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THE INSURANCE BROKERS ASSOCIATION OF ALBERTA

ADVOCACY

SPECIAL ISSUE

Advocacy and the Next Gen

Advocacy in Action:
The Road to Bill 41

Making That Wheel Squeak

A Look at the Last 10 Years of
IBAA Grassroots Advocacy

IBAC: The National Broker Voice



The Cost of Lies

IBAC's New President:
Alberta's Robyn Young
and more—



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103, 9830 - 42 Avenue NW
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T: 780.424.3320 • 1.800.318.0197
F: 780.424.7418 • www.ibaa.ca

President Jody Lohr

Chief Executive Officer George Hodgson

Published six times annually by:



3 Deacon Lane, Sherwood Park, Alberta T8H 1M7
T: 780.945.1934 • E: AlbertaBroker@LinkPR.ca

Publisher and Editor Annette Hubick

Advertising Michele Schuldhuis 780.910.2601 Michele@LinkPR.ca

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Jody Lohr

President's Message

Our industry is often perceived as the bad guy. We are a regulated purchase—a grudge purchase if you will. People do not get up excited that they need to buy insurance today, and often all government hears about our industry is negativity—rates are increasing, coverage availability gripes or that a claim is denied. We need to ensure that the government understands the why behind these issues—soft injury cap, interest rates on claims, increased repair costs due to technology, impacts of COVID-19 and low interest rates (particularly on commercial risks), why a claim gets denied (no coverage available, client chose not to take coverage, client didn't repair previous damage and received settlement), etc. If the government doesn't understand our industry and the impact we have on society, they will always view these things negatively.

The most recent government rate cap of 5% on insurance premiums negatively affected us as brokers as the markets we dealt with had to make drastic changes in order to stay profitable and offer coverages. The rate cap negatively affected the consumer, and many small brokerages had to reduce their capacity of what they would write and began looking closer at claims experience, location and credit rating in order to choose which risks they wanted to take. This created a gap for many consumers where they simply could not obtain certain coverages (for example physical damage on a new car and therefore unable to satisfy bank loan requirements) or in some cases, no coverage at all, likely resulting in the number of uninsured drivers on the road. I think it is often forgotten that these companies are for-profit organizations and are accountable to their shareholders. The goal of the rate cap was to not burden consumers with additional cost, but the unintended consequences were far more costly to many consumers in the end.

We speak up and go to bat for brokers almost every day, in both the public and private sector.

Obviously, just like any industry, insurance and insurance brokering is part of a large and complex government and stakeholder system, and sometimes our concerns and professional priorities can get drowned out. That's where IBAA comes in. In large part, we exist to ensure that our government understands what we do, our impact on the economy and our community and, ultimately, that the interests of the consumer are our first priority. We speak

up and go to bat for brokers almost every day, in both the public and private sector. It's our job to build relationship with policy makers and industry partners to ensure that brokers are being represented where and when it matters.

But advocacy doesn't stop with us. Brokers need to get involved too! Meet with your

MLA (regardless of their political stripe), go to a town hall or a BBQ and campaign with them if you believe in them! Our message is not a partisan one! We elect these people, and, in many cases, they know nothing about insurance beyond their own experiences. It is important that we educate our elected officials about the larger picture—things like the fact that the majority of brokers are small-business people in their community, that we are involved and invested in our communities and that brokers are, ultimately, advocates for the consumer. We need them to understand how brokers respond when they are needed and how the purpose of insurance is to **pay** claims and restore people back to where they were before the claim.

The staff and board at IBAA advocate for the broker every time we speak with a government official or industry partner, but remember that you're part of that process too. We encourage you to spread your wings and spread the broker and consumer-centric word! Getting involved with your local politicians and educating them on the reality of our industry is the best thing you can do for your professional community. 🇺🇸



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- **Giorgia Ciarrocchi**,
Toole Peet Insurance, Calgary, Alta.

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The Cost of Lies

Would fraudulent misrepresentation on part of a claim result in denial of the whole claim?

In a recent appeal to the Court of Queen's Bench in *Abbas v Esurance Insurance Company of Canada* ("Abbas"), Justice B.B.

Johnston overturned a master's (see sidebar) prior decision and awarded summary judgment to the appellant insurer. The

court affirmed the propriety of the insurer's denial of coverage and that the insurer did not have to indemnify the insured for any aspect of his claim under his insurance policy due to the respondent insured's false representations to the insurer when he made his claim.

On November 17, 2016, the plaintiff, Ali Abbas ("Mr. Abbas") was a back seat passenger in a vehicle driven

by Sheldon Vijay ("Mr. Vijay") that was involved in a single vehicle accident. As a result of the accident, Mr. Abbas was thrown from the vehicle and sustained injuries. Mr. Abbas filed an action against Mr. Vijay for his personal injuries. Mr. Vijay was uninsured and noted in default. The administrator of the Motor Vehicle Accident Claims Fund filed a statement of defence on Mr. Vijay's behalf.

At the time of the accident, Mr. Abbas had an Alberta Standard Automobile Policy No. 1 ("SPF No. 1") that included an SEF 44 endorsement with his insurer, Esurance Insurance Company of Canada ("Esurance"). Mr. Abbas filed a claim for disability benefits under section B of his SPF No. 1 and sought coverage under his SEF 44 endorsement for his injuries.



Contracts of insurance are contracts of utmost good faith between an insurer and an insured. While coverage disputes can arise between the parties when a loss occurs, such disputes become even more challenging when an insured provides false or misleading information to the insurer when it submits its claim.

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MAKING
HISTORY**

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In our 150 years, we've experienced so many proud moments. But through all the progress, victories, and challenges, being there for Canadians when they need us most has been the greatest privilege of all. We're honoured to continue to earn the trust of our customers and broker partners through truly innovative insurance solutions.

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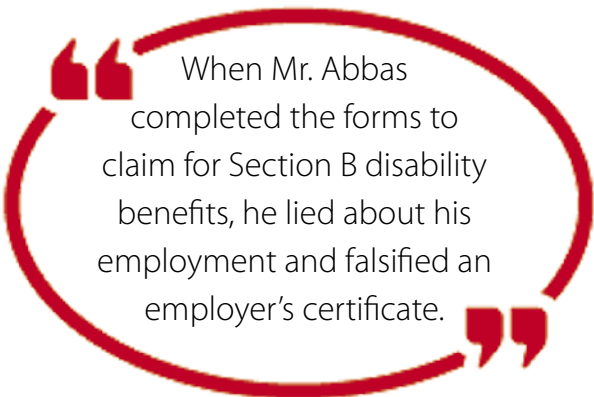
continued from page 6

When Mr. Abbas completed the forms to claim for Section B disability benefits, he lied about his employment and falsified an employer's certificate. He had his uncle perpetuate the falsehoods by advising Esurance that Mr. Abbas had been working for his business under the table. Mr. Abbas was denied Section B benefits under the SPF No. 1 because he did not qualify. He was denied SEF 44 coverage on the basis of the false statements. Mr. Abbas' action against Esurance only related to coverage under the SEF 44 endorsement.

