



# **WSIB Alternative Solution for Owner Operators**

## **Recommended Minimum Standard of Coverage**

If an Owner/Operator is injured in a motor vehicle accident, one of the first documents that the primary insurance adjusters will ask for is a copy of their WSIB Alternative Policy. They will need to review the policy for the terms, definitions, and exclusions to determine if they need to place any reserves against the Statutory Accident Benefits (SAB's) of the captive or primary insurance policy. Too often, fleets don't find out until it's too late that the program(s) that they have accepted has limitations that leave the OO, fleet, and primary insurer fully exposed. To prevent unexpected problems that could affect the future cost of insurance, we've made a checklist that covers the main points to consider.

### **ACCIDENT DISABILITY COVERAGE**

- 1st day accident disability - no waiting or elimination period
- \$2,000/month benefit should be paid based on gross earnings - not net
- "Own Occupation" Definition of at least 2 years
- Benefit Term of at least 5 years
- Strains/sprains limitation - 60 days per injury (the longer the better)
- \$100,000 Accidental Death and Dismemberment
- \$100,000 Permanent & Total Disability
- \$125,000+ of Accident Medical (with no deductible or co-pay for Physio/Chiro/Massage, etc.)
- Benefits for Rehabilitation, Retraining, Funeral Expense, Spousal Education Benefit, Dependent Education Benefit, Home and Vehicle Modification Benefit, Repatriation, Etc.
- Benefit for Post Traumatic Stress Disorder in the event of a serious MVA.

**ONTARIO** - 10687A Completed and Returned to WSIB - Remember to obtain a copy of the O/O's Independent Status letter for their file. Note- Only O/O's that have received "independent status" from WSIB, have the option of opting out. Drivers and Contract Drivers require WSIB, paid by the principal, regardless of the contract they have with the fleet.

### **EMERGENCY TRAVEL MEDICAL (Out of Province/Country) if required:**

- \$5,000,000
- Direct Claims Settlement
- Covered on/off the job.
- Covered while driving a commercial vehicle.
- Must be first payor - not directing MVA injury claims to the primary insurer or captive (SAB's).
- Must cover stable pre-existing conditions (several programs require the O/O to be stable for at least 90-180 days)

It's important for fleets to take a close look at how they do things now and compare it to the WSIB Alternative solutions they've agreed on with their independent O/O's, using the checklist above. We suggest setting up a system where the insurance premium is paid through the OO's settlement. This makes sure the policy stays active because the premium is forwarded to the insurer by the fleet. And when it comes to getting insurance advice, make sure you talk to a broker that specializes in WSIB Alternative Insurance programs. Also, don't forget to check their references to make sure they're reliable.