

Accident Benefits Changes – Effective July 1st, 2026

Overview

Important changes to Ontario auto insurance take effect on **July 1st, 2026**, and they will affect **all auto insurance policies**. As part of a provincial reform, the structure of accident benefits coverage is changing to offer more flexibility and customization.

Under the new framework, some accident benefits that were previously included in every policy will become optional. This means policyholders will have greater choice in determining which benefits best align with their needs. Alongside these changes, there are also updates to **who is eligible to claim certain benefits** and **how accident benefits are paid following a claim**.

These changes may impact the level of protection available to you, your family members, passengers, or drivers listed on your policy. It is important to understand how your current coverage works and whether adjustments should be made to ensure you remain adequately protected.

Please read on to learn what these changes mean for you. If you have any questions or would like to review your coverage options, **contact your licensed agent or broker**.

Why Are These Changes Happening?

The reform to Accident Benefits is intended to:

- Provide a **more customized approach** to coverage
- Allow consumers to **choose which optional benefits best fit their needs**

What Is Changing?

The reform impacts:

- Which accident benefits are **standard vs. optional**
- Who is **eligible to claim benefits** under your policy

Waterford Office:

780 Old Hwy 24, PO Box 1030, Waterford, ON N0E 1Y0

☎ 888-302-6052

Kilworth Office:

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Who Is Covered Under Your Policy

As of July 1st, 2026, **only the following individuals will be eligible to claim benefits beyond the standard medical, rehabilitation, and attendant care coverage:**

- Named Insured
- Spouse
- Dependants
- Listed drivers

What this means for passengers:

Passengers who do not fall into one of the categories above will not be able to claim optional benefits under your policy. Instead:

- They must claim through their **own auto policy**, if applicable, or
- If no policy exists, **only standard benefits apply**

How Benefits Are Paid (Primary vs. Secondary)

Before July 1st, 2026:

- Accident benefits are considered **secondary coverage**
- You must first use **any workplace or private benefit plans** before accessing auto insurance benefits

As of July 1st, 2026:

- Your **auto policy becomes the primary payer in most instances**

Important exceptions:

- **Prescription drugs:** Workplace or private benefits remain primary
- **Income replacement benefits:** Act as a **top-up** after other coverage sources

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Accident Benefits Coverage Options (Effective July 1st, 2026)

This table outlines accident benefits, explains what each benefit covers, and highlights which will become **optional** after July 1st, 2026.

Coverage	What is it for?	After July 1 st , 2026
Medical, Rehabilitation & Attendant Care	Medical expenses, therapy, and personal care related to accident injuries, including doctor visits and physiotherapy	Mandatory – included in all Ontario auto insurance policies
Income Replacement	Provides income replacement if a covered person is injured in an accident and unable to work	Optional – excluded if not selected
Caregiver	Covers caregiving costs if a covered person can no longer provide care for a household member, such as a child or aging parent	Optional – excluded if not selected
Non-Earner	Provides financial support to a covered person who is a student or unemployed and cannot carry on with a normal life	Optional – excluded if not selected
Lost Educational Expenses	Reimburses eligible education expenses if a covered person is unable to attend an education program due to an auto accident (e.g. college, university, or other schooling)	Optional – excluded if not selected
Visitor Expenses	May cover reasonable and necessary travel and lodging costs for visitors (such as parents or siblings) who visit a covered person while they are receiving treatment or recovering from auto accident-related injuries	Optional – excluded if not selected
Housekeeping & Home Maintenance	Helps cover housekeeping and home maintenance costs if a covered person is unable to perform these tasks due to an auto accident	Optional – excluded if not selected
Damage to Personal Items	Covers the cost of repairing or replacing personal items like clothing, prescription glasses or hearing aids that were damaged in an auto accident	Optional – excluded if not selected
Death	May compensate certain family members if a covered person is killed as a result of an auto accident	Optional – excluded if not selected
Funeral	May compensate for some funeral expenses if a covered person is killed as a result of an auto accident	Optional – excluded if not selected
Indexation	Adjust annually according to the Consumer Price Index of Canada	Optional – excluded if not selected

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What Happens If You Do Nothing?

If you make **no changes**:

- Your **existing optional coverage remains in place**
- Coverage limits stay the same
- Only **who is covered** and **how benefits are paid** will change

To add, remove, or adjust optional coverage, you must:

- Speak with your **licensed agent or broker**
- Confirm **changes in writing**

Key Takeaways

- Accident benefits coverage choices apply at the **policy level** and affect everyone insured under the policy
- Consider the needs of **all household members or business drivers**
- Review workplace or private benefits when deciding which optional coverages to keep
- These changes may increase the likelihood of **tort claims**, making it important to review liability limits

Questions to Ask Yourself

1. **If you found yourself unable to work because of an accident**, where would your income come from?
2. **Are you the primary caregiver for a dependent**, such as a child, an elderly parent, or a person with a disability?
3. **If you were unable to carry on with a normal life**, what costs would you be unable to recover?
4. **If you became impaired as a result of an accident**, would you need to hire help for housekeeping, snow shoveling, or yard work?

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