The master dismissed Esurance's application for summary dismissal under rules 7.2 and 7.3 of the *Alberta Rules of Court*. The master was concerned with ensuring a fair and balanced approach in interpreting the Insurance Act, finding that "the false statements and fraud related to Section B benefits only and that the misrepresentation related to employment were immaterial to the SEF 44 coverage." He held it would be patently unfair to deny Mr. Abbas his SEF 44 coverage based on a misrepresentation made in his Section B application under the same policy. The master also held that forfeiture under the Insurance Act would only

relate to a claim that is materially connected to the fraud or dishonesty; since the SEF 44 claim was not materially connected to the fraud or dishonesty, the master declined to summarily dismiss Mr. Abbas' SEF 44 claim. Esurance appealed to a justice of the Court of Queen's Bench.

The issue to be decided on the appeal was whether Mr. Abbas's SEF 44 claim should be summarily dismissed on the basis that his fraud and misrepresentation in relation to



When Mr. Abbas completed the forms to claim for Section B disability benefits, he lied about his employment and falsified an employer's certificate.

his Section B application invalidated his SEF 44 claim, which forfeited his right to claim indemnity under s. 554(1)(b) and (c) of the Insurance Act. These sections state:

554(1) If

...

(b) *the insured contravenes a term of the contract or commits a fraud, or*

(c) *the insured wilfully makes a false statement in respect of a claim*

under the contract, a claim by the insured is invalid and the right of the insured to recover indemnity is forfeited.

Esurance argued that:

1. Based on s. 554(1)(b) and (c) of the Insurance Act, it properly denied Mr. Abbas' claim for benefits and his action should be summarily dismissed. Based on Mr. Abbas's fraudulent conduct, Esurance argued that he had forfeited his right to claim indemnity under his insurance policy;
2. There is an implied obligation to initiate and advance claims honestly and in good faith and Mr. Abbas breached this duty. Mr. Abbas wilfully made false and misleading statements to Esurance and his conduct was fraudulent; and
3. A claim under Section B of SPF No. 1 and the SEF 44 endorsement arose from the same accident and under the same insurance policy and as such, there was only one claim. Regardless, the language of forfeiture in s. 554(1) applies whether there is one or more claims. Mr. Abbas argued that:
 1. He wilfully made false and misleading statements and agreed that he owed Esurance a duty of good faith. However, his lies were in relation to his Section B benefits and not with respect to indemnity under the SEF 44 endorsement. As

What is the difference between a judge, a master and a justice?

Judges are appointed to the Provincial Court, while masters and justices are appointed to the Court of Queen's Bench. Judges have a wide jurisdiction to hear matters in the provincial court, but there are many issues that must go to the Court of Queen's Bench to be decided. In the Court of Queen's Bench, masters have very limited power to hear matters, while justices have very wide authority to make decisions.

Source: Centre for Public Legal Education Alberta

the SEF 44 endorsement is not part of the SPF No. 1, he should not lose his right to indemnity under the endorsement. His misrepresentation was materially related to his Section B claim only and not to his SEF 44 claim; and

2. Insurance legislation is a form of consumer protection legislation that is intended to protect insureds and that any interpretation that would limit his right to indemnity under the SEF 44 endorsement would be contrary to the purpose of the legislation.

The court undertook an analysis of s. 554(1)(b) and (c) and held that the plain and ordinary meaning of these sections confirmed that a violation of either (b) or (c) would result in the forfeiture of the right to recover indemnity under a policy of insurance.

The court also held that the plain reading of the Insurance Act was in harmony with the scheme of the Insurance Act and was in keeping with the requirement of utmost good faith between insured and insurer, which provided significant consequences for clearly improper and intentional conduct on the part of the insured.

The court concluded there was a single policy and a single accident. Although there were different elements to Mr. Abbas' claims, the claims arose out of one accident and one policy. Summary judgment was held to be appropriate as Mr. Abbas' claim was without merit. The fraud by Mr. Abbas was admitted and as a result, his right to indemnity was forfeited by application of s. 554(1)(a) and (b) of the Insurance Act.

The Takeaway

This decision reminds us of the key principles of statutory interpretation and the importance of the duty of good faith between the insured and the insurer. More importantly, it concludes

that misrepresentations on one part of a claim will impact the entirety of the claim and may result in a complete loss of entitlement to coverage. The insured's misrepresentation in *Abbas* was not severable, and his breach of a part of the claim was a breach of the whole. *Abbas* is proof that not only does lying not pay, it has a steep cost. 🚫



SARA E. HART &
DAVID COWLEY-SALEGIO

are lawyers with Dentons Canada LLP and practice in the professional liability insurance area.
Sara.Hart@Dentons.com
David.Cowley-Salegio@Dentons.com



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A person wearing a white dress shirt is holding a large megaphone. The megaphone is black with a white interior. The text "Your Voice" is written in red, bold, sans-serif font at the top of the megaphone's interior. The text "AMPLIFIED" is written in red, bold, sans-serif font, curving along the bottom of the megaphone's interior. The person's face is partially visible behind the megaphone.


Your Voice

AMPLIFIED

ADVOCACY

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ADVOCACY and the NEXT GEN

Young insurance brokers or those new to the industry will ultimately be responsible for shaping the future of the insurance and brokerage community. But, as they say, with great power comes great responsibility.

Brokers aren't the only factor in determining the future of the industry—obviously government policy makers, insurance partners and various social and economic factors play a large part in shaping the market.

However, with the right amount of support, engagement, planning and advocacy, young brokers can move political and industry mountains. But is the next generation of brokers up for the challenge? Are young brokers disconnected from government advocacy? Does that matter? Should young brokers care about staying connected with their government? Does government advocacy play a role in the goals of the next generation of brokers? PYIB directors Nicky Furman

and Joyce Podolski weigh in on the goals of the up-and-coming young broker and whether or not they're ready to don the mantle of industry advocate.

What are some typical professional goals for next gen brokers? Not to foster a boomer versus millennial mentality here, but are your goals the same as the generation before? If no, how do they differ?



Joyce Podolski

PODOLSKI

In general, I think there are three main goals. 1. Success. Defined as continual growth and the ability to adapt to, and be an expert in, an environment that is always changing so you may provide the best service possible to your clients. 2. Attempt to maintain a work and life balance. 3. Become licensed, learn the industry, advance your knowledge through continuing education courses

and through professional designations such as CAIB.

Difficult to say what the goals of previous generations were. I am going to assume that the professional goals of previous generations were similar to the three listed above. I think the main difference between the new generation of brokers in comparison to the previous generation is the tools used to achieve these goals. I, as a broker under 40, am comfortable with technology: working from home on a remote desktop, using tools such as DocuSign to digitally sign documents, Microsoft Teams, Zoom, Office 365, navigating new broker portals, etc.

FURMAN

I think that all brokers usually have the common goal of being a business partner and advisor to their clients. Although it is certainly a different world with all the new-age technologies, etc., and that brings new risks. The continual learning and rat race



Nicky Furman

mentality today proves tough! As a broker, my professional goal is to make a difference to my clients and my community, have a career that I am proud of and to maintain as much of a work-life balance as I can. The expectation to give 100 per cent to your job and 100 per cent to your children in today's society is certainly tough!



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How are next gen brokers changing the landscape of the industry?

PODOLSKI I think the comfort level with technology by the younger generation of brokers is changing how insurance is accessed by clients and submitted to the companies by brokers which results in efficiency. For example, submitting new business through broker portals rather than submitting applications by courier and digital downloads of policy documents versus sending by regular mail.

FURMAN I think that between technology, COVID and next-gen brokers, we are doing an incredible job of learning how to work remotely, set boundaries and challenge the industry to make changes in the technology space where we can increase ease of doing business.

Do you value the same things (professionally and personally) as previous generations of brokers? If no, how have those values shifted over time?

