MORE CHOICE, MORE CONTROL: ONTARIO’S AUTO INSURANCE REFORMS PUT YOU IN THE DRIVER’S SEAT

Starting July 1, 2026, Ontario is making auto insurance more flexible. Some accident benefits that were previously included in every auto insurance policy will become optional, giving you more choice to select coverage that fits your needs.

What are Statutory Accident Benefits?

Statutory Accident Benefits (SABs) can provide financial support if you are injured in a car accident. These benefits can be available regardless of who caused the accident and can cover things like medical treatment, rehabilitation and income if you can’t work because of your injuries.

What’s staying the same?

Standard medical, rehabilitation and attendant care benefits will continue to be included in all auto insurance policies. These benefits help cover essential recovery support after an accident.

You still have the option to purchase additional or increased benefits and coverages, such as supplementary medical, rehabilitation and attendant care, dependant care and indexation benefits.

What’s becoming optional?

The following auto insurance accident benefits will become optional:

- **Income replacement**: Helps replace income you or another covered person may lose because of an auto accident.
- **Non-earner**: If you or another covered person is a student or unemployed and an auto accident keeps you from leading a normal life, this benefit can provide financial support while you recover.

- **Caregiver benefits:** Helps cover caregiving expenses if you or another covered person is injured in an auto accident and can no longer provide care for a household member, such as a child or aging parent, who needs it.

- **Lost educational expenses:** If an auto accident keeps you or another covered person from attending school or an education program, this benefit can help cover the costs you have lost.

- **Expenses of visitors**: Helps cover reasonable and necessary expenses of visitors, such as a sibling or parents, if you or another covered person is injured in an auto accident.

- **Housekeeping and home maintenance:** Helps cover costs if you or another covered person is unable to perform the housekeeping and home maintenance tasks normally done before an auto accident.

- **Damage to personal items**: Helps cover the cost to repair or replace personal items (e.g., clothing, prescription eyewear, hearing aids, etc.) damaged in an auto accident.

- **Death benefits:** Compensates some family members if you or another covered person die due to an auto accident.

- **Funeral benefits**: Helps cover some funeral costs if you or another covered person die due to an auto accident.

Who is covered under Statutory Accident Benefits (SABS)?

Starting July 1, 2026, the newly optional benefits under your auto policy will only apply to:

- The named insured

- The spouse of the named insured

- Dependants of the named insured and of the named insured’s spouse

- Persons specified in the policy as drivers of the automobile

This means that some people, such as pedestrians, cyclists, and certain passengers who may have been covered in the past may no longer be eligible for accident benefits.

What this means for you

If you’re an existing customer

Your policy will renew automatically with your current coverage and limits, unless you agree with your insurer in writing to decline the benefits or to make changes to them. However, who is covered under your policy for newly optional benefits will change on July 1, 2026, regardless of renewal effective date, as described in the list above. You can review and update your coverage based on your needs. Before making changes, check if your personal or work benefits already provide similar coverage.

If you’re a new customer

Customers who are purchasing or renewing a policy on or after July 1, 2026, can choose which optional accident benefits they would like to purchase. Ask your insurer, agent, or broker which benefits are included in your quote. You may want to add optional benefits to your policy based on your needs.

Speak to your insurance broker to learn more about how this change impacts you or your employees.

What steps should I take?

Review your current coverage (if you are an existing customer)

- Know what benefits you already have today through your auto insurance policy

Review your workplace or private benefits plan

- Avoid duplication, you may already have coverage through your workplace, private benefits plan, or life and health insurance providers.

Think about your needs

- Consider which coverage is right for you

Speak to your insurance broker

- They can help explain your options

Make informed decisions; choose the benefits that best fit your needs.

Quick links

Statutory Accident Benefits Legislation

OAP-1

Need help?

Please contact your insurance broker.

Disclaimer

The descriptions of the statutory accident benefits in this document is a summary of the statutory accident benefits in Ontario Regulation 34/10 (the "SABS"). Do not rely on this summary alone. For full details, refer to the SABS or speak with your