

October 13, 2004

New process designed to assist motorists who dispute their automobile insurance premiums

Government's new reforms are now law

Edmonton... A three-step dispute resolution process will help smooth the ride for Alberta drivers who may have concerns with their automobile insurance premiums for basic coverage under the province's new system. The mechanism is designed to help consumers who believe their premium is being incorrectly calculated, been refused coverage, or had their policy cancelled as outlined in legislation.

"The reforms we are putting in place are simpler and transparent but in any new system some Alberta motorists could hit potential bumps or roadblocks," says Finance Minister Patricia Nelson. "We want to make sure Albertans have access to a fair, no cost system to resolve their issues."

The dispute process is as follows:

1. Talk to your broker or agent first. If you aren't satisfied, file a complaint with your insurer. A complaint liaison officer will review your case and issue a letter stating the company's final position. The name and phone number of the liaison officer for your company is listed at: www.autoinsurance.gov.ab.ca
2. If you are unsatisfied with the company's final position, ask the General Insurance OmbudService (GIO) to look into the matter by calling toll free at 1-888-421-4212. The Information Officers at GIO will help resolve your complaint or assign an independent mediator. If you cannot solve the problem, the mediator will prepare a report suggest non-binding recommendations.
3. Apply to the Automobile Insurance Dispute Resolution Committee at 780-427-8322 or call Service Alberta toll free at 310-4455 and ask for the Office of the Superintendent of Insurance. The committee will review the case and attempt to resolve the dispute. If resolution is still not possible, it will either recommend no further action be taken or refer the issue to an arbitrator. The arbitrator's decision will be binding.

The GIO is a national not-for-profit corporation that was officially launched in July 2002. It offers non-binding dispute resolution services across Canada to policyholders of its member companies. GIO is an independent organization that assists customers of home, car and business insurance and their insurance companies to resolve differences in a fair, independent and impartial environment.

Lea Algar, Chair of the GIO says "GIO is proud to provide this additional service to Alberta consumers that will assist in resolving disputes in accordance with the new automobile insurance reform legislation."

The Automobile Insurance Dispute Resolution Committee consists of three individuals who applied through a public competition and have been appointed by the Minister.

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For media inquiries, please contact:

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Dial 310-0000 for toll free access outside Edmonton.

This news release is available on the Alberta Finance homepage at www.finance.gov.ab.ca, or at www.autoinsurance.gov.ab.ca or at a link at www.gio-scad.org

Background

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What is the Consumer Dispute Resolution Process?

A new three-level process will be established to resolve consumer concerns with their automobile insurance premiums for basic coverage. The mechanism is designed to help consumers who believe their premium is being incorrectly calculated, they have been refused coverage, or had their policy cancelled as outlined in legislation.

What is the General Insurance OmbudService

The General Insurance OmbudService (GIO) assists in resolving disputes between consumers and private insurance companies across Canada. When disputes arise, GIO's experienced Information Officers and professional mediators from the Alternative Dispute Resolution Institute of Canada, and in Québec, from le Barreau du Québec help customers and insurance companies work toward a solution that is in the best interest of all parties in a fair, independent and impartial environment.

How is the GIO governance structured?

GIO is governed by a seven member Board of Directors that includes a majority of five independent directors who are not affiliated with the property and casualty insurance industry. The remaining two directors represent the insurance industry. You will find more information on the members at www.gio-scad.org/cgi-bin/bod.cgi

What does GIO cost?

There is no cost to the consumer for a 90-minute session with the mediator. However, the consumer must pay his or her own expenses, such as transportation, to attend the mediation. GIO makes every effort to arrange local mediation.

Who can access GIO?

If you have insured a home, car or business and have a problem, or dispute with your insurance company, or you are concerned about the calculation of your automobile insurance premium, you may use GIO services.

How can I contact GIO?

You can contact GIO toll-free at 1-888-421-4212. Insurance complaints can also be submitted on-line

through the GIO web site at www.gio-scad.org.

Backgrounder

What is the Automobile Insurance Dispute Resolution Committee?

The committee will review the GIO mediation report, written submissions by the parties involved, and attempt to resolve the dispute by informal facilitation. If the dispute isn't resolved the committee will either recommend no further action be taken or refer the issue to an arbitrator. The arbitrator's decision will be binding.

How is this committee structured?

The committee consists of three individuals who applied through a public competition and have been appointed by the Minister.

How much does it cost to have a dispute reviewed by the Committee?

There is no cost to the consumer.

Where is the Committee and how can I contact it?

You can apply to the Committee by calling 780-427-8322 or call Service Alberta toll-free at 310-4455 and ask for the Office of the Superintendent of Insurance.

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