PODOLSKI I try to remember obtaining my first insurance when I was newly licensed. It was a soft market and from what I remember, insurance on monthly payments was accessible, the premiums were more competitive and it was less common to have to shop around to obtain the most competitive price and or access the required coverages.

I started as a broker in a hard market, seeing the premiums increase substantially, underwriting rules tighten and the removal of access to coverages that in some situations are required. It is a unique perspective—as a broker for personal lines, I understand the need for the increase by the insurers and the assessment of risk. As a single parent and human being, to be candid, if my daughter was 16 years old and newly licensed with my current occupation, I would not be able to financially afford the premium for her to be insured as a driver.

I think values of brokers have shifted from the past. The current contribution for a solution to rising automobile insurance premiums, accessibility of coverages and payment plans are all concerns. I think brokers are having to be deliberate and resourceful in order to meet the coverage needs of clients in an environment of high tension due to the increase in rates but also the global pandemic. For example, a couple in their 40s who have a gap of four years for automobile insurance. The goal is to provide the necessary coverage compliant with the industry standards, such as \$2 million third-party liability. The clients are premium conscious. As a broker, how do you meet the clients' need for affordable premiums without sacrificing coverage? The answer in this scenario is a personal umbrella policy which meets the clients' need to maintain their financial budget without having to sacrifice the appropriate coverage limits.

FURMAN I believe whole-heartly that the values of the older generation of brokers has shaped us into hard working, informed brokers that can be successful and have fun while we are doing it.

In your own words, what is the definition of advocacy or the role of a government advocate?

PODOLSKI Advocacy is trust you extend to someone else whom you believe will act in good faith on your behalf. This person provides the opportunity and space allowing you to express your concerns and point of view.

FURMAN To me, advocacy is the voice of a concerned group of citizens that is brought to the attention of the right people (not on social media). It is having a well-researched passion, with potential solutions, with the hopes of gathering additional support from a government official.

Do you currently feel connected to the government/your local government representatives? If so, what avenues of control or influence do you feel like you currently have over government policy and legislation? If not, what sort of barriers exist that you feel prevent you from connecting to government officials/influencing policy?

PODOLSKI As a newer broker (two years), I do not feel connected to government representatives. I think one of the barriers is that, in general, this has not been an avenue I have thought to explore. I have not been provided with information/direction of how I can participate. Part of that responsibility is my own, of course, I think the obstacle is I would not know where to start.

FURMAN YES! I am very well connected to our local MLA who happens to share the same building that we do. He often will take the time to stop in and ask for input on government changes to insurance legislation as he values our opinions and knowledge of the industry.

We have spoken to him in depth about the auto crisis, the condo insurance situation in Alberta and other things. He is always willing to take out concerns forward and he does his best to reach out to our office as the experts in the industry. I believe that it is very important as a younger broker to reach out to the right and appropriate resources to see change as opposed to writing about it on social media or complaining about it. If we see something that we are questioning, it is important to bring it up to the right individual, as well as provide potential solutions.

CAROLYN WILLIAMSON
Information and
Marketing Coordinator
IBAA
CWilliamson@ibaa.ca



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Advocacy in Action The Road to Bill 41

By Jonathan Brown, CAIB

On the rare occasion that I am involved in social settings outside of the insurance industry, I sometimes am asked what it is that I actually do as an executive with IBAA. My standard answer is, “Read, write, and stress,” as I watch their eyes glaze over. The truth, however, is that being involved with IBAA is actually incredibly rewarding, albeit challenging at times, as we are able to be involved at the ground level to bring the needs and concerns of brokers to government and industry alike.

One of the key tenets of IBAA is advocacy with government for the brokers of Alberta. Whether that is at a provincial or federal level, this consistently remains at the forefront of the work we do. While often a long and difficult process, IBAA has had major successes over the years, with the adoption of license equivalencies being one of the latest wins. While the long-term effects around the implementation of direct compensation

property damage (DCPD) are not yet known, I am excited to be able to relate to you some of the work that IBAA has done to assist in the implementation of this new chapter in Alberta insurance.

December 11, 2020, was a momentous day in Alberta, yet received little fanfare and almost no media coverage. While you may not have heard about it on the day, this is the day that Alberta Bill 41, the Insurance (Enhancing Driver Affordability and Care) Amendment Act, 2020, received royal assent and passed into law.

While the discussion and dissemination of any government bill could be marketed as the swiftest cure for insomnia, if it could only be bottled and sold, I will do my best to keep you awake and hope to provide some insight into the role that IBAA was able to take in the creation of this legislation.

IBAA involvement in Bill 41 goes back to the creation of the IBAA auto insurance task force in May of 2019 at the IBAA convention. The task force was created in response to the

hardening auto insurance market caused by the rate cap imposed by the previous government. The first order of business was to evaluate the issues leading to the restrictive market and then attempt to find solutions to address them. The task force understood the impetus of working quickly to address these issues, as the incoming government was just getting on its feet and the rate cap was set for expiry or renewal in August. In just over a month, the IBAA was able to present our first auto reform white paper, *Rescuing a Troubled Insurance System*, to the office of the finance minister in July of 2019. This white paper was well received; along with input from IBC, we believe it played a large part in the formation of Bill 41, not to mention the decision to allow the rate cap to expire.

Bill 41 contains several segments, dealing with everything from pre-judgement interest to accident benefits, as well as the defining and limiting of expert witnesses. While all segments of the bill are important to our industry,

the one that we expect to have the greatest impact is the implementation of DCPD.

Once the details of Bill 41 were released, the need to determine how the DCPD segment would be executed in the real world became of utmost importance to stakeholders. With this in mind, in March of 2020, IBAA submitted a second white paper, *The Framework: Fixing the Alberta Auto System*, that dove into the challenges of a no-fault system and provided the broker perspective on how consumers would best be served with this form of coverage. Our intention with this second white paper was to assist the panel struck by the Alberta government in 2020 to review the situation and to propose possible solutions.

After much deliberation, in September of 2020, the panel delivered its recommendation that the government implement complete no-fault coverage modeled after the system in New South Wales Australia, as well as some areas of Canada.

The response from the government was that such a drastic change would create the need for an unnecessarily large bureaucracy simply to administer such a program, similar to WCB. IBAA agrees with the government that adding layers of bureaucracy will not have the desired effect of stabilizing or possibly reducing premiums and could likely have the opposite effect. IBAA has taken the approach that a hybrid system would address the needs of the public and insurers more comprehensively than a complete no-fault implementation.

A hybrid of fault and no-fault would also achieve the government's goal of reducing red tape, not increasing it, and help to alleviate the burden that tort suits place on the courts and insurers alike by significantly reducing the overall number of litigations that are brought forward. A hybrid system allows the public to maintain choice in their purchase of liability insurance, while ensuring that the most egregious losses can still be considered in court action for compensation.

Any form of no-fault system can be controversial as there are pros and cons regardless of where you stand on these issues. As an advocate for brokers, who are ultimately the advocates for the consumer, IBAA has no vested interest in one system or another; as such, we have attempted to find the most logical solution for all involved. While we understand that it is virtually impossible to please all people at all times, our hope is that this solution pleases most of the people, most of the time.

The IBAA executive team approached Dallas Booth, chief executive of the National Insurance Brokers Association of Australia, to

... advocacy is a marathon and not a sprint.

discuss the impact of their system of no-fault coverage on their insurance costs, as referenced in the report delivered by the panel. Dallas provided some excellent insight on the situation in Australia, and IBAA then created a revised letter to give to the finance minister and the MLA working group. This letter was intended to provide a concise, straightforward assessment of our perspective on the most pressing issues facing the auto insurance industry, as well as our recommendations for solutions.

