

All about Deductibles

*"We'll
explain your
coverage
clearly"*

- **Your portion/
our portion**
- **Controlling costs
and premiums**
- **Reduced deductibles/
no deductibles**



**Manitoba
Public Insurance**

What is a deductible?

A deductible is the portion of your claim for which you are responsible. We're responsible for the amount over your deductible. You automatically get a \$500 deductible with most private passenger vehicles, unless you choose to purchase a lower deductible.

Here's an illustration showing how deductibles work. Let's assume that the total claim is \$2,000 and your deductible is \$500.

total claim \$2,000	
\$500	\$1,500
your portion	our portion

Let's take another example. Say your total claim for vehicle damage was \$350. In this case your whole claim falls within your \$500 portion. That means we can't pay for any of the damage from your own coverage—none of it falls into our portion. However, if another driver caused the collision, you can claim this damage from the other driver's insurance.

Why do I have a deductible?

Deductibles help us control Autopac premiums because they help control claim costs. If we eliminated deductibles, the public insurance fund would have to pay out much more in claims. And when claims go up, your Autopac premiums follow.

Do I have to pay the other person's deductible from my pocket if I caused the collision?

No. We pay the other person's deductible from your insurance. Your Autopac third party liability insurance pays claims made against you that you would otherwise have to pay yourself—up to the coverage limit you've chosen.

How does fault for the collision affect my deductible?

Your deductible applies on any claim you make for collision damage. But you can get all or part of it back, depending on the extent to which the other driver was at fault. For instance, if the other driver was 100% at fault, we'll refund all your deductible from the other driver's insurance. If the other driver was 50% at fault, we'll refund 50% of your deductible, and so on.

Remember though, this only applies when we insure both drivers.

Do I still get my deductible back if the at-fault driver doesn't have proper insurance coverage?

Usually, yes.

But remember, your deductible has to come from the other driver's insurance. This becomes a problem when the other Manitoba driver doesn't have valid insurance.

Regardless, we'll clear your deductible as long as three conditions are met:

- it has to be clear-cut that the other driver was fully at fault
- we have to know the other driver's name and address
- we have to explain to the other driver why we're settling your claim against him or her for out-of-pocket expenses. By law, we have to give the other driver a chance to dispute your claim in writing. That's because the other driver must pay us back what we've paid you.

Under these circumstances, it takes a little longer to clear your deductible than it normally would.

How Deductibles Work

Do I pay my deductible to Manitoba Public Insurance?

No. When your vehicle has damage over your deductible, you pay your deductible to the repair shop. Then, the repair shop bills us our portion, which is the amount over your deductible.

If the cost of your damage is the same as, or less than, your deductible, you pay the repair shop the exact amount of the repairs.

If your vehicle is a write-off, we subtract your deductible from your settlement.

Once we're sure the other driver was at fault and had proper Autopac coverage, we'll refund your deductible to you.

What happens if my claim is less than my deductible and you haven't assessed fault for the accident yet?

Your portion of the claim is any amount up to your deductible. That means you'd have to pay for the repairs yourself or wait until we clear up who was at fault. If we hold the other driver at fault, we'll pay for all your repairs. Remember though, this only applies when we insure the driver who's at fault.

I know I'm not at fault for damage from vandalism, hail, or hit and run. Why does my deductible apply when I had no control over the damage done to my vehicle?

Our portion of any claim you make is the amount over your deductible. Your portion is any amount up to your deductible. Those obligations stay the same even if you had no control over the damage.

The only time this may change is when you can identify someone else who caused your damage. Then, you can claim your out-of-pocket expenses, like your deductible, from the person at fault.

What happens to my deductible if my vehicle is vandalized and the responsible person is caught?

Your deductible still applies. However, we have a couple of options to try to recover it for you. First, we'll ask the criminal courts to order the responsible person to pay back the damage, including your deductible.

Another option open to us is suing the responsible person. But we have to make sure we'll likely win and that it won't cost too much to do it. It doesn't make much sense if we'll likely lose in court or if the cost of going to court is more than we'll get back.

