

Notice to All Stakeholders

Annual Review of Industry Experience as of December 31, 2021 For Commercial Vehicles

Notice 03-2022

June 24, 2022

Purpose

The Automobile Insurance Rate Board (AIRB) is issuing this notice to advise all stakeholders the AIRB is commencing its 2022 annual review for commercial vehicles. This review analyzes industry loss experience as of December 31, 2021 for commercial vehicles to establish Industry Benchmarks used in the review of insurers' rate filings for basic and additional coverage effective October 1, 2022.

Background

The AIRB believes it should be using the most current available data in its review of rate filings. Therefore, the AIRB reviews Alberta's industry loss experience for commercial vehicles to establish industry benchmarks to be used in the review of insurers' commercial filings for basic and additional coverage.

Process

Annually, the AIRB requests its consulting actuary, Oliver, Wyman Limited, to complete a first draft Review of Industry Experience (report), as of December 31, for commercial vehicles, once the data is available.

The AIRB reviews the draft report and consults with interested stakeholders in written format. This Notice initiates this process, and provides stakeholders the timeline of important dates should they wish to provide input by written submission to the AIRB.

The draft report is available on the AIRB website. The AIRB's consulting actuary will review all comments received, update their report based on any new information provided by stakeholders and submit a final report to the AIRB. 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 October 1

Important Dates

1. June 24, 2022 - AIRB Preliminary Review of Industry Experience posted to AIRB website
2. August 5, 2022 - **Deadline for written submissions**
3. August 18, 2022 - **Submissions posted to AIRB website**
4. September 30, 2022 - AIRB's final Review of Industry Experience and Industry Benchmarks posted to website

Participate in Annual Review

Stakeholders are invited to participate in the annual review of commercial vehicles. Interested parties can make a written submission to the AIRB on issues related to the Annual Review. Written submissions must be received by **Friday, August 5, 2022**. Submissions will be posted to the AIRB website Thursday, August 18, 2022.

Action Required

Stakeholders are invited 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 consulting actuary's report may send written submissions by Email to airb@gov.ab.ca no later than the dates outlined above.

The AIRB is interested in hearing any information related to the AIRB's consulting actuary's Preliminary Review of Industry Experience, other AIRB Benchmarks, comments related to early indications on the impact of the reforms and inflationary impacts on loss trends.

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 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.

The AIRB appreciates all input into this important review.

Laurie Balfour, MBA, CPA, CMA
Executive Director