We delivered this letter immediately after Bill 41 received royal assent, in hopes of influencing the regulations surrounding DCPD and the move to a fault/no-fault system. IBAA CEO George Hodgson subsequently followed this up with an op-ed published in the Edmonton Journal and the Calgary Sun. The result of all these efforts has been an opportunity to consult on the drafts of the new SPF1 as well as the revisions to the SEF forms. IBAA has developed an

excellent relationship with the office of the superintendent of insurance as well as with IBC, thanks in large part to George's efforts. Through these avenues, we have been afforded the opportunity to collaborate on the implementation of DCPD in a practical sense and we are looking forward to moving ahead.

The need for auto reform is clear—the increases in auto insurance rates due to claims have placed unsustainable pressure on both insurers and insureds alike, with brokers caught in the middle. The decision of the government, therefore, to implement DCPD to address this need is a major step in the right direction. As DCPD is implemented starting in 2022, and the industry adjusts to the impact it will have on claims, we are hopeful that we will see auto rates stabilize and coverage and features become more accessible to the public once again. We understand this process will take some time, as rates will adjust slowly based on

this new modality and the impact it has on claims costs; as such, the need for the trusted advisor that is the broker will be paramount. This is our collective opportunity to demonstrate the value that brokers bring to the table and why it is so important that we educate ourselves to be able to effectively communicate these to our insureds. While I realize this is a shameless plug, I would strongly suggest that when IBAA releases their training webinars on DCPD this fall, everyone take advantage of the opportunity to learn all that they can about it.

The one thing that can consistently be said about advocacy is that it is a long process. As evidenced by our efforts around licensing or the bank act, advocacy is a marathon and not a sprint. The tenaciousness of the IBAA as a voice for brokers cannot be understated; as the province moves into this new chapter on auto insurance, IBAA will continue to strive to be an effective, consistent voice for the brokers of this province on this subject and many others.



Making That

“Fun fact,” offers Pascal Ryffel, director of government relations with Alberta Counsel at the onset of our interview, “The term lobbying actually comes from 19th century England, when people used to literally go and stand in the lobby of parliament to talk to MPs and try to convince them to do something.” Over the years, the term lobbying conjured up images of backroom deals with bags of cash handed over by special interests (usually corporate) in exchange for favourable political decisions. For organizations like IBAA, advocacy is the preferred term to describe its efforts to influence government decision making—it evokes the notion of championing positive change. “I think also advocacy has a little bit more of a grassroots aspect to it that people don’t necessarily think of when they use the term lobbying,” says Ryffel, who has been advising IBAA on its advocacy strategy since 2017.

Call it what you want, representing the collective interests of its members and the clients they serve to government is at the very core of what IBAA does. I recently sat down (virtually) with Ryffel to gain some insights into the why and how of advocacy.

Why is advocacy important to an association like IBAA and its members?

There’s a lot of information out there, and the political decision makers in any level of government are bombarded by information all the time, with millions of stakeholders vying for their attention. It’s easy to assume when you’re within an organization that decision makers know who you are, the issues that you’re working on and your policy priorities, because in theory, they’re paid to deal with these issues, so they should know about them. But as a matter of fact, usually decision makers probably know virtually nothing about the policy areas that are really, really important to you. Advocacy is really about making sure that the decision makers have the best possible information about your association and your issues.

On top of that, not only do you want to provide information to decision makers about your policy areas, but you want to make sure that you can insert your own narrative

Wheel SQUEAK

By Annette Hubick

into that. There will be competing groups that also have the same priorities as you but they come at it from a different angle and are maybe pushing for something that's completely opposed to what you're putting forward. You have to make sure that you are able to convince the decision maker that your narrative, that your point of view, is the best one. And the only way you can do that is through constant advocacy. You can't just go once a year and then assume that that will be enough to have decision makers on your side. You have to be constantly reminding people of who you are and that what you're putting forward is important. "The squeaky wheel gets the grease" is really at the heart of advocacy. It sounds simple, but it's true.

How has the COVID-19 pandemic affected advocacy?

In terms of the impact of COVID on advocacy, there have been both good and bad effects. The bad is that (and we've heard this from a number of member-based organizations) it has become harder to engage their own membership, never mind the general public, but their own membership has become tired of Zoom meetings. Without that in-person side of things, whether it's social events or what have you, a lot of member-based groups have seen a deterioration in terms of how they interact with their own membership, so that's been a big challenge and continues to be. On the plus side, in many instances, we've actually found it to be a lot easier to connect with elected officials during the pandemic.

Their schedules aren't packed with events because there haven't been any events for a long time. They can sort of do one virtual meeting after another without having to travel from one place to the next. In terms of the general public, people are focused on a lot of the big issues and it may be harder to get through on issues like insurance. But I think that's always the case, even outside of a pandemic; it's hard to get people excited about it. That's why I think it's always the most important thing for an association like IBAA to get their own membership engaged in advocacy first and foremost.

What does that engagement look like?

The best thing to do is to focus on those people who have a direct interest in making insurance an important issue (i.e., IBAA members), and you can be very effective at advocacy. Even with just a few hundred people advocating to the right people within government, you can raise your voices to a significant level. You don't need thousands of people to speak out, you just have to be consistent and you have to be at your point. If you make it easy for politicians to understand what you're saying and what you're asking for, that increases the likelihood of your success.

How does one make the most of that limited time with decision makers?

We've been working with the IBAA for a number of years now and we've really focused on keeping our asks really simple, keeping our message simple. We have things like

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one-pagers that basically condense all the important information on to one page. So, when insurance brokers have a meeting with their local MLA, they can take that one page and there's two or three things on there that we're asking that MLA. And you just repeat that message over and over and over. That's a really good effective way to make sure that the people who are making decisions on insurance know what your point of view is and why it's important ... It's all about building that narrative and creating the context for MLAs to understand. If you use your industry lingo or make it too complicated, you will just completely lose their attention.

A lot of policy decision is based on the information that bureaucrats are putting in front of MLAs, how does the broker's message reach them?

The bureaucrats are much harder to reach and influence. More than anything, I think that would be the role of the association itself, and then let the members focus on advocacy with elected decision makers.

Aren't a lot of the decisions that actually impact insurance brokers made within a ministry as opposed to the legislature with all the MLAs? If so, why is it worth the effort to try to engage with all MLAs?

“ If you make it easy for politicians to understand what you're saying and what you're asking for, that increases the likelihood of your success. ”

Where the individual MLAs are very important is that it's a repetition of the message, and that's why we really make sure that we have only one or two or maybe three priorities at most. If you're the MLA and I'm

the insurance broker, and I have a meeting with you and I say, "It's really important that we make this change in policy because of X, Y, and Z." Even though you're a backbench MLA and you can't do anything about it, what you're going to do is pick up the phone and call the minister and say, "I just met with a constituent, and they told me ..., and this is really important because ..." If you have 10 other MLAs who do the same thing, because they have had meetings with their brokers as well, then that minister is going to start to listen to that issue. Sometimes backbenchers can also be really useful because they can be allies for you, they will go to bat for you. If an MLA really gets your issue and is determined enough, they can be that squeaky wheel within caucus on your behalf.



