



TRIAL LAWYERS ASSOCIATION OF BRITISH COLUMBIA



























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

Susan L. Sinnott

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

CL39	T	(09-2004)	Full and Final Release of All Claims
CL39A	P T	(03-2004)	Release and Agreement
CL39B	T	(03-2000)	Final Release of Part 7 Benefits
CL39C	T	(01-2005)	Release and Assignment (Uninsured – Out-of-Province)
CL39D	P T	(09-2003)	Release and Assignment (Uninsured)
CL41A	P T	(01-2000)	Uninsured Motorist Demand Letter
CL42	P T	(03-2000)	Statutory Declaration – Application Under Section 20 of the Act – Uninsured Motorist
CL45	P T	(03-2000)	Application for Payment Under the Act Section 24 – Hit and Run
CL45A		(12-2001)	Hit & Run Questions and Answers
CL51	P	(06-2004)	Dental Report
CL59	T	(04-2002)	Traffic Accident Report Request
CL63		(11-2000)	Claim Office/Subro Recovery Receipt
CL75	OP	(11-2000)	Initial Claim Record and Adjuster's Report
CL80	P	(10-2001)	Adjuster File Summary
CL80A		(09-2001)	Adjuster File Summary (yellow)
CL81	P	(01-2003)	Salvage Identification Tag
CL83	P	(10-2000)	CL14 Change Notification (Form Letter to Repairer)
CL87	OT	(02-1996)	Reserve Change
CL90	OT		Claim Payment Transfer
CL91		(03-2003)	Advice of ICBC Subrogated Interest
CL93		(09-1994)	Deductible Waiver Letter to Insured
CL96	T	(10-2004)	Automobile Salvage Disposal Agreement/Salvage Release
CL96C		(06-2004)	Owner Buyback Agreement
CL98	P	(12-1998)	Salvage Invoice
CL113	P T	(02-2005)	Loss of Use – Rental Allowance
CL113B	P	(04-2001)	Loss of Use/Alternative Transportation Program/Rental Reimbursement
CL143	OT		Data Change and Close Claim
CL143B	P	(05-2000)	Claim File Transfer
CL143E	OT	(01-1993)	Claim Data Change – Exposure (form on CWMS)
CL144	P	(05-2004)	Salvage/Subro Recovery Reversal

CLAIM NUMBER	YEAR OF LOSS	CLAIM NUMBER	YEAR OF LOSS
09030081	1974	09030173	1983
09030092	1975	09030184	1984
09030103	1976	09030195	1985
09030114	1977	09030206	1986
09030125	1978	09030217	1987
09030136	1979	09030228	1988
09030140	1980	09030239	1989
09030151	1981	09030243	1990
09030162	1982	09030254	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

- determine the number of the bulk file that corresponds to the year of loss for the original claim.
- 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

- 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 65th 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:

$\text{Shortfall} = \text{TTD entitlement at age 65 (prior to any CPP deduction)} - \text{CPP (new amount at age 65)} - \text{OAS and/or GIS (at age 65)}$

- 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.

2. 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.

- c). Calculate new reserve (see Reserving for TTD past age 65).
 - d). Post new reserve (see Reserving for TTD past age 65).
 - e). Update CCUS for the exposure on the bulk file (see Reserving for TTD past age 65).
 - f). Complete a CL288B to set up TTD payments for the rest of the calendar year.
3. 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.

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" for the purposes of total disability benefits.

Vasquez v. Co-Operators General Insurance Co., Ont. C.A., Arnup 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.

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