

INSURANCE BUREAU OF CANADA GUIDELINE

STREAMLINED PROCESS FOR ADDING NEW
PRODUCTS WITHIN “OTHER APPROVED
PRODUCTS” CLASS

Objective

This guideline sets out the steps involved in the streamlined process for insurers adding a product within the new “other approved products” class. The intent is to formalize the approval process, and as a result, reduce the time it takes to approve new products.

Process

1. Insurance company conceives of and develops new product idea according to the *Insurance Bureau of Canada Guideline: Guideline for Adding Classes of Insurance or New Products within the “Other Approved Products” Class*.
2. The insurance company notifies and supplies to PACICC/CompCorp all advance information with respect to the new product. This step is essential in order to meet the timelines in step 5.
3. Insurance company completes development of new product. This may take a few months to over a year.
4. Insurance company submits an entire and complete package of information on the new product to PACICC/CompCorp for assurance of coverage.
5. Within 60 to 120 days, PACICC/CompCorp reviews the completed information on the new product and takes steps to determine coverage by undertaking:
 - a.) in the case of PACICC, changes that may be required to the Memorandum of Operation which require agreement by the Board of Directors;
 - b.) in the case of CompCorp, changes that may be required to the Memorandum of Operation which need agreement by membership vote;
 - c.) confirmation of agreement by regulators. For PACICC, agreement from regulators, as necessary, is required. For CompCorp, regulators have 30 days to submit comments, after which agreement is assumed.
6. Insurance company selects a target date for introduction of new product.
7. After coverage from PACICC/CompCorp has been assured, the insurance company files required documentation with the lead regulator and other regulators.
8. The lead regulator expects to perform the following tasks within 30 days:
 - a.) a review of the full and complete application made by the insurance company;
 - b.) circulate to other regulators any issues that the lead regulator will require an applicant to address;
 - c.) notify the insurance company and other regulators of its:
 - conditional approval;
 - decline of application;
 - requirement for additional information; or,
 - additional time for review.

The lead regulator's approval is conditional on the other regulators' review of the product, as described in step 9.

9. After the lead regulator has notified the insurance company of its decision, each other regulator expects to perform an independent review of the application and notifies the company and other regulators of its decision within 45 days.