

Insurance Rating Model: Impacts to ICBC fleet customers and those driving a fleet vehicle



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How will ICBC fleet customers be impacted?

For the most part, fleet policies will continue to be rated the same. Fleet operators will not be required to list the drivers that use their fleet vehicles, and at-fault crashes will continue to be factored into the policy which looks at the loss ratio of the fleet.

Although fleets are not impacted by all the changes, below are the changes that apply to fleets:

- Fleet policies will be impacted by the rate changes to both rate class (how the vehicle is used) and territory (where the vehicle is used).
- Two new discounts will be available for vehicles in a fleet:
 - 10% discount for original manufacturer-installed autonomous emergency braking technology; and
 - 10% discount for vehicles driven less than 5,000 km in a year (annual policies only)
- At-fault crashes where the first payment on the claim was made on or after March 1, 2017 will follow the driver based on the rate class of the vehicle insured, regardless if the vehicle is in a fleet or not.
 - Rate classes can be grouped into three categories:

“Personal” rate classes:	“Commercial” rate classes:	Rate classes that do not belong to a profile:
<ul style="list-style-type: none">• Pleasure/Commute/Business/Artisan (001-007, 012)• U-Drive (008, 018, 058)• Motorhomes (051)• Motorcycles (310s)• Collectors (700s)• Decommissioned (005, 20s, 055, 320s, 705, 720s)• APV16 (850, 851, 852-859, 860s)	<ul style="list-style-type: none">• Light Comm. (009, 011, 013-015, 017, 040, 041)• Heavy Comm. (100s, 110s, 120s, 140s, 150s, 170s)• U-Drive (160s)• Delivery (400s)• Bus/Taxi/Limo (600s)	<ul style="list-style-type: none">• ORV (030, 035, 036),• Trailers (500s)• Insurance exempt (919)• TOP (852 exclusively Type 6)• Storage (APV345 RC 200s)• Garage (800)• Fleet Reporting (900-906)

What is the impact of an at-fault crash in any of the above rate classes?

- If a customer has a chargeable claim while driving a vehicle with a **personal rate** class, it could impact all policies where the driver is listed (non-fleet).
- If a customer has a chargeable claim while driving a vehicle with a **commercial rate** class, the claim may only impact other policies with commercial rate classes where the driver is listed (non-fleet).
- If a customer has a chargeable claim while driving a vehicle in a rate class that **doesn't belong to a profile**, the claim will not follow the driver on any policy where they are listed.

Changes to claim repayment rules

While fleet claim repayment rules are not changing for fleet owners, there are changes to the non-fleet claim repayment rules which may allow for fleet drivers to repay claims:

- Fleet drivers who have an at-fault claim from March 1, 2017 and August 31, 2019 may choose to repay their claim to avoid an impact on their personal and non-fleet commercial insurance. Individuals will have from September 1, 2019 until August 31, 2020 to decide if they wish to

repay these claims, even if they already affected their premium and regardless of the claim amount.

- Fleet drivers who have an at-fault claim from September 1, 2019 onward, will only be able to repay the claim if the claim amount is \$2,000 or less and if it is their most recent chargeable claim.

How do these changes impact employers and employees?

Moving to an insurance model that's more driver-based means crashes will now follow the driver. If a driver has an at-fault crash while driving a fleet and the first payment on the claim was made on or after March 1, 2017, that crash may now follow them and impact their personal and non-fleet commercial insurance. Whether there is an impact depends on the rate class of the fleet vehicle involved in the crash and whether or not that claim has been repaid.

- For example, a crash in a company car (Rate Class 007) may impact personal and non-fleet commercial policies where the driver is listed.
- Some employees who have had claims in fleet vehicles may not know that this claim will follow them until they renew their personal policies in the new rating model. At that time, they may have the option to repay it.