Annette Hubick operates Link PR Incorporated—a marketing and communications consulting firm—and has been the publisher/editor of The Alberta Broker since 1996.



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PERFORMANCE REVIEW

A Look at the Last 10 Years of IBAA Grassroots Advocacy

By George Hodgson, IBAA CEO



advocacy | noun | ad·vo·ca·cy | **ad-vuh-kuh-see**
public support for or recommendation of a particular cause or policy

Advocacy is the centrepiece of the Insurance Brokers Association of Alberta. It was the primary reason the association was formed almost a century ago and it is a significant reason for its existence today.

What is an advocate or what does it mean to advocate? The word advocate is derived from the Latin word *advocare* which, roughly translated, means: to add a voice to something or someone. One of *Merriam-Webster Dictionary's* definitions of an advocate is “one who supports or promotes the interests of a cause or a group” and another definition of to advocate means “support or argue for (a cause, policy etc.)” These definitions exemplify both what IBAA is and what it does.


IBAA advocates on behalf of brokers and consumers to the elected officials and regulators with the Alberta government, to the elected and selected politicians and the regulatory authorities within the federal government, to insurance company partners and, on much less frequent occasions, to vendors such as BMS providers.

The nature of IBAA advocacy is often referred to as “grassroots advocacy.” Most advocacy by large companies such as banks or telecommunications companies tend to be limited to meetings and proposals put forward by the advocating entity on behalf of itself, and in service of its own interests, to the affected ministry or regulator.

In the case of member associations or similar groups such as IBAA, the advocacy is not limited to, or even focused on, a particular ministry or regulator but is usually directed to the individual elected member of Parliament (MP) or member of the Legislative Assembly (MLA). While the position that is being advocated is usually developed within a GR

function, the advocacy message itself relayed to local MPs and MLAs by brokers who either live or work in the member's constituency, increasing its impact substantially.

Advocacy is critical to brokers for two reasons. First, with more than 5000 members in every provincial and federal constituency, the strong message comes from voters in communities represented by each and every member. Second, with regards to



All-in-all, these changes represent the most comprehensive overhaul of the auto insurance legislation and regulations since auto reform of the early 2000s. It also represents successful provincial advocacy undertaken by IBAA.

the company partner advocacy, IBAA can relay a message that the individual broker may be uncomfortable giving. After all, these partners are key to the broker's ability to operate, whereas the risk to the association is much less significant.

10 Years of Advocacy—Federal

At its core, the association's federal advocacy has not changed over the past decade. The policy and message has consistently dealt with the Bank Act. The essential message boils down to: Financial institutions ought not to retail insurance at the point of granting credit. An example of the consistency of this message was the announcement in the fall of 2011 where a regulation to the Bank Act was enacted that prohibited banks from retailing insurance on their websites, in line with what they were already prohibited from doing in their branches. This was after extensive advocacy undertaken by Insurance Brokers Association of Canada (IBAC) and IBAA.

Association advocacy at the federal level is not limited to the Bank Act. IBAC, as well as other associations, presented to a parliamentary committee in Ottawa in opposition to a small business tax hike in 2017. The result was the finance department's reversal of the proposed tax change.

Both IBAC and IBAA were instrumental in advocating for the passage of Bill C 208. This bill, which is now the law of the land, leveled the playing field from a tax perspective for those small family-owned businesses who wish to sell to a family member versus to an arms-length third party. Prior to this legislation, it was more lucrative from a tax perspective to sell to the third party than to a family member. This legislation was particularly important to family-owned small businesses such as insurance brokerages and farms.

IBAC and IBAA, along with the other provincial associations, will continue to advocate for keeping the banking and property and casualty insurance pillars separate.

10 Years of Advocacy—Provincial

Advocacy at the provincial level is done both with the elected officials as well as the various regulators such as the office of the superintendent of insurance and the Alberta Insurance Council. At the federal level, IBAA spends more time with MPs and senators and less with the regulator, but at the provincial level, the opposite is generally true.

From a political perspective, the main concern was ensuring that credit unions were on the same level playing field with the national financial institutions. Although credit unions did not retail insurance at the point of granting credit, there was nothing legislatively preventing them from doing so.

In 2016, after many years of lobbying two provincial governments,

the Credit Union Act was amended to keep the business of an insurance agent separate from the other businesses of the credit union. At the time, rumour had it that a prior iteration of the amendment allowed for the retailing of insurance at the point of granting credit. IBAA's vigorous lobbying appeared to turn this around.

In 2012, IBAA started to advocate for CAIB and CIP to be considered equivalent to licensing for property and casualty insurance in Alberta. As the process evolved over the ensuing years, we were able to get the support of all the major stakeholders including the General Insurance Council, the Superintendent of Insurance, the Insurance Bureau of Canada (IBC) and the Canadian Association of Direct Relationship Insurers (CADRI). I cannot think of an issue where there was that much alignment between the stakeholders. Even, so, it took over six years of persistent lobbying to get the regulation passed.

Prior to the provincial election of 2019, the United Conservative Party (UCP) invited IBAA to present a white paper to their platform committee. This white paper formed the basis of a series of white papers on the subject of auto reform that were presented to the UCP government in 2020. These white papers, and the ensuing meetings and conferences, were the product of extensive research with the IBC, the Association for Independent Agents of New Jersey and the National Insurance Brokers Association of Australia.

The results of this effort culminated in Bill 41, Insurance (Enhancing Driver Affordability and Care) Amendment Act, 2020, which received Royal Assent on December 9, 2020. Much of what we advocated for in the white papers is found in this bill including:

- Limiting the number of experts involved in traffic injury lawsuits;
- Changing the judgement interest Act to make the pre-judgement interest rate floating and also make

it start to accumulate when written notice of an injury claim is given to an insurer or when a statement of claim is served;

- Enabling direct compensation for property damage.

Please see IBAA vice president Jonathan Brown's article on Bill 41 for more detailed information (page 16).

There were also some changes to the minor injury and to diagnostic treatment protocols regulations as well as to other regulations related to auto insurance. Again, many of these changes were called for in IBAA's white papers.

All-in-all, these changes represent the most comprehensive overhaul of the auto insurance legislation and regulations since auto reform of

the early 2000s. It also represents successful provincial advocacy undertaken by IBAA.

10 Years of Advocacy—Insurer Partner

IBAA's advocacy efforts on behalf of brokers extends to addressing issues with insurer partners. With regards to this advocacy function, although success is a bit more difficult to measure, IBAA has had some. Probably the most important success here is that we continue to have good open communication with all the main insurance markets in Alberta.

In 2013, IBAA hosted a property insurance forum featuring a number of insurer partners, IBC, the Institute for Catastrophic Loss Reduction as

IBAA's Advocacy Continues

Federal

- The 44th Federal Election was called for September 20, 2021. IBAA and IBAC compiled and distributed an election tool box for brokers featuring key messages and an easy letter writing tool.
- The federal advocacy effort will continue with the Bank Act to ensure financial institutions continue to be prohibited from retailing insurance at the point of granting credit.

Provincial

- IBAA is working with IBC, the Insurance Institute and the regulator to ensure that brokers have all of the information needed for the rollout of DCPD in January 2022.
- IBAA Legislature Day is November 23, 2021, when the IBAA board of directors meets with as many MLAs as we can.
- We are lobbying the Alberta government regarding more robust driver training for commercial truck operators as well as the creation of a central database for insurers to be able to access drivers' claims and employment history for use in the underwriting process.

well as some of the regulators. At the time, there were concerns regarding affordability and availability of personal property insurance in the province. As a result, many were concerned that the government may look at regulating the property insurance market similar to auto.

