Beneva gains balance with Gore merger

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Beneva posted p&c insurance revenue of $2.3bn in 2023. It also provides group benefits, life insurance and financial services.

Beneva president and CEO Jean-François Chalifoux told *Thompson's* that the move will accelerate the company's growth.

"We're much concentrated in the province of Quebec right now," he said.

"We have a presence in Ontario, Atlantic Canada, and Western Canada, both in p&c and life and health. But for us, it's about increasing the footprint and becoming more diversified."

Mr. Chalifoux said the merger will give Beneva a better balance of coverage offerings between p&c and life and health.

"We're a one-stop shop of insurance, but by welcoming Gore to the Beneva family we will better balance the two types of solutions.

"And we also think that it's pretty much a similar story for Gore Mutual. It becomes more diversified and has a larger or broader geographical footprint."

He said the merger provides Gore Mutual the same edge by increasing its life and health offerings and expanding its reach.

Gore's Mr. Taylor said the company has "completely reinvented" its business over the past five years through its 'Next Horizon' transformation plan.

It doubled the size of its workforce and opened an office in Toronto but it still remains a mid-sized regional carrier.

"In Beneva, we found the ideal partner," Mr. Taylor said.

"Beneva was looking to expand outside Quebec and establish a national presence, while we are not currently operating in Quebec.

"Additionally, both of our organizations share a modern approach to the business and a vision for providing a strong alternative in the market with high-performing mutuals that can compete head-to-head with the largest companies in the industry."

When the deal is finalizes, the merged entity will have 6,100 employees, 3.8 million members and customers, close to $8bn worth of total premium and $27bn in assets.

Beneva will become the seventh-largest insurer in Canada by total premium. It would be the 10th-largest p&c insurer in Canada and the third-largest p&c insurer in Quebec.

Most Ontario, Alberta drivers trust insurers

DESPITE rising insurance rates in 2024, Ontario and Alberta's consumer trust in auto insurance providers remained strong.

The two largest provinces with private auto insurance markets experienced premium hikes of approximately 13% and 12%, respectively.

Despite these pressures, customer satisfaction with auto insurers improved, with 82% of respondents reporting overall satisfaction — up two percentage points from the previous year, according to the Ratesdotca's annual *Best Auto Insurance Study*.

"Last year was a very tough year for auto insurers and the consumers they serve," Ratesdotca CEO Igal Mayer said.

"Inflationary pricing, increasing repair costs and auto theft are all pushing claims costs higher, meaning higher premium prices for many consumers that are already being squeezed by the rising cost of living. On balance, the auto insurance industry is doing a good job of maintaining strong relationships with customers during very difficult times."

Trust remained a cornerstone of satisfaction, with 76% of respondents viewing their insurer as trustworthy, contributing to an overall satisfaction rate of 82% despite rising premiums.

Communication preferences also played a significant role, as customers who interacted with insurers via their preferred channels — particularly through live communication — reported higher satisfaction levels.

Older customers consistently assigned higher ratings in claims resolution, payment communications and value for money.

However, digital engagement remains low, with only 3% of claimants receiving updates via apps and 2% through secure websites, signalling a lag compared to other markets.

Customers with usage-based policies reported an 89% satisfaction rate compared to 81% for those without. But only 28% of the respondents without UBI said they would consider it for their next policy.

Institute offering annual bursaries

THE INSURANCE Institute of Canada and the CIP Society have launched the application process for the annual national Rhind Bursary Program.

The program provides two bursaries to eligible students not receiving educational financial support from their employers.

The bursaries cover tuition, textbooks and exams for one course as part of an Insurance Institute designation or certificate program.

The application deadline is May 31.

The program was established during the Insurance Institute's 100th anniversary to honour J.C. Rhind, a former president and CEO of the Insurance Institute of Canada.

To qualify for the Rhind Bursary, applicants must be Canadian citizens or permanent residents and fall into one of three categories:

- Designation students: CIP graduates pursuing FCIP, ACIP, or CMGA designations without employer financial support;
- Certificate students: CIP graduates working toward certificates in risk management, commercial insurance, or MGA without employer financial support, or
- Dependants: Dependants of CIP Society members pursuing the CIP designation, subject to bursary availability and without employer financial support.

Application details and information about other financial support is available on the Insurance Institute website.

"It is a pleasure to award the Rhind Bursaries to assist in the development of deserving students of the industry," institute CEO Peter Hohman said. "It's a bridge between the institute's past, present and future."

FSRA further tightens accident billing

THE FINANCIAL Services Regulatory Authority of Ontario has released its third Health Service Provider Supervision Plan, which the regulator says will strengthen compliance in Ontario's auto insurance sector by ensuring health service providers bill insurers accurately, safeguard benefit dollars and promote fair outcomes for motor vehicle accident victims.

The plan is part of the FSRA's 2024-2026 efforts to foster greater compliance in the sector, ensuring health services providers bill auto insurers appropriately for benefits claimed under the Statutory Accident Benefits Schedule (a regulation under Ontario's Insurance Act).

The FSRA allows licensed health service providers to receive direct payments from auto insurers for the health and rehabilitation expenses of Ontarians injured in car accidents. The regulator said this direct billing system reduces the need for consumers to pay upfront and wait for reimbursement.

Policies, procedures and best practice standards are in place to prevent the submission of false or misleading information to insurers and to reduce the risk of billing errors or fraud.

"This new supervision plan for 2024-2026 targets specific areas to support a fair, transparent and compliant health service provider sector," said Huston Loke, FSRA executive VP of market conduct.

The regulator is also reducing fraud and billing inconsistencies while protecting consumer rights by reviewing high-billing providers who have not been inspected before, evaluating the management of preferred provider network agreements by insurers and providers, and identifying and addressing unauthorized activities by practitioners within the HCAI system.

Over the past two fiscal years, the FSRA carried out three supervision initiatives and found significant non-compliance among health service providers. This issue persisted despite efforts to raise awareness about their regulatory responsibilities.