

Notice to Insurers

Annual Review of Industry Experience as of December 31, 2023 for Commercial Vehicles

Notice 08-2024

June 21, 2024

Purpose

The Automobile Insurance Rate Board (AIRB) is issuing this notice to advise all stakeholders the AIRB is commencing its 2024 annual review for commercial vehicles. This review analyzes industry loss experience as of December 31, 2023, for commercial vehicles to establish Industry Benchmarks used in the review of insurers' rate filings and opining on the reasonableness of assumptions for submission on or after October 1, 2024.

Background

Section 9 of the Automobile Insurance Premiums Regulation requires the AIRB to conduct an annual review of automobile insurance trends and premiums for private passenger vehicles (PPV). The AIRB believes it should use the most current available data in its review of rate filings and as such also conducts a semi-annual review for PPV and an annual review for commercial vehicles.

Process

Annually, the AIRB requests its consulting actuary, Oliver, Wyman Limited, (Oliver Wyman) to complete a draft Review of Industry Experience (report), as of December 31 once the data is available. The AIRB reviews the draft report and seeks feedback from interested parties. This Notice initiates this feedback process and provides a timeline of important dates and ways to participate and provide input to the AIRB.

The draft report is available on the [AIRB website](#). Oliver Wyman will review all comments received, update their report based on any new information provided and submit a final report to the AIRB. The AIRB will review and approve the final report and issue a Bulletin providing the Industry Benchmarks used as a reference when reviewing individual insurer rate filings and opining on the reasonableness of assumptions for submissions made on or after October 1.

Important Dates:

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| 1 June 21, 2024 | Preliminary Review of Industry Experience posted to AIRB website |
| 2 August 1, 2024 | Deadline for written submissions |
| 3 August 15, 2024 | Submissions posted to AIRB website |
| 4 September 30, 2024 | Final Review of Industry Experience and Industry Benchmarks posted to website |

Participate in Annual Review

The AIRB invites all interested parties to participate in the annual review of commercial vehicles through a written submission to the AIRB on issues related to the Annual Review of commercial vehicles.

The Annual Review is conducted to receive comments on automobile insurance trends and premiums. Any submission discussing long term product reform, will **not** be accepted, as this topic is outside the scope of this review.

Written submissions must be received by **Thursday, August 1**. Submissions will be posted to the [AIRB website](#) Thursday, August 15.

Action Required

The AIRB invites all interested parties to review Oliver Wyman's Preliminary Review of Industry Experience posted to the AIRB's website, and those wishing to comment should send written submissions by **Email to airb@gov.ab.ca** no later than the dates outlined above.

The AIRB will **only** hear information related to the AIRB's consulting actuary's Preliminary Review of Industry Experience, and AIRB Benchmarks. Presentations straying from these two topics will not be accepted as noted above.

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