

# Part VII Policies and Procedures -Documentation from ICBC that is Helpful for Tort and Part VII Claims

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Trial Lawyers Association of British Columbia

Inside ICBC: Demystifying the Workings of the Corporation seminar

Friday 28 October 2005

by

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CL22	PT	(05-2002)	Insurance Claim Application	
CL22A	<b>₽</b> T	(09-2002)	Out of Province Insurance Claim Application	
CL23		(01-2005)	Proof of Death – Certificate of Attending Physician	
CL24	P P	(09-2003)	Customer Injury Information – Insurance Claim Application	
CL24A	P	(04-2004)	Bodily Injury Reserve Worksheet	
CL24B	P P	(04-2004)	Customer Injury Information – Insurance Claim Application	
CL24C	Øρ	(10-1997)	Customer Injury Information – Occupation/Activity Update	
CL27	42.	(01-2003)	Advice of Possible Breach Letter	
CL29	<b>2</b> T	(05-2002)	Guardian Settlement Agreement	
CL29A	P P	(02-2004)	Payment Notice to the Public Guardian and Trustee	
CL29B	- P	(05-2002)	Infant Settlement Proposal	
CL29C	₽ <sub>P</sub>	(05-2002)	Head Injury Symptoms Questionnaire	
CL29E	<u> </u>	(11-2004)	Guardian Settlement Agreement and Assignment (Uninsured)	
CL30	ΦP	(04-2003)	Total Loss Worksheet	
CL30A	ΠP	(07-2001)	Total Loss Worksheet – Heavy Equipment	
CL30B	固	(09-2000)	Motorcycle Total Loss Worksheet	
CL30C	团	(08-1995)	Fax Total Loss Worksheet Out of Province Claims Only	
CL30D	P	(07-2002)	Total Loss GST Entitlement – Voucher	
CL30E	₽	(06-1999)	RV Total Loss Worksheet	
CL30F	T		Limited Depreciation Policy (APV297) Worksheet (Excel template)	
CL30J	Т		Replacement Cost Policy Worksheet (Excel template)	
CL30K	国P	(05-1997)	Snowmobile Total Loss Worksheet	
CL30L	<b>1</b>	(01-2005)	Low Velocity Impact Worksheet	
CL30M	ĒΡ	(11-2000)	Salvage Total Loss Worksheet	
CL30P	ВР	(11-1999)	Independent Appraiser Vehicle Evaluation Worksheet	
CL31		(09-2001)	SAP Authorities	
CL33	□ P	(10-2000)	Witness Statement	
CL37	PT	(09-2004)	Automobile Proof of Loss	
CL38	PT	(09-2004)	Property Damage Release	

CL39	空國工	(09-2004)	Full and Final Release of All Claims	
CL39A	PT	(03-2004)	Release and Agreement	
CL39B	<b>₽</b> _T	(03-2000)	Final Release of Part 7 Benefits	
CL39C	团τ	(01-2005)	Release and Assignment (Uninsured – Out of-Province)	
CL39D	PT	(09-2003)	Release and Assignment (Uninsured)	
CL41A	<b>□</b> РТ	(01-2000)	Uninsured Motorist Demand Letter	
CL42	<b>□</b> РТ	(03-2000)	Statutory Declaration – Application Under Section 20 of the Act – Uninsured Motorist	
CL45	<b>⊠</b> РТ	(03-2000)	Application for Payment Under the Act Section 24 – Hit and Run	
CL45A	屆	(12-2001)	Hit & Run Questions and Answers	
CL51	P P	(06-2004)	Dental Report	
CL59		(04-2002)	Traffic Accident Report Request	
CL63	团	(11-2000)	Claim Office/Subro Recovery Receipt	
CL75	OP	(11-2000)	Initial Claim Record and Adjuster's Report	
CL80	IDP	(10-2001)	Adjuster File Summary	
CL80A	12	(09-2001)	Adjuster File Summary (yellow)	
CL81	Øρ	(01-2003)	Salvage Identification Tag	
CL83	包P	(10-2000)	CL14 Change Notification (Form Letter to Repairer)	
CL87	<b>⊠</b> от	(02-1996)	Reserve Change	
CL90	от		Claim Payment Transfer	
CL91	1	(03-2003)	Advice of ICBC Subrogated Interest	
CL93		(09-1994)	Deductible Waiver Letter to Insured	
CL96	<b>₽</b> _T	(10-2004)	Automobile Salvage Disposal Agreement/Salvage Release	
CL96C	<b>Q</b> .	(06-2004)	Owner Buyback Agreement	
CL98	P	(12-1998)	Salvage Invoice	
CL113	D D	(02-2005)	Loss of Use – Rental Allowance	
CL113B	□P	(04-2001)	Loss of Use/Alternative Transportation Program/Rental Reimbursement	
CL143	ОТ		Data Change and Close Claim	
CL143B	<b>□</b> P	(05-2000)	Claim File Transfer	
CL143E	от	(01-1993)	Claim Data Change – Exposure (form on CWMS)	
CL144	Q <sub>P</sub>	(05-2004)	Salvage/Subro Recovery Reversal	