While the forum itself had limited success due to the concerns around the potential for violation of the Competition Act, it did spur annual IBAA executive/insurer partner face-to-face round table meetings. These meetings have taken place annually in November, with the exception of 2020 due to the pandemic. In 2020-2021, we organized these meetings as town halls and invited members to join us.

These meetings or town halls were largely freewheeling conversations that stemmed from a series of questions from the IBAA boards of the day. They were very informative and allowed us

to present broker concerns as well as be alerted to trends before they became publicly apparent.

Also, we have had a few occasions where a company has come out with restrictions such as not covering certain damages. In these cases, companies were not aware of the trouble this could cause. At the same time, brokers were not comfortable calling their business development managers. IBAA would make the call in these circumstances, and often the companies would pull back, thereby fixing the problem.

Lastly, a company recently gave rebates during the pandemic. Some brokers in Alberta and elsewhere suspected that this was being used as a pretense to collect their clients' emails. Both IBAA and other broker associations had many meetings with members and company representatives. A partial solution was found that satisfied some members.

The important points to be gleaned out of the company partner advocacy is that IBAA does undertake it and that we have had some success.

In reviewing the past ten years of IBAA's advocacy efforts and subsequent results, I hope you see the evidence of the value IBAA offers by representing your collective interests. It takes time, effort, patience, savvy, diplomacy and perseverance—backed by strength in numbers. Our effectiveness is due to the fact that we represent thousands of insurance brokers, amplifying the volume of our message to ensure it's heard.

GEORGE HODGSON
CEO
IBAA
GHodgson@ibaa.ca



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Effective federal advocacy is a continuous process that is based on building and reinforcing strong relationships with parliamentarians at both the local and national level. These connections enable the Insurance Broker Association of Canada (IBAC) to successfully leverage the collective voice of 38,000 insurance brokers to advance key issues that support insurance consumers, brokers and the overall industry.

THE BANK ACT

IBAC's primary mandate is to ensure that Canada's Bank Act continues to uphold the separation of the pillars of banking and insurance. IBAC was founded on this principle a century ago and we carry on this fight today.

Section 416 of the Bank Act contains consumer protection measures that prohibit banks from selling insurance at the point of granting credit when consumers may be vulnerable to undue pressure. We remain vigilant to ensure that these important provisions are maintained and we intervene when they appear to be threatened.

The last Bank Act review in 2018 resulted in new provisions for fintechs. IBAC supports technological advancements but we were concerned that the strong protections in the Bank Act may be diluted. We engaged



IBAC
THE
NATIONAL
BROKER
VOICE

By Peter Braid, IBAC CEO

with Finance Canada from the early stages to ensure that the new fintech regulations would not change the provisions prohibiting a bank from providing prescribed customer information to an insurance company. Having seen the draft regulations, we are optimistic that our intervention will be successful when the regulations are finalized in the coming months.

“Open banking” (also known as consumer-directed finance) has also been on our radar screen. IBAC believes that existing consumer protection measures, including the separation of banking and insurance, must be upheld in an open-banking environment. We provided a written submission to the government consultation and a recently released report on open banking responds to our concerns, recommending that “banking data should not be used for underwriting insurance policies as part of the initial scope of open banking.” The possibility of using banking data for insurance in a later phase raises a red flag, and IBAC will continue to monitor this issue.

SMALL BUSINESS ADVOCACY

Many insurance brokerages are family-owned and operated. IBAC contributes the broker voice on federal legislation that impacts small businesses.



We advocated strongly for private Member's Bill C-208, which eliminates the previous tax penalties for the inter-generational transfer of small businesses and creates a level playing field for the succession of family-owned brokerages.

IBAC representatives appeared before the standing committee on finance, encouraging MPs to endorse the bill. A support letter was sent to senators on the standing senate committee on agriculture and forestry, and proactive social media amplified the importance of this legislation.

Bill C-208 ultimately passed and received Royal Assent in June 2021—a clear demonstration of the power of federal advocacy on issues that directly affect brokers across the country.

YOUR VOICE IN OTTAWA

Our annual Advocacy Day on Parliament Hill is the most visible aspect of our ongoing advocacy efforts. This is a strategically important part of

our federal advocacy program—a prime opportunity to keep insurance brokers top-of-mind with parliamentarians and to promote our key messages. For the first time ever, IBAC's Hill Day/Week took place in a virtual format for 2021. Over the course of the week, broker delegates from across Canada met

"Make sure they understand the important contributions that brokers make to the economy and the community, and highlight the work that we do to protect insurance consumers. These are compelling messages."

virtually with approximately 60 MPs and senators, including members of the finance committee and key people in the Finance Ministry.

The success of this event year after year reflects the excellent reputation

that IBAC has built throughout successive federal governments. Thank you to all the broker volunteers who participate in this annual effort.

POSITIONED FOR SUCCESS

The secret to IBAC's successful advocacy is the involvement of insurance brokers in virtually every city and town across Canada. Members of Parliament value the input and perspective of individuals who live and work in their riding, are engaged with their community and who are politically active at all levels.

IBAC encourages all brokers to support national advocacy by taking an interest in the issues that directly affect you and your profession. Get to know your elected representatives. Make sure they understand the important contributions that brokers make to the economy and the community, and highlight the work that we do to protect insurance consumers. These are compelling messages.

Looking after one another for 125 years.

In 1896, twenty farmers got together to look after each other and their communities. 125 years later, this still holds true.



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Standardizing APIs to Improve the Digital Customer Experience

By Catherine Smola

What if brokers could serve their clients much faster, easier and more efficiently? It is entirely possible. CSIO and its Innovation and Emerging Technology (INNOTECH) Advisory Committee are working to advance digital experiences for brokers and their clients by moving information faster, with policy data available in real-time. By the end of this article, CSIO will have outlined how it will support the broker channel with digital solutions to streamline how brokers do business.

INCEPTION OF A SOLUTION

CSIO's INNOTECH committee is engaged in the development of an industry application programming interface (API) standard to address the pain points that brokers face in supporting clients through the policy lifecycle. The INNOTECH committee, launched in 2019 to drive digital innovation and improve customer experiences within the broker channel, identifies major operational issues and then develops solutions accordingly.

Currently, a solution is underway that will standardize APIs to reduce the friction of data exchange among brokers, insurers and vendors. If insurer and vendor members structure their data in an agreed upon format,

then faster, more efficient transaction times will improve the digital customer experience.

APIS ARE EVERYWHERE ... WHAT ARE THEY?

An API is a digital window into another digital system. An API connects different devices and allows transactions to occur between them. Think of it as a software go-between that enables two different applications to talk to one another. It takes a request, tells the system what needs to be done, then returns a response to you—instantaneously (in real time) and securely.

We encounter APIs in our everyday lives. They access data from third parties. A good example would be a Google search of the weather. The forecast is obtained instantly through an API, yet all of the complexity of collecting the data is hidden behind the scenes.

CURRENT BROKER PROCESS

Today, information isn't readily available in a broker's BMS to support new prospects and to manage existing clients. Brokers must:

- deal with different processes across insurers;
- use third-party systems for quotes;

- complete the sales process in insurer portals;
- access client policy information via log in to an insurer's portal or, call the insurer, wait in the queue, wait for the insurer to search for information, then call the client back.

