



Special OTIP Bulletin for Members

OTIP Auto Insurance Rates

As a different kind of insurance provider – one that is owned by the four Ontario education affiliates – OTIP puts you first. Because of our unique ownership and not-for-profit structure, when our rates go up, we believe it's important to provide you with a clear explanation.

Auto Insurance Rates on the Rise

These are tough times for the auto insurance industry. On October 20, *The Globe and Mail* reported that auto insurance rates are going to rise as much as 19% in Ontario. Rates are going up due to a variety of industry factors, including more claims, higher claim payouts, the cost of lawsuits and the global economy. At the beginning of November, Finance Minister Dwight Duncan, proposed 41 consumer-focused auto insurance reforms that should help stabilize auto insurance rates, while still providing the coverage Ontario drivers need.

Currently, auto insurance consumers in Ontario benefit from an auto insurance product that provides best-in-class coverage. What that means is that the amount insurers pay for claims, especially injury claims, is a lot higher in this province. But, this one-size-fits-all coverage, that all consumers currently purchase, comes at a significant cost. To address this, one of the changes proposed by the Minister will provide consumers with optional coverage limits in an effort to control escalating rates.

We strongly believe that our members, and all consumers, should have the opportunity to make informed coverage choices that suit their needs. The proposed auto insurance reforms will provide consumers with that opportunity. The Minister of Finance intends to implement these auto insurance reforms as soon as summer 2010 and will continue to explore further longer-term measures.

Proactive Service for Members

OTIP understands that no one likes surprises when it comes to their insurance. That's why we have a dedicated team whose sole responsibility is to let members, whose auto and/or home rates are significantly impacted, know about their rate increase before they receive their renewal notice in the mail. These OTIP members can expect to receive a personal call and the opportunity to discuss the impact of the rate increase on their coverage.

Because of the current auto insurance environment, almost all insurance companies are increasing their rates in an effort to stabilize. During this time of upheaval, OTIP is here to serve new members who are looking for a new insurance provider or who may have been abandoned by their previous insurance provider because they were considered high-risk. For over 30 years we have focused on providing the Ontario education community with the best insurance products, services and advice. If you're currently with us – thank you. If you are looking for a new insurance provider, why not give us a call?

We are Here to Help – 1.800.267.6847

If you have any questions, please don't hesitate to contact us. We remain committed to providing the best insurance solutions for Ontario's education employees. No matter how the insurance market may fluctuate, our commitment to you remains the same.

Sincerely,
Chris Floyd, President of Individual Insurance