GLAIM NEMBER	YEAR OF LOSS	GLAIM NUMBER	YEAR OF LOSS
E E 60903008808191515	1974	20000000000000000000000000000000000000	1983
09030009-2	1975	0903018.6	1984
-09030103	1976	- 09050195	1985
- COUECILA	1977	0963020.6	1986
- 09000125	1978	42 - 100030200	1987
Constinue	1979	09030221	1988
0.0000440	1980	09030262	1989
0.000001840	1981	09/13/02/13	1990
0903013.2	1982	(A) 109030254 (A) A	1991

The following information should be contained in the bulk file for each insured eligible for TTD past age 65:

- Cover sheet listing the insured's name, bulk claim file number and exposure
- OAS/CPP documentation regarding pension amount at age 65
- · New TTD calculations
- CL288B indicating the new TTD entitlement until the end of the calendar year.
- Copies of all correspondence sent to the insured
- A copy of all the above information should also be kept in the original claim file for consistency

## Calculating Reserves

The Actuarial Department has prepared a Reserve Calculator. This disk will be used to calculate the reserve that will be posted on the bulk file to account for TTD payments past age 65.

## Posting Reserves

- a). determine the number of the bulk file that corresponds to the year of loss for the original claim.
- b). send a request to Claims Services (CC09) by email asking for an exposure to be added to the bulk file. Include the following information:
  - Claim number of bulk file
  - KOL
  - Amount of the reserve required as determined by the Reserve Calculator (see Calculating Reserves)
  - Authorizing resource number and name

Chapter 11 - Disability Benefits



- c). a confirmation email will be received from Claims Services
- d). CCUS must be updated for the new exposure on the bulk file. Refer to CCUS for the original claim file and copy the same information into CCUS for the new exposure using the bulk file claim number. This will result in two CCUS entries for the same accident in the system.

#### Procedures

#### 1. Determine eligibility

- a). Send a letter to the insured three (3) months before their 65<sup>th</sup> birthday advising that their TTD entitlement will need to be recalculated once they turn 65 years of age. The letter should request copies of cheque stubs or payment advice from both CPP and OAS/Guaranteed Income Supplement(GIS) to document the level of the insured's pensions at age 65.
- b). Using the above amounts, determine if there is a shortfall:
  - Shortfall = TTD entitlement at age 65 (prior to any CPP deduction) CPP (new amount at age 65) OAS and/or GIS (at age 65)
- c). If there is no shortfall, send a letter to the insured advising that they are not entitled to TTD past age 65 as the combined total of their OAS and CPP exceed their TTD entitlement.
- If there is a shortfall, the insured is entitled to TTD past age 65 until the combined total of their CPP and OAS benefits exceed their TTD entitlement.
  - a). Send a letter to the insured advising of his/her ongoing entitlement to TTD benefits. This letter will advise that yearly adjustments will be made to his/her TTD benefits as a result of changes in OAS and CPP. Despite the quarterly changes in OAS, TTD benefits will only be adjusted once per year at which time changes in both OAS and CPP will be accounted for.
  - b). Close the KOL 32 reserve on the claim file as TTD entitlement past age 65 will be paid off a reserve on the bulk file. The claim file must remain open even if there are no open reserves as long as TTD payments to the insured continue.

