



Sutherland
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CLIENT BULLETIN • ONTARIO AUTO INSURANCE

Important Changes Are Coming to Your Auto Insurance

Understanding Ontario's 2026 Accident Benefits reforms — what changes, and when

Ontario is making the most significant changes to auto insurance accident benefits in years. Beginning **July 1, 2026**, several benefits that have always been built into every policy are becoming **optional** — meaning you will choose whether to keep them, and at what level. Nothing about your current coverage changes without your say-so, but it is important to understand what is shifting so you can make the right decision for you and your family when the time comes.

There are **two dates** to keep in mind. The first is **July 1, 2026**, when certain rules change for every Ontario driver at the same time. The second is **your policy's renewal date**, when your own coverage formally moves to the new structure. Here is what each one means for you.

JULY 1, 2026

Applies to everyone

Some rules change for all Ontario drivers at once — even if your policy doesn't renew for months.

YOUR RENEWAL DATE

Applies to your policy

On your first renewal on or after July 1, your coverage formally moves to the new optional structure.

At a Glance: Standard vs. Optional Benefits

The table below shows every accident benefit category, what it looks like **today**, and what it becomes under the 2026 reforms. **Green** means standard (automatically included); **orange** means optional (your choice).

Benefit Category	Before July 1, 2026	After July 1, 2026
Medical, Rehabilitation & Attendant Care	Standard \$65k non-cat / \$1M cat	Standard Limits remain the same
Income Replacement	Standard \$400 / week	Optional Chosen amount
Non-Earner Benefits	Standard \$185 / week	Optional Chosen amount
Caregiver Benefits	Standard Catastrophic only	Optional All impairments
Housekeeping & Home Maintenance	Standard Catastrophic only	Optional All impairments
Lost Educational Expenses	Standard Up to \$15k	Optional Chosen amount
Expenses of Visitors	Standard No limit	Optional Chosen amount
Damage to Personal Items	Standard No limit	Optional Chosen amount
Death Benefits	Standard Fixed amounts	Optional Chosen amount
Funeral Benefits	Standard \$6,000	Optional Chosen amount
Supplementary Med, Rehab & Attendant Care	Optional	Optional Remains available
Dependant Care	Optional	Optional Remains available
Indexation	Optional	Optional Remains available

“non-cat / cat” = non-catastrophic / catastrophic injury limits. The final three categories were already optional and remain available to add. Dollar figures are standard limits and can vary by policy.

What this means in plain terms: your core medical, rehabilitation, and attendant care coverage stays mandatory with the same limits. Most other benefits move to “optional” — they don’t disappear, but you will now actively choose to keep them and at what level. The benefits that were already optional simply stay that way.

Effective Immediately for Everyone

Applies to all Ontario auto policies on July 1, 2026 — even if your policy does not renew until later.

Narrowed scope of coverage

The nine newly optional benefits (such as income replacement) now apply **only to**: the named insured, their spouse, dependants of either of them, and any drivers specifically listed on the policy.

Third-party exclusion

Uninsured pedestrians, cyclists, or passengers who are not “covered persons” on a policy will only receive the standard mandatory benefits — not these optional ones.

First-payor status

For medical and rehab expenses (excluding medication), your auto insurance becomes the **primary payer**, regardless of renewal date — which may affect how it coordinates with workplace or other health benefits.

Ability to make mid-term changes

You don't have to wait for renewal. On or after July 1, you can opt out of benefits or add new ones at any time.

Effective on Your Renewal Date

Transition rules that apply when your policy reaches its first renewal on or after July 1, 2026.

Deemed optional status

Benefits that were previously standard are officially “deemed” optional benefits as of your renewal.

Automatic carryover

So you are not left unprotected, your policy **automatically renews with the same coverage levels and limits** you had before the reform.

Written agreement required

Your limits change only if you **agree in writing** to decline benefits or modify amounts. Nothing is taken away unless you choose to change it.

Not sure how this affects your policy? Let's talk.

Your Sutherland Insurance broker can walk you through your options before your renewal and make sure your coverage still fits your life — no obligation, just clear advice.

Call us: 519-822-0160 • 24/7 Virtual Assistant: 226-771-9224

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