This takes time and results in a less than stellar client experience. To support clients through the policy lifecycle, the process is typically slow and cumbersome and it takes a certain amount of time for brokers to respond. A gap exists in real-time policy data exchange between insurers' and brokers' systems to provide a more fluid information delivery and an optimal user experience.

CSIO's INNOTECH committee will close that gap.

CSIO'S INNOTECH COMMITTEE DRIVES SOLUTIONS

To fast-forward this API initiative, the INNOTECH committee formed three API working groups comprised of industry subject matter experts to ensure that all aspects of the digital solution are considered and tested. The three working groups are:

1. API Business Requirements: insurers, vendors and brokers collaborate to capture brokers'

operational requirements to foster a solution and translate them into business requirements to drive digital advancement in the broker channel. This leads to improved customer experiences (the group examines the current broker workflow process to identify the data requirements for a real-time process).

2. API Technical Standards: create an industry API standard in JavaScript Object Notation (JSON) format for personal and commercial lines of business. Publish APIs using CSIO data standards to support members' requested use cases in JSON and XML format (the group focuses on how to build and package the business requirements).
3. API Security: standardize authentication/authorization and/or define requirements for a security solution (how to provide access and exchange information) to facilitate data exchange among insurers, brokers and vendors using standardized APIs.

BUILD IT; THEY WILL COME—THE API SOLUTION

CSIO and the INNOTECH committee understand the issues that brokers face to access real-time policy information in their BMS. That's why, through the collaboration of industry experts on the INNOTECH API working groups, they will leverage digital advancements in day-to-day transactions. This means that brokers will be able to obtain information in real-time to handle customer inquiries and transactions. That's not all—the working groups are developing a framework so that all APIs will be built the same way.

With the digital solutions and API standardization in place, brokers will benefit by starting and ending their transactions in their BMS. They will also have accurate, up-to-date (real-time) data with which to support their customers. CSIO's INNOTECH committee is advancing digital experiences, for brokers and their

customers, by moving information faster and having policy data available in real-time.

“As an INNOTECH advisory committee member, it's exciting to see the progress we've made addressing industry pain points,” said Dennis Dalmas, senior vice president, solutions delivery at Northbridge Financial. “Standardizing APIs will facilitate data exchange and enable brokers to improve the overall digital experience for customers while also improving their own brokerage efficiencies.”

NEXT STEPS

With a solution on the horizon, watch for more information about API standardization in the coming weeks and months. CSIO plans to host a webinar and issue more communications on the roll out of this exciting new digital solution.

CATHERINE SMOLA
President & CEO
CSIO
communications@csio.com



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Lindsey Schroeder, BA, B.Ed, CIP
Marketing Rep Alberta North
Cell: 780-977-8326
Toll-Free: 800-661-3625
Email: lschroeder@portagemutual.com



Cindy Henderson
Marketing Rep Alberta South / BC
Direct: 403-210-3135
Toll-Free: 800-372-9582
Email: chenderson@portagemutual.com



MOVING FORWARD

Our Industry's Next Steps

While 2020 was undoubtedly an eventful year from the perspective of world news, the Alberta auto insurance industry also experienced changes. With all the changes the industry has seen over a short period of time, and considering the potential changes to come, I wanted to outline recent events and to review the potential future for auto insurance in Alberta.

Recent Events

In late 2019, the provincial government assembled a team of experts to form the Auto Insurance Advisory Committee. The committee was tasked with examining Alberta's troubled auto insurance system. Its mandate was to study the system and provide recommendations to transform auto insurance for Alberta's three million drivers.

In late 2020, the government took action, announcing changes designed to provide relief for Albertans. The changes, which were designed to stabilize premiums by controlling claims costs and cutting red tape, included:

- increasing medical benefits to support Albertans injured in

collisions by providing access to a wider range of health care professionals and improving the patient-referral processes.

- changing the Minor Injury Regulation so that those who have injuries, such as common sprains and strains, no longer receive pain and suffering awards in the amounts received by those having more serious injuries.
- giving the Automobile Insurance Rate Board full authority over the rate-setting process, thereby eliminating red tape and allowing insurers to be more responsive to consumers.

What's Next?

The Auto Insurance Advisory Committee submitted a report to the government that makes several recommendations including the creation of controls on pain and suffering awards, enhanced treatment and care for injured parties and more choice and competition available to consumers.

The committee suggested that a pure no-fault system would achieve these goals.

The P&C insurance industry agrees that changes are needed but disagrees

that a no-fault system should be implemented.

No-Fault is a No-Go ...

In a pure no-fault system, a consumer's own insurer pays all of the benefits regardless of who is at fault in the collision, and everyone is entitled to the same benefits depending on injury severity. Collision victims cannot sue for medical expenses, lost wages, or pain and suffering beyond the limits the system provides.

To establish this kind of system, the Alberta government would have to create a massive bureaucracy to take on functions, (such as handling claims) that private insurers perform. Paying for this would mean adding about \$75 to each premium or possibly an increase in taxes for all Albertans.

The proposed pure no-fault system also means fewer benefits. In our current system, non-catastrophic claimants can access up to \$50,000 in medical/rehabilitation treatments. With no-fault, they would only access up to \$25,000.

The ability to sue for lost income is also affected; if you are not at fault today, you can sue for the entirety of your lost income, but under the

proposed no fault system, lost income is capped at \$52,000/year.

For those keeping score, a pure no-fault system means Albertans would be paying more, to access less in benefits. **... and full-tort is worse.**

Pure no-fault insurance is not what Albertans need, and neither is the kind of system at the other end of the insurance spectrum. Under a full-tort insurance system, those injured in a collision seek compensation by suing the at-fault driver. If there is no at-fault driver to sue, there are no benefits. Those injured also do not have automatic access to treatment or care benefits. Instead, the injured parties have to wait until the parties, or the courts, settle their claim, and this can take years.

So clearly, a full-tort system is a non-starter.

What makes the most sense?

IBC advocates for a hybrid model of insurance. Most jurisdictions employ such a model, which balances the elements of the no-fault and tort

systems. Our “More Care, Less Court” approach to auto insurance will not only stabilize Alberta’s auto insurance system and increase the likelihood of premium reductions but will also significantly increase the level of care and benefits that Albertans receive if they are injured in a collision.

For example, the proposed hybrid system will allow policyholders to tailor their insurance to their needs; they can easily budget by choosing the insurance that meets their needs. “More Care, Less Court” prioritizes access to treatment and care and focuses on giving them the tools they need to recover from minor injuries with a “no-questions-asked” access to medical professionals.

In addition, under the proposed hybrid system, those suffering injuries from auto collisions retain their right to sue for medical expenses and lost wages, if they are seriously injured. They can also purchase the ability to sue for pain and suffering if they were to have a minor injury. If their injury is

more serious, they would still have the right to sue for their pain and suffering.

Our industry is grateful for the short-term reforms the government has put into place, but we should be vocal in our opposition to the prospect of a pure no-fault system. Brokers are an important part of our industry and your voices carry weight in the communities you serve. The conversations you have with everyday Albertans can help educate them on these issues. The conversations brokers have can be an effective tool in dispelling any myths about the benefits of a pure no-fault system.

Pure no-fault is no answer for Alberta’s auto insurance system. Further information on the “More Care, Less Court” proposal can be found at www.albertaautoinsurancefacts.ca.