Section 13 - TTD Past Age 65



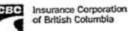
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- c). Calculate new reserve (see Reserving for TTD past age 65).
- d). Post new reserve (see Reserving for TTD past age 65).
- Update CCUS for the exposure on the bulk file (see Reserving for TTD past age 65).
- Complete a CL288B to set up TTD payments for the rest of the calendar year.
- A Master List of all insureds who are eligible for TTD past age 65 has been created and is kept in the TTD past age 65 binder at the Rehab Assistant's desk. This list contains:
  - Bulk file number
  - Year of loss
  - · Insured's name
  - Exposure
  - · Reserve amount

The Master List must be updated each time a reserve is opened for TTD past age 65. This is necessary to confirm that the combined total of the reserves on the bulk files and the reserve on the umbrella file stays constant at \$2.4 million.

- 4. Review TTD entitlement on a yearly basis
  - a). In January, the insured's OAS/CPP benefits will be adjusted for the cost of living. Send a letter to the insured requesting copies of his/her January payment advice in order to have documentation of the new level of benefits.
  - b). Recalculate the insured's TTD entitlement for the new year based on the adjusted pension amounts. As January's TTD is paid in December, February's TTD will have to be adjusted to account for both January and February.
  - c). Send a letter to the insured to advise of his/her new TTD entitlement based on the changes in OAS/CPP benefits. This letter should also contain an explanation of the calculation of February's TTD benefits to account for the adjustment required for January and February.

Chapter 11 - Disability Benefits



## Part 7 - Total Disability

#### Court Decisions

Thompson et al v. Zurich Insurance Co., Ontario H.C.J., Pennell J., April 10, 1984. Thompson permanently disabled in a motor vehicle accident at age 16. Was working at a summer job earning \$140 per week when accident occurred, but planned to return to school in September. Judge rules Thompson entitled to total disability benefits for duration of his "disability" not duration of his "employability".

Vautour v. Sun Alliance Insurance Co., N.B.Q.B. Jean J., February 6, 1985. Vautour unemployed but told by his union (several hours before accident occurred) to report to work the next day. After receiving relatively minor injuries, Vautour reported to work as scheduled but "decided the work was too heavy and returned home". Court ruled Vautour employed and entitled to benefits.

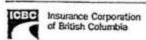
Todd v. Pitts Insurance Company, Ontario C.A., February 17, 1982. Todd engaged in an occupational training program sponsored by EI when accident occurred. Court held that the allowance paid to him by EI was in the form of a "living allowance only" and, therefore, he was not engaged in an occupation "for wages or profit". NO entitlement to benefits.

Rayson v. Wawanesa Mutual Insurance Co., Ontario S.C., Sutherland J., October 20, 1983. Rayson "laid off" some 9 months prior to accident, but continued to be covered by employer's medical, drug and dental plans. Court finds that a unionized employee who is on lay off is to be considered as being "employed" or the purposes of total disability benefits.

Vasquez v. Co-Operators General Insurance Co., Ont. C.A., Amup J.A., April 12, 1985. Vasquez totally disabled in m.v.a. while working as a construction worker. During his recovery period, he would have experienced a five month period of unemployment due to work shortage. Insurer's argument that claimant not entitled to benefits during this period rejected. Reaffirmation of "disability" not "employability" as the test for benefits.

Sutherland v. ICBC, April 16, 1980, Victoria Registry No. 285/78, S.C.B.V., Ruttan J., Plaintiff received permanent brain damage in motor vehicle accident and continued to receive total disability benefits until his father employed him to do simple tasks under constant supervision. Court finds plaintiff still eligible for benefits. Not able to do work "for which he is suited" as per Section 7.03 (now 80) of the Regulation.

Section 14 - Part 7 - Total Disability



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