

## FAQS

### **Enhanced Care**

#### **Who is covered under Enhanced Care?**

All British Columbians injured in a motor vehicle crash will have access to Enhanced Care coverage, regardless of fault.

#### **I have heard the term “no-fault” in reference to Enhanced Care; what does that mean?**

“No-fault” refers to access to accident benefits after a crash, regardless of who was responsible for the crash. Under Enhanced Care, drivers still see an impact to their Individual Driver Factor and insurance premiums if they are at-fault for a crash.

#### **What kind of savings can customers expect to see?**

Customers can expect to save approximately 20%, on average, on their full ICBC coverage (Basic and Optional)

#### **Will customers see a change in the way their vehicle is covered or repaired under Basic Vehicle Damage coverage?**

Most customers won't notice any change in how their vehicle is covered and making a claim under Basic Vehicle Damage Coverage won't impact a customer's insurance premiums.

### **BVDC**

#### **What is Basic Vehicle Damage coverage?**

As a result of the move to first party coverage, Basic Vehicle Damage coverage represents a change in the way your vehicle repair costs are paid for when you're not responsible for a crash. It works like this: if you're driving in BC and another driver crashes into your vehicle, your own Basic Vehicle Damage Coverage covers the costs of your vehicle damage (up to the extent that you are not responsible for the crash). Basic Vehicle Damage coverage is a component of the mandatory Basic Autoplan insurance, and so all ICBC insured vehicles have this new coverage. You likely won't notice any change when you make a vehicle damage claim. You can rest assured knowing that when you're not responsible for a crash, your BVDC covers you for up to \$200,000 and your insurance premiums won't be impacted.

#### **What does Basic Vehicle Damage coverage cover and not cover?**

BVDC covers repairs to your own vehicle to the extent you are not responsible. If you are not responsible for the crash, the claim will not impact your insurances rates.

Basic Vehicle Damage coverage provides the following:

- Repairs or replacement for your vehicle up to \$200,000 (to the degree you are not responsible)
- Loss of use coverage in addition to the \$200,000 limit
  - All reasonable costs to rent a replacement vehicle will be covered
- Reasonable towing and storage expenses incurred will be covered
- Repairs or replacement for your replacement courtesy vehicle up to \$200,000 (to the degree you are not responsible)

Situations in which Basic Vehicle Damage coverage would not apply:

- a crash that doesn't involve another vehicle;
- a crash occurring outside of BC (other jurisdictions laws apply);
- a crash involving an unidentified motorist (i.e. hit and run);
- or if you are responsible in the crash (which would still be covered under collision coverage).

#### **How is Basic Vehicle Damage coverage applied to content and cargo damaged in a crash?**

BVDC does not provide coverage for content (e.g. laptop) or cargo damaged in a crash. Damage to content and/or cargo can be claimed by the not-at-fault party against the at-fault party's TPL coverage. The limitation on lawsuit for vehicle damage does not apply to content and/or cargo.

#### **What if I have a vehicle with a declared value over \$200,000 and I don't carry collision coverage?**

Basic Vehicle Damage coverage covers any damage to your vehicle up to \$200,000. Any cost of repair above that would be the responsibility of the policy holder if you don't buy collision coverage to respond to damages above \$200,000.

#### **How does co-insurance work with Basic Vehicle Damage coverage?**

Co-insurance does not apply to losses involving declared value vehicles, when the customer is not responsible and is accessing their Basic Vehicle Damage coverage.

#### Are there any vehicles that are not eligible for collision coverage?

Examples of vehicles that will only be covered up to \$200k and are not eligible for collision coverage include mobile cranes, logging machinery and crawlers. Please work with your broker on the best policy that will work for your specific needs. There is no change to vehicles excluded from our Collision coverage.

#### Are courtesy vehicles covered under Basic Vehicle Damage coverage?

Basic Vehicle Damage coverage is a component of the mandatory Basic Autoplan starting May 1<sup>st</sup> 2021. All vehicles licenced and insured with an ICBC certificate, including rental vehicles, in the province of British Columbia will carry Basic Vehicle Damage coverage

#### Does Basic Vehicle Damage coverage apply to Temporary Substitute Motor Vehicles (TSMV)?

Basic Vehicle Damage coverage extends to BC licensed and insured TSMVs if the courtesy vehicle provided to the customer is licensed and insured with an ICBC certificate, the courtesy vehicle's Basic BVDC coverage will respond to the vehicle damage to the extent the driver at the time of the crash is not at-fault. Like today, vehicle damage to the courtesy vehicle caused by the customer will be covered under the customer's Collision coverage.

Please note that out-of-province plated vehicles do not carry ICBC Basic insurance. However, OOP insurers are required to provide coverage equivalent to BVDC that will pay for loss or damage to the OOP-insured TSMV if it is involved in a crash in BC to which BVDC would respond. We continue to recommend that service providers renting or lending TSMVs (BC or OOP) to customers ensure the customer has optional Collision / Comprehensive coverage to cover damages to the vehicle in the event of any kind of collision or comprehensive loss, for their own protection and to avoid potential delays in dealing with claims.

## Depreciation

### Depreciation Overview

Under Enhanced Care Basic Vehicle Damage coverage (BVDC) will not include or absorb the costs associated with depreciation. Due to the lawsuit ban customers will no longer claim for betterment under third party liability coverage, and so depreciation is applied to non-responsible customers under Enhanced Care.

- ICBC applies depreciation equally to both responsible and non-responsible customers.
- As a result of the lawsuit ban, betterment may not be claimed in tort.
- Betterment may still be considered on third party claims that occur in a tort-based OOP jurisdiction.

This application of depreciation ensures that the customer contributes to the repair or replacement cost of damaged or worn parts and does not put the customer in a better position than they were before the crash.

### Accelerated Depreciation Overview

Accelerated depreciation is a claim for a decrease in the value of your vehicle due to an accident, even though the vehicle was fully repaired. ICBC does not pay for this loss under own damage coverage. Due to the lawsuit ban ICBC will not pay for accelerated depreciation under any circumstances for accidents within BC.

- Similar to collision coverage, Basic Vehicle Damage coverage (BVDC) does not pay for accelerated depreciation.
- Customers will not be able to sue for accelerated depreciation for crashes in BC.
- Accelerated depreciation may be considered as part of a claim outside of BC where the lawsuit ban does not apply.