

***Agenda Item 5(g)(ii)(1)
September 22/20 EOC Meeting***

English Translation of Original CLHIA/ACCCAP Letter in French (see below) sent August 20/20 via email to Members of the Quebec National Assembly Committee on Citizen Relations

Sent by e-mail to: crc@assnat.qc.ca

Subject: Compensation for Quebec consumers when their trip is canceled due to COVID-19

To the members of the Committee on Citizen Relations:

I am writing to you regarding compensation for Quebecers who have seen their trip canceled due to COVID-19, a topic that members of the Commission are rightly interested in.

About ACCAP

ACCAP is an open membership association with member companies holding 99% of the business of life and health insurance policies in-force in Canada. The life and health insurance industry plays an important economic and social role in Quebec. It protects around 7.4 million residents of the province. It pays them more than \$20 billion in benefits per year: 90% of this amount is paid to insureds during their lifetimes (in the form of annuities, disability benefits, supplementary health insurance benefits, etc.) and the remaining 10% is paid to beneficiaries, upon the death of the insureds.

In addition, our industry holds investments in Quebec amounting to nearly \$140 billion. The vast majority of life and health insurance providers in the Canadian market are Canadian companies authorized to carry out activities in Quebec and 15 of them have their head offices here.

Insurers are there for Quebecers

The extraordinary situation of COVID-19 has been a hardship for Quebecers in many respects and the life and health insurance industry has made every effort to support them. For example, we can cite measures put in place to ease the payment of premiums, relaxing rules making it easier to access disability insurance, and services related to mental health that were quickly put in place.

Quebeckers have seen their travel plans delayed or simply canceled due to the government's recommendation to avoid non-essential travel, the closure of borders, and related risks associated with COVID-19.

Fortunately, many Quebecers had trip cancellation insurance in place, whether it was taken out individually or through group insurance. In fact, life and health insurers doing business in Quebec have paid over \$50 million to date in trip cancellation insurance compensation due to COVID-19.

Life and health insurers are present and intend to remain so in these difficult times for Quebecers.

We understand that in certain circumstances, Quebecers face difficulties in obtaining reimbursements for services not rendered from certain suppliers of services: for example when an airline or travel agency decides to issue credits rather than offering a refund.

This unfortunate situation is, however, beyond the control of insurers. We encourage the government to discuss the consequences of this decision with these service providers in order to achieve a solution for consumers.

For more information on this subject, please do not hesitate to contact us.

We will be happy to discuss this situation with you and provide you with more information on the actions taken by our industry.

Please accept, Members of the Committee, my best regards.

Lyne Duhaime,
President, ACCAP Quebec