Unfortunately, some people can't or won't pay us back, even when a court orders them to. Lawyers sometimes say these people are "judgement proof". However, until these people pay us back, we can stop them from registering a vehicle or getting a driver's licence.

What happens to my deductible when somebody from outside Manitoba caused the collision?

Your deductible applies. But we'll try to recover all your repair costs, including your deductible, from the other driver or the other driver's insurance company.

Here are some important points to remember. When we insure both motorists, we have much more control over the outcome. But with another insurance company involved, things can become more complicated because your deductible refund must come from them.

So, getting your deductible back really depends on the other insurance company's cooperation. You can be sure we'll do our best to represent you, but we can't guarantee you'll get your deductible back.

How does my deductible work when my stereo is stolen?

Under basic Autopac coverage, your permanently installed sound and electronic communications equipment, such as car stereos, cellular telephones and CB radios, is insured for up to a total of \$1,000. To determine the payout on your claim, we subtract the deductible from the actual cash value (replacement value minus depreciation plus the installation cost) of the unit. Here are two examples:

	Claim #1	Claim #2
Replacement Value*	\$1,250	\$2,500
Depreciation	-300	-750
Actual Cash Value	<u>\$950</u>	<u>\$1,750</u>
Deductible	-500	-500
Claim	<u>\$450</u>	<u>\$1,250</u>
Maximum Payout	\$450	\$1,000
(maximum limit applies)		
* Replacement value includes the installation cost.		

Your Autopac agent can tell you about purchasing optional Special Risk Extension coverage to insure your in-vehicle sound and electronic equipment to its full value.

Deductible Choices

Type of Claim	Basic	Pkg 1	Pkg 2	Pkg 3
Collision	\$500	\$300	\$200	\$100
Comprehensive	\$500	\$300	\$200	\$100
Theft of Vehicle*	\$500	\$300	Nil	Nil
Glass Replacement	\$500	\$300	\$200	\$100
Glass Repair	\$500	Nil	Nil	Nil
Animal Collision	\$500	Nil	Nil	Nil

* \$500 and \$300 deductibles reduce 50% on claims for stolen vehicles with an anti-theft device properly in use and defeated

When No Deductible Applies

If you have a \$300, \$200 or \$100 deductible, no deductible applies if you hit an animal or your vehicle needs glass repair. (Your deductible applies on glass replacement.)

With a \$200 or \$100 deductible, no deductible applies if someone stole your vehicle or tried to steal it. If your claim is for someone trying to steal your vehicle, there must be clear evidence that someone meant to steal it. Otherwise, your claim is vandalism and your deductible applies.

If you have a \$500 or \$300 deductible, your deductible applies if your vehicle is stolen. However, if your vehicle clearly shows an anti-theft device was properly in use and defeated, half your deductible applies.

Deductibles and Glass Damage

If you have a \$500 deductible, it applies for repairing or replacing glass.

If you have a \$300, \$200 or \$100 deductible, it applies for replacing glass. For repairing glass, your deductible is zero.

Which deductible should I buy?

It's a matter of personal choice.

When you buy a lower deductible, your portion of any claim is smaller and our portion is larger. Therefore, you have to pay more premium for a lower deductible.

But if you have a claim, what portion of the claim can you afford to pay? If you can't afford \$500, you might want to consider a lower deductible.

On the other hand, how likely are you to have a claim? You know what your past experience has been. If you've rarely had claims, it might not make sense to pay more premium to buy a lower deductible.

Where can I go for more information?

For more information on deductibles, ask your adjuster.



Or call us:

- In Winnipeg: 985-7000
- Outside Winnipeg: 1-800-665-2410
- Deaf Access 
TTY/TDD: 985-8832

Hours to call:

- Monday to Friday:
7:00 am - 9:00 pm
- Saturday:
8:30 am - 4:00 pm

You can also write:
Manitoba Public Insurance
P.O. Box 6300
234 Donald Street
Winnipeg MB
R3C 4A4

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