefits after I've selected them?**

You may need to change your optional accident benefits if your situation changes, such as starting a new job, having children or taking on caregiving responsibilities. You can change your optional benefits at any time, but only the coverage in place at the time of an auto accident will apply to your claim. To update your coverage, contact your broker to review your options and make sure your policy reflects your current needs.

### **14. Can I remove optional benefits from my policy if I no longer need them?**

Yes, you can choose to remove or update your auto insurance coverage by agreeing with your insurer in writing to decline certain benefits or make changes to them. Before deciding to remove or add coverage, review your current policy to understand what you're covered for, think about your needs and thoroughly review if your personal or work benefits already provide similar coverage. Speak to your broker to explore your options and choose the benefits that best fit your needs.

### **15. Can I remove or add optional benefits if I start a new policy?**

If you are shopping for a new policy on or after July 1, 2026, you may choose which optional accident benefits you'd like to purchase. Ask your broker which benefits are included in your quote. You may want to add optional benefits to your policy based on your needs.

### **16. How can I add optional benefits to my policy?**

Speak to your broker to add the optional accident benefits to your auto insurance policy.

### **17. Will these changes affect all drivers/types of auto insurance policies?**

Yes, the changes to accident benefits optionality will impact all drivers and auto insurance policies in Ontario, including personal private passenger, commercial, motorcycle, snowmobile and all-terrain vehicle policies.

### **18. Do accident benefits, including the optional coverages I purchased, apply when renting a car?**

You may have certain accident benefits coverages when renting a car. Remember to review your auto insurance policy and the rental contract to understand what you're covered for.

## **19. Will passengers in my car still be covered if I opt out of certain coverages?**

As of July 1, 2026, optional accident benefits coverage will only apply to the named insured, their spouse, dependents of the named insured and of the named insured's spouse, and listed drivers. Passengers injured in an auto accident will not be covered for optional benefits unless they fall into one of these groups under an auto insurance policy that includes optional benefits. Mandatory accident benefits, however, will still apply to all passengers.

## **20. What happens to uninsured pedestrians and cyclists?**

Standard accident benefits will still apply to uninsured pedestrians and cyclists. Optional accident benefits coverage will only apply to the named insured, their spouse, dependants of the named insured, the name insured's spouse and listed drivers. Pedestrians and cyclists injured in an auto accident will not be covered for optional benefits unless they fall into one of these groups under an auto insurance policy that includes optional benefits.

## **21. What should I do if I have an ongoing claim when the changes take effect?**

There is no impact on ongoing claims. The auto insurance coverage you had at the time of the accident applies to your claim.

## **22. If I have both auto insurance and a supplementary health insurance plan, which one do I claim from first if I'm injured in an auto accident?**

If you are injured in an auto accident, you may have coverage through both your auto insurance and your supplementary health insurance plan. Starting July 1, 2026, Ontario is making changes to ensure that auto insurance will pay first for medical or rehabilitation benefits (except for medication costs) for any injury sustained in an auto accident. This means your auto insurance provider will cover these costs before your workplace or private health plan, helping you preserve those benefits for other life events.

### **Need help?**

Speak to one of our specialists by calling NFP at 1.844.811.1118.