

BULLETIN: 01-2020
DATE: MARCH 27, 2020

Bulletin to All Private Passenger Vehicle Insurers

2020 Semi-Annual Review Industry Benchmark Schedule

Effective April 1, 2020 for Private Passenger Vehicles

Purpose:

The Automobile Insurance Rate Board (AIRB) is issuing this Bulletin to advise all private passenger vehicle (PPV) insurers operating in Alberta the AIRB has concluded the 2020 Semi-Annual Review. The 2020 Semi-Annual Review PPV Industry Benchmarks Schedule has been approved and posted on the website (<https://airb.alberta.ca/industry-information/communications/bulletins/>).

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:

Annually, the AIRB requests its consulting actuary, Oliver, Wyman Limited, (Oliver Wyman) to complete a Review of Industry Experience (as of June 30) for PPV, once the data is available.

Once AIRB has reviewed and approved Oliver Wyman's draft for distribution, it is posted on the website. The AIRB provides stakeholders an opportunity to provide input by written submission to the AIRB.

Following a review of all comments received, Oliver Wyman updates the draft report considering any new information provided by stakeholders and submits a final report to the AIRB.

The AIRB reviews and approves the final report, and issues a Bulletin to all Stakeholders providing Industry Benchmarks used in its review of insurers' rate filings effective April 1.

Action Required:

The Industry Benchmarks are used as the basis of the AIRB's review of PPV filings submitted on or after April 1, 2020. All PPV filings received on or after April 1, 2020, should incorporate the most current Industry Benchmarks to the extent their own data is not fully credible.

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

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