

NOTICE: 11-2023
DATE: October 5, 2023

Notice to All Stakeholders

AI & ML Survey Results

Purpose:

The Automobile Insurance Rate Board (AIRB) is issuing this notice to announce the publication of our findings from survey on Artificial Intelligence (AI) and Machine Learning (ML).

Background:

Although the insurance industry has traditionally been slow to adopt new technologies due to manual processes, legacy systems, and compliance requirements, in recent years we have seen a surge in AI applications tailored specifically to optimizing the insurance lifecycle including the pricing of auto insurance.

To better understand insurer plans for implementing AI and ML the AIRB sent a survey in late June 2023 to industry stakeholders. This survey enabled the AIRB to learn directly from industry about their use and governance of big data and advanced models and begin a dialogue with industry leaders. The results of the survey were used to inform our regulatory approach on the usage of advanced models.

Announcement:

The findings of our review of insurers use of AI and ML are included in the Survey Results Report. The report includes our findings on the governance and use of advanced models in pricing, claims, fraud prevention and marketing.

Action Required:

Insurers interested in the results of our survey on AI and ML should refer to the attached report.

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

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