

# The OMPP. Good news for good drivers.

Ontario has a new, comprehensive auto insurance system, called the Ontario Motorist Protection Plan.

The OMPP puts the brakes on increases in your insurance rates. It speeds up payment of improved benefits, and extends coverage to some people not previously covered. Most claims will be settled without lawsuits. However, you still have the right to sue if you are seriously injured.

The new plan is more than insurance reform. It will lower costs by improving highway safety and reducing accidents. Because, in the end, safe driving is a good way to keep costs down and prevent injuries.

## THE GOOD NEWS

In recent years, caps have kept insurance rates in Ontario artificially low, while cost pressures have continued to mount. Bodily injury claims, for example, totalled about \$1.8 billion in 1988.

Without the Ontario Motorist Protection Plan, insurance companies would require premium increases of 30-35% this year. The OMPP will hold premium increases this year to only 8% on average in urban areas, while average rates in rural areas will not increase at all.

The OMPP works to keep automobile insurance affordable.

## HOW DOES THE ONTARIO MOTORIST PROTECTION PLAN WORK?

Your insurance policy will automatically be converted to the new system by your insurance company.

Under the OMPP, virtually all your dealings will be with your own insurance company. Guaranteed income benefits will be paid to people injured in an accident, regardless of fault. These are payments to cover income, medical bills, death benefits and child care. For the first time, students, retirees and homemakers are covered. Compensation will be paid by your insurance company quickly after your claim is filed.

Should your vehicle be damaged, your insurance company will pay to repair it if you are not at fault. You can continue to buy optional collision coverage to cover your vehicle if you are at fault.

To make the system fairer, your insurance premiums will be based on the cost of repairing your own car—not the cost of the "average" car on the road. Someone with a car that is expensive to repair can expect higher insurance rates.

## THE BAD NEWS FOR BAD DRIVERS

Paying benefits regardless of fault does not mean bad drivers go unpunished.

Fault continues to be used for rating purposes. Those with good records are rewarded with preferred rates. Those who cause accidents are charged higher premiums.

Motorists causing accidents resulting in death or serious permanent injury are still liable to be sued for unlimited damages.

As part of the OMPP, over 100 additional Ontario Provincial Police will patrol our highways. Traffic fines have been more than doubled.

## NOW WHAT?

The Ontario Motorist Protection Plan balances the need for affordable rates with the requirement for comprehensive protection. Compensation is there without the need to go to court. The premium dollar goes to help those who need it most—the injured victims.

Your insurance broker or agent has all the details about the Ontario Motorist Protection Plan. And you will receive an information brochure with your premium notice.



Government  
of Ontario

## The Ontario Motorist Protection Plan.

Everyone's Protected.

