

Gouvernement du Québec

O.C. 1335-99, 1 December 1999

Automobile Insurance Act
(R.S.Q., c. A-25)

**Payment of income compensation entitlement
in a single amount**

Regulation respecting the payment of income compensation entitlement in a single amount

WHEREAS, under paragraph 34 of section 195 of the Automobile Insurance Act (R.S.Q., c. A-25), as enacted by paragraph 4 of section 38 of Chapter 22 of the Statutes of 1999, the Société de l'assurance automobile du Québec may, by regulation, prescribe rules, conditions and a method applicable to the computation of a single-payment indemnity paid under section 83.22 of that Act, as amended by section 22 of Chapter 22 of the Statutes of 1999;

WHEREAS the Société de l'assurance automobile du Québec adopted the Regulation respecting the payment of income compensation entitlement in a single amount;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), the draft Regulation respecting the payment of income compensation entitlement in a single amount was published in Part 2 of the *Gazette officielle du Québec* of 15 September 1999 with a notice that it could be approved by the Government upon the expiry of 45 days following that publication;

WHEREAS it is expedient to approve the Regulation with amendments;

IT IS ORDERED, therefore, upon the recommendation of the Minister of Transport:

THAT the Regulation respecting the payment of income compensation entitlement in a single amount, attached to this Order in Council, be approved.

MICHEL NOËL DE TILLY,
Clerk of the Conseil exécutif

**Regulation respecting the payment of
income compensation entitlement in a
single amount**

Automobile Insurance Act
(R.S.Q., c. A-25, s. 195, par. 34; 1999, c. 22, s. 38,
par. 4)

1. The conversion of an income replacement indemnity entitlement into a single payment by the Société de l'assurance automobile du Québec is subject to the following rules and terms:

(1) the victim's medical condition is stable: no improvement or deterioration that would affect the victim's fitness for work can be expected in the short or long term;

(2) the amount of income replacement indemnity payment is stable: there is no foreseeable reduction in the regular payment due to a disability benefit payable under a programme referred to in section 83.68 of Automobile Insurance Act;

(3) application of basic mortality rates used by the Régie des rentes du Québec for the actuarial valuation at 31 December 1994, which were determined from data on death rates for the years 1990 to 1992 supplied by the Institut de la statistique du Québec;

(4) adjustment of mortality rates with dynamic improvement factors used by the Régie des rentes du Québec for the actuarial valuation at 31 December 1994, by applying the following formula:

$$q_x(s, x, y) = q_x(s, x, d) \times \text{fac}_x(s, x)^{(y-d)}$$

where

s: sex, x: age, y: projection year, d: 1991

fac_x(s,x) = dynamic improvement factor by sex, age

(5) in order to reflect the specific experience of death rates for victims receiving an income replacement indemnity from the Société, application of the following correction factors, which vary with the level of anatomophysiological deficit (DAP), to mortality rates calculated above, using the formula:

$${}^{\text{dap}}q_x(s,x) = 1 - \exp(a \times \ln(1 - q_x(s,x)))$$

where

s: sex, x: age

a: correction factor according to DAP:

DAP of 0.00 % to 35 %: 1.046

DAP of 35.01 % to 75 %: 1.393

DAP of over 75 %: 2.113

DAP undetermined: 1.272

(6) application of a net interest rate for the first fifteen years after the date of the calculation corresponding to the most recently available real interest rate at the end of the month on Government of Canada bonds, as published by the Bank of Canada (reference no. B14081), adjusted as follows:

a) addition of 0.25 %;

b) conversion of the resulting nominal interest rate, which is compounded on a semi-annual basis, to the equivalent annual rate;

(7) as of the sixth year, application of an interest rate of 3.25 %.

2. This regulation comes into force on 1 January 2000.

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Gouvernement du Québec

O.C. 1336-99, 1 December 1999

Automobile Insurance Act
(R.S.Q., c. A-25)

Compensation under Chapter II of Title IV of the Act

Regulation respecting compensation under Chapter II of Title IV of the Automobile Insurance Act

WHEREAS under paragraph 36 of section 195 of the Automobile Insurance Act (R.S.Q., c. A-25), as enacted by paragraph 4 of section 38 of chapter 22 of the Statutes of 1999, the Société de l'assurance automobile du Québec may, by regulation, determine rules governing the application of Chapter II of Title IV of the Act as well as rules for the determination of the deductibles provided for in sections 145 and 148 of the Act as amended by sections 28 and 29 of chapter 22 of the

Statutes of 1999 and prescribe the reimbursement of other expenses to victims, the maximum amount that may be so reimbursed and the conditions for reimbursement;

WHEREAS the Société de l'assurance automobile du Québec adopted the Regulation respecting compensation under Chapter II of Title IV of the Automobile Insurance Act;

WHEREAS in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), the draft Regulation respecting compensation under Chapter II of Title IV of the Automobile Insurance Act was published in Part 2 of the *Gazette officielle du Québec* of 15 September 1999 with a notice that it could be approved by the Government upon the expiry of 45 days following that publication;

WHEREAS it is expedient to approve the Regulation with amendments;

IT IS ORDERED, therefore, upon the recommendation of the Minister of Transport:

THAT the Regulation respecting compensation under Chapter II of Title IV of the Automobile Insurance Act, attached to this Order in Council, be approved.

MICHEL NOËL DE TILLY
Clerk of the Conseil exécutif

Regulation respecting compensation under Chapter II of Title IV of the Automobile Insurance Act

Automobile Insurance Act
(R.S.Q., c. A-25, s. 195, par. 36; 1999, c. 22, s. 38, par. 4)

1. A person who submits a claim for compensation to the Société de l'assurance automobile du Québec must also submit the sworn statement prescribed by section 144 of the Automobile Insurance Act (R.S.Q., c. A-25), and in the case of a claim covered by section 148 of the Act, amended by section 29 of chapter 22 of the statutes of 1999, the police report on the accident or event.

2. For the purposes of implementing section 145, amended by section 28 of chapter 22 of the statutes of 1999, and section 148 of the Automobile Insurance Act, the deductible is the greater of the following:

(1) \$500;