

Driving in the United States

Your Ontario automobile insurance policy covers you in not only Ontario, but elsewhere in Canada and in the USA as well.

In order to understand how this works, let's first examine how your insurance policy applies in Ontario.

Ontario accidents – injuries

If you're injured in a car accident, compensation for injuries may be claimed from your own insurance company, regardless of fault, from a pre-determined set of no-fault benefits.

In addition, should your injuries be severe enough to have met or exceeded a certain level of seriousness known as the "threshold," it may be possible to seek further compensation by suing the at-fault driver or owner for pain and suffering. In most cases, such claims would involve two different insurance companies – one for the Accident Benefits claim and another for the lawsuit. In some cases, however, both the Accident Benefits claim and the lawsuit could be payable by the same insurance company.

Ontario accidents – vehicle damage

To the extent you're at fault in an accident, your claim for damage to your car would fall under your own optional Collision or All Perils coverage.

To the extent you are not at fault, your vehicle damage would be claimed under:

- your Direct Compensation - Property Damage, provided the at-fault driver is insured by an insurance company "licensed to transact business in Ontario" (Direct Compensation claims will not result in an increase in premiums, provided you are not at fault at all, and your coverage automatically provides a rental vehicle and protection for damage to non-vehicle equipment);
- your Uninsured Automobile coverage, if the driver and owner of the at-fault vehicle are identified, but uninsured; or
- your own optional Collision or All Perils coverage if the "at-fault" vehicle cannot be identified.

US accidents – injuries

Your Accident Benefits coverages are portable throughout Canada and the USA. The restriction of being able to launch a lawsuit only if injuries exceed the threshold does not apply to accidents outside Ontario. The law that applies is the law of the jurisdiction where the accident occurred.

US accidents – vehicle damage

Damage claims in the USA are handled the same way as they are in Ontario, except the Direct Compensation system described above does not apply outside Ontario. Vehicle damage caused by an insured at-fault driver is paid by the insurance company insuring the at-fault vehicle, not by your own insurance company.

Determining fault

For accidents taking place in Ontario, fault is determined by a set of rules called the Fault Determination Rules. These rules are generally not affected by traffic charges nor by subsequent convictions nor dismissal of the charges.