

**June 30, 2014**

**Notice 01-14**

**Notice to all Stakeholders:  
Annual Review of Automobile Insurance Premiums for Basic Coverage**

The Automobile Insurance Rate Board (AIRB) is commencing the 2014 Annual Review process that analyzes industry loss experience for private passenger vehicles to establish rate filing guidelines to be used in its review of insurers' rating programs for basic and additional coverage. The Board will consult with interested stakeholders as part of its Annual Review and is calling for stakeholders to file a letter of intent to participate in the process by Friday, July 11, 2014. This consultation process will conclude with an Open Meeting:

The Open Meeting will take place in Edmonton at Canadian Western Bank Place, 10303 Jasper Avenue, Western Room, Lower Level on Tuesday, August 19<sup>th</sup> from 9:00 am to 4:00 pm.

**Background**

The Automobile Insurance Rate Board will be holding a consultation meeting to review Alberta industry loss experience for private passenger vehicles to establish guidelines for ratemaking factors to be used in the review of insurers' filings for basic and additional coverage.

The Board's focus for this year's Open Meeting is on:

- Loss trends
- Causes for increasing severity of bodily injury claims

The profit provision will remain at 7% of premium for the 2014 Rate Filing Guidelines.

In order to participate in this year's Open Meeting, all stakeholders are invited to send a letter of intent to the Board. The letter of intent should specifically identify all the topics the presentation will cover. The Board will evaluate the letter of intent and presenters will be selected based on adherence to the areas identified above and relevance to the mandate of the Board. The purpose of a submission process is to ensure that presentations are within the scope of the Annual Review and relate to industry-wide experience. All interested parties may attend the Open Meeting, but only those parties selected by the Board will be permitted to present to the Board.

**The Process**

There are three ways for interested parties to participate in the Annual Review

- Submit a Letter of Intent to make a presentation to the Board at the Open Meeting.
- Send a Written Submission to the Board regarding the Annual Review.
- Contact the Consumer Representative.

### **1) Letter of Intent to Present at Open Meeting**

All interested parties wishing to present to the Board during the Open Meeting must file a letter of intent by July 11, 2014. Your letter of intent should include:

- A list of the issues that you wish to present to the Board, including a description of how these issues apply to the criteria that must be considered by the Board and to industry experience for the past year.
- Your presentation should contain information that is accurate, based on current circumstances and related to the Alberta insurance market.

Presenters will be notified by Tuesday July 15, 2014 of when they are scheduled to present at the Open Meeting. Each presenter must file their submission with the Board by Tuesday August 5, 2014. The presenters' submissions and presentation materials introduced at the Open Meeting will be posted to the AIRB website following their presentations.

The Board actuary's (Oliver Wyman) Preliminary Report on industry experience will be posted on the AIRB website on July 2, 2014. Presenters are invited to comment on the report during their oral presentation.

### **2) Written Submissions**

As an alternative to making a presentation during the Open Meeting, stakeholders are invited to make a written submission to the Board on issues related to the Annual Review. Written submissions must be received by August 5, 2014. Submissions will be posted to the AIRB website August 19, 2014 following the Open Meeting.

### **3) Input to the Consumer Representative:**

Consumers not wishing to make a presentation or submit a written submission may make comments regarding the Annual Review to the Consumer Representative. The Board may also direct parties to provide their input to the Consumer Representative, Merle Taylor, who will collect the input of consumers. During the Open Meeting, the Consumer Representative will present a report to the Board on the input that she has received.

### **Attendance at Open Meeting:**

The Annual Review will be an open process and all interested parties may attend the Open Meeting. However:

- Only those parties who have been invited to make a presentation will have an opportunity to speak to the Board.
- Presenters are invited to ask the Board questions at the end of their presentation.
- All presenters and attendees at the Open Meeting will be responsible for any expenses they incur in order to attend the Meeting.
- During the Open Meeting, the Board will reserve the right to go into in-camera sessions if necessary to protect proprietary data.

**Important Dates:**

1. July 2, 2014 Board Preliminary Report posted to AIRB website [www.airb.alberta.ca](http://www.airb.alberta.ca)
2. July 11, 2014 Deadline for Letter of Intent
3. August 5, 2014 Deadline for written submissions
4. August 19, 2014 Open Meeting  
Submissions and presentation materials posted to AIRB website  
[www.airb.alberta.ca](http://www.airb.alberta.ca)
5. September 19, 2014 Board's Final Report posted to website

**Public disclosure of all presentation and written submissions:**

Subject to section 816 of the *Insurance Act*, any information (including personal or business information) that is submitted to the Board for consideration in the Annual Review process will be considered made in the context of a public meeting, whether made as a written submission or an oral presentation, and will be made available to the public upon request to the Board.

**Letters of intent and submissions should be sent to:**

Automobile Insurance Rate Board  
2440 Canadian Western Bank Place  
10303 Jasper Avenue  
Edmonton, AB T5J 3N6

Phone: 780-427-5428, or  
Alberta toll free: 310-0000  
Fax: 780-638-4254  
Email: [AIRB@gov.ab.ca](mailto:AIRB@gov.ab.ca)

**To contact the Consumer Representative:**

Ms Merle Taylor  
c/o Automobile Insurance Rate Board  
2440 Canadian Western Bank Place  
10303 Jasper Avenue  
Edmonton, AB T5J 3N6

Phone: 780-427-5428, or  
Alberta toll free: 310-0000  
Fax: 780-638-4254

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