

Notice 01-2019
January 29, 2019

Notice to all Stakeholders

Semi-annual Review of Industry Experience as of June 2018 for Private Passenger Vehicles

The Automobile Insurance Rate Board (AIRB) is issuing this notice to advise all stakeholders that the AIRB is commencing its 2019 semi-annual review. This review analyzes industry loss experience as of June 2018 for private passenger vehicles to establish Industry Benchmarks which will be used in the review of insurers' rate filings for basic and additional coverage effective April 1, 2019.

Background:

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

The Process:

- Each year the AIRB requests its consulting actuary (Oliver Wyman) to complete a first draft Review of Industry Experience (as of June 30th) for private passenger vehicles, once the data is available.
- February/March, the AIRB will consult with interested stakeholders in written format. This process is initiated through a Notice to all Stakeholders. The Notice will provide stakeholders a timeline to provide input by written submission to the AIRB.
- The draft report will be posted to the AIRB website (<http://www.airb.alberta.ca/semi-annual-review/>). The consulting actuary will then update their report based on any new information provided by stakeholders and submit a final report to the AIRB. The AIRB will then issue a Bulletin to all Stakeholders providing industry benchmarks, which will be used in its review of insurers' rate filings effective April 1st of that year.

Important Dates:

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| 1. January 29, 2019 | Board Draft Review of Industry Experience posted to AIRB website
www.airb.alberta.ca |
| 2. February 28, 2019 | Deadline for written submissions |
| 3. April 1, 2019 | AIRB's final semi-annual report along with rate filing benchmarks posted to website |

Action Required:

Stakeholders are invited to review the AIRB's consulting actuary's preliminary report on industry experience posted to the AIRB's website www.airb.alberta.ca, and those wishing to comment on the report may send written submissions by:

Email to AIRB@gov.ab.ca

Or by

Mail or Courier to

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

Public disclosure of all written submissions:

Subject to section 816 of the *Insurance Act*, any information (including personal or business information) that is 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

The AIRB appreciates any and all input into this important review.

{Original Signed}

Laurie Balfour MBA, CPA, CMA
Executive Director