

The New FSRA and its Potential Impact on Licensed Service Providers in the Health Care Sector

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On 8 June 2019, the Financial Services Regulatory Authority of Ontario (“FSRA”) came into existence, replacing the Financial Services Commission of Ontario (“FSCO”) and the Deposit Insurance Corporation of Ontario (“DICO”).

Among its various tasks, FSRA will be responsible for regulating all Licensed Services Providers in the health care sector who are authorized to be paid directly by auto insurers (which is a role that was previously performed by FSCO).

As in the past, in order to bill auto insurers, health care providers are required to apply for and obtain a licence as a Licensed Service Provider and must complete an Annual Information Return each year. In addition, Licensed Service Providers must adhere to the *Insurance Act, 1991*, and all other applicable legislation, as well as the requirements of the Health Claims for Auto Insurance Guideline (“HCAI”).

It is unclear as to how the creation of FSRA will impact Licensed Service Providers. However, since one of the mandates of the newly created agency is to “deter deceptive and fraudulent conduct”, and one of its two priorities in its 2019-2022 Business Plan is “regulatory effectiveness” (which includes achieving legislative objectives and protecting the public), it is fair to assume that its oversight efforts will be much more robust than its predecessor.

It is also important to keep in mind that auto insurers and other members of the public can submit complaints to FSRA regarding a Licensed Service Provider (much like they can to a health professions regulatory college). FSRA will investigate all complaints and take action that it deems appropriate, up to proposing a suspension or revoking a licence.

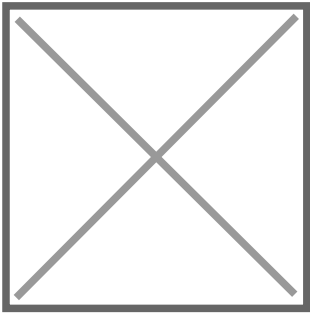
If a Licensed Service Provider receives a complaint from FSRA, it is imperative that the matter is taken seriously and that the response is prepared in a careful and thoughtful manner. In many cases, legal assistance would be well advised.

In view of the expected increase in regulatory oversight, this would be an excellent opportunity for Licensed Service Providers to conduct a thorough review of their practices in respect of invoicing auto insurers to ensure that they are in fact in compliance.

For more information about FSRA, please refer to its website at: <https://www.fsrao.ca/industry/health-care-sector>

(This blog is provided for educational purposes only, and does not necessarily reflect the views of Gardiner Roberts LLP).

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