

## OPTIONAL BENEFITS – AUTO INSURANCE

Conducting a client needs assessment is a key part of every broker's responsibility. It is necessary in order to recommend an insurance solution that is suitable for your client.

The changes to auto insurance in Ontario introduced in 2010 fundamentally changed basic auto coverage, while introducing numerous optional accident benefits. We know that brokers reviewed these options with clients when the changes were introduced. Remember, though, that understanding your client's needs is important not only at the beginning of your relationship, but also on an on-going basis. Errors and Omissions companies as well as RIBO are going to expect that brokers have an established policy for the renewal process in place to ensure that client selections are current and informed.

Examples of life events that may impact a client's needs include:

- marriage
- divorce
- children
- a change in employment
- changes in employment benefits
- changes in overall health

Brokers should revisit optional coverages at each renewal, or indeed sooner if they become aware of changes to a client's circumstances that could affect their needs. Where a client declines recommended coverage, make sure to document this in the client file.

We note as well that FSCO takes these obligations very seriously. They are looking to RIBO to ensure that brokers are fulfilling their responsibilities. Accordingly, RIBO has expanded the spot check program to include a review of office procedures, files and follow-through on this issue.