

Bulletin to All Stakeholders

Semi Annual Review of Industry Experience as of June 2021 for PPV

Notice 01-2022

January 28, 2022

Purpose

The Automobile Insurance Rate Board (AIRB) is issuing this notice to advise all stakeholders the AIRB has commenced consultation on its 2022 semi-annual review for private passenger vehicles (PPV). This review analyzes industry loss experience as of June 2021 for private passenger vehicles to establish Industry Benchmarks used in the review of insurers' rate filings for basic and additional coverage effective April 1, 2022.

Background

Section 9 of the Automobile Insurance Premiums Regulation requires the AIRB to conduct an annual review. In addition, the AIRB believes it should be using the most current available data in its review of rate filings and as such conducts a semi-annual review.

Process

1. The AIRB requests its consulting actuary, Oliver, Wyman Limited, to complete a first draft Review of Industry Experience (as of June 30) for private passenger vehicles, once the data is available.
2. The AIRB consults with interested stakeholders on the draft report once available. The draft report posted to the AIRB website to allow all stakeholders the opportunity to review. This Notice initiates the consultation process, and provides stakeholders a timeline to provide input by written submission to the AIRB.
3. The AIRB staff and consulting actuary review all comments received, and the consulting actuary will update their report based on any new information provided by stakeholders and submit a final report to the AIRB.
4. The AIRB will review and approve the final report, and issue a Bulletin to all Stakeholders providing industry benchmarks used in its review of insurers' rate filings effective April 1.

Important Dates

1. January 28, 2022 - AIRB post the Preliminary Review of Industry Experience to its website
2. February 18, 2022 - Deadline for written submissions
3. April 1, 2022 - AIRB's final Review of Industry Experience and rate filing benchmarks posted to website

Action Required

We invite stakeholders to review the AIRB consulting actuary's Preliminary Review of Industry Experience posted to the AIRB's website, and those wishing to comment on the report may send written submissions by **Email to** airb@gov.ab.ca.

Public disclosure of all written submissions:

Subject to section 816 of the Insurance Act, any information (including personal or business information) submitted to the AIRB for consideration in the semi-annual review process will be made available on our website.

Should you have any questions relating to this Notice, please contact our office at (780) 427-5428 or by email: airb@gov.ab.ca.