AARON SUTHERLAND
*Acting Vice President,
Western & Pacific
Insurance Bureau
of Canada*
ASutherland@ibc.ca



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ALBERTA'S ROBYN YOUNG

The New Face of Canada's Insurance Brokers

Working remotely, the IBAC executive, board and staff have continued their work over the past year and achieved some significant results! As president, my focus will remain on advancing projects within our key pillars: advocacy, technology, professional development and promoting brokers nationwide through our broker identity program (BIP).

IBAC continues to work with government, regulators and partners like the Insurance Bureau of Canada on key issues such as commercial insurance availability, strata issues, open banking, fair treatment of customers and, of course ensuring that the consumer is never pressured to buy insurance at the point of granting credit. Hill Week, parliamentary committee appearances on Bill C208, meeting with key government officials and our National Driving Week and Big If campaigns are just some of our initiatives that influence public policy and raise awareness of brokers as small-business professionals and community leaders.

The advantages that technology can bring in the delivery of our services has never been more apparent; it is exciting to see IBAC moving the needle forward in the technology space. Our dedicated technology resource is working on furthering the IBAC data exchange project, we have successfully launched the DX Connect Alliance to focus on API development and we have strong support and collaboration with many major insurer carriers on these initiatives.

Our end goal is to facilitate the start and end of a single-entry transaction between the broker and carrier directly from the broker management system (BMS).

CAIB 1 is going virtual! The content has been finalized with updated materials and our new platform will transform the student experience. CAIB 2 & 3 will follow over the

I am very excited to be taking on the role of president of the Insurance Brokers Association of Canada (IBAC) for 2021-2022, as we celebrate our 100th anniversary. I wonder if our founders imagined that we would be where we are today: a strong voice representing over 38,000 brokers who advocate for consumers, contribute over \$5 billion to Canada's GDP and make a positive difference in our communities.

As I write this article, it is mid-summer and here in Calgary and across Canada restrictions are lifting. With the rising numbers of Canadians who are fully vaccinated, I am cautiously optimistic that we are returning to some semblance of normalcy. The past year and a half has certainly been one of the strangest in my life and career. However, as an industry—particularly as a brokering community—we have knocked it out of the park. We have been steady and resilient, not only moving our teams to work from home or hybrid environments but also continuing to provide our essential services to our customers with little to no disruption, and that is extremely commendable.

It is not lost on me that in a female dominated industry, I will be only the third woman to be president of IBAC in the last hundred years!

coming year as IBAC continues to invest resources into the updating and development of our core education offerings.

It is not lost on me that in a female dominated industry, I will be only the third woman to be president of IBAC in the last hundred years! While things are improving with a more diverse group of people working in our industry, we need to promote, support, and encourage brokers from all backgrounds to raise their hands and be part of our provincial and national associations. It is important to understand the diverse needs and perspectives of all brokers and consumers at a fundamental level and

not just those that reflect our own experiences. Embracing this goal would challenge our organization to accomplish even more!

I would be remiss if I didn't acknowledge our outgoing chair, Chris Floyd, who has had a significant impact over his six years on the executive of IBAC, including the past two years as chair. Also, kudos and thanks to Kent Rowe, who has spent most of his two years as president in a remote, COVID-19 environment and has managed to effectively push forward and keep us focused on our goals. I have some big shoes to fill! I am looking forward to working with Kent as our chair and Linda Dolan

as president-elect along with our two successful candidates from our September elections as our two vice presidents—not to mention Peter, Liz and our office team.

I hope to connect with many of you, in person or virtually at various events and conferences that will be happening over the upcoming year! If you have a national issue or would like to reach out just to connect, please do!

ROBYN YOUNG
President,
 IBAC
ibac@ibac.ca



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What's going on behind the scenes at IBAA?

Not too long ago we were seared from the number of heat waves that happened in summer. With the wildfires and smoke nuisance we experienced, I'm pretty sure that we are very excited for the change to cooler temperatures. Just like the weather, a lot of changes are happening within IBAA and the industry, causing us to go into fifth gear in terms of government relations, professional development and even as an office.

CHANGES IN OFFICE

Over the summer, we successfully migrated to a new cloud system so that internal processes could become more seamless and efficient. So far, we're really enjoying that.

As well, we just recently completed the upgrades to our classroom. The facility is now outfitted with an interactive audio-visual system and other nifty features to enhance the learner experience. All this is done to improve the quality of our in-house education offerings and expand our abilities in what we can create for our online courses.

Being the newest member of the IBAA management team is a new frontier for me as well. I've seen a few changes in my professional experience here, serving as PD coordinator and then PD & social media coordinator for the past three years. I'm very excited to serve as the member engagement & marketing manager, and the team and I look forward to doing more for our membership.

STRATEGIC DIRECTION

The IBAA executive and management team met in early September to discuss the strategic direction for the next three years. This was based on your input collected by the strategic plan survey, which was conducted just prior to the meeting. It gave us a clear idea of what our membership needs at this critical time. We are taking the time to shape what that will look like for our focus as an association, and you will see its unfolding soon. While we're on the topic of surveys, we completed and distributed the results of the salary survey to broker principals. Thanks to all who participated as the information will be very beneficial to both managers and frontline staff.

PD & DCPD

I think the biggest change that's on everyone's lips is the advent of Direct Compensation Property Damage (DCPD), set to take effect on January 1, 2022. If you haven't heard by now, the IBC is spearheading the education program. We are happy and proud to partner with them and the Insurance Institute on this project. The first session was held in late September and targeted management and trainers, and a series of these webinars has been scheduled all the way into December. You can register for them at www.ibaa.ca.

The PD team is also working on big things for 2022. Our new CAIB courses will be entirely online as of January next year, starting with CAIB 1. That's right! There won't be any physical copies of textbooks, and exams will continue to be online with the option of virtual or in-person proctoring. With regards to licensing, you may have realized that we no longer produce textbooks for the Level 1 course. When students sign up for our licensing courses, they will now receive the text that was created by the Alberta Insurance Council

(AIC). This is a huge step away from what we've always done, but we have adapted and will tailor our classes so that students can get the most out of the materials.

SAGE

And when you think there couldn't be any more changes coming out of IBAA, we have even more exciting news! Sage has a new website coming! We're moving Sage to its own site so you can get more direct information about our E&O coverage and education at your fingertips. We're excited about the possibilities coming out of this project and you should be too, so stay tuned!

ADVOCACY

George is still working assiduously on our advocacy piece. In August,

we worked with Denton's to provide Alberta and Territorial brokers with a document discussing electronic delivery of policies. The document was shared via George's weekly "Brokerworks" e-newsletter. If you haven't seen it, you're seriously missing out. In it, George provides an inside view of what he's working on and the status of our advocacy with regards to topical issues. If you would like to receive this newsletter, be sure to email our information and marketing coordinator, Carolyn Williamson at cwilliamson@ibaa.ca.

George has also been working with IBAO on the Canadian Council of Insurance Regulators (CCIR) Fair Treatment of Customers document. (**Shameless plug:** we developed a course based on this document earlier this year. We'll be hosting it next year, so look out for that.) IBAO

responded to the CCIR's draft on behalf of all broker associations, and we were glad to contribute to that response. We await the next steps.

And that's it for now. It's a lot of information for you and a lot of work happening for us. By the time you read this article, we'll likely be experiencing that "crisp" fall air (maybe even the s-word), wishing it was warm again. While you wait for the warmth, you can look out for even more changes in the next coming months. See you soon!

ROCHELLE MIGHTY
Member Engagement &
Marketing Manager
IBAA
RMighty@ibaa.ca



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