

Bulletin 02-2017
March 1, 2017

Bulletin to All Stakeholders

Filing Guidelines, Rating Profiles and UBI Anniversary Report - Updates

The Automobile Insurance Rate Board (AIRB) is issuing this Bulletin to advise all automobile insurers operating in Alberta of the following changes.

Filing Guidelines and Appendices

Effective March 1, 2017, amendments have been made to the [filing guidelines and appendices](#):

- Clarify that the 10% cap to rating variables applies to base rates as well, and exceeding 10% will require a private passenger full filing to be submitted.
- Remove the reference to “Garage Risks” as the filing requirement was waived for this class at last revision.
- The health cost recovery will be required to be included as a fixed expense. The amount included for Health Cost Recovery must be determined by multiplying the latest assessment factor by the on-levelled and trended earned premium for each year in the experience period. This amount is then applied to third party liability coverage as an additional fixed expense.
- All algorithms, differentials, discounts, surcharges, rating rules, endorsements and definitions must form part of the filing.
- Clarify that if an insurer has not submitted a non-private passenger full filing for the category in question since July 1, 2014, then a full filing is required.
- Revise Appendix A
 - Include the largest renewal premium change due to cumulative rate changes.
 - Re-format the dislocation tables.
 - Add Current and Proposed Algorithm, Differentials and Endorsements to the required materials to checklist.
- Replace the current Appendix B Certificate of Actuary with the harmonized version.

Usage Based Insurance (UBI) Filing Guidelines

Effective March 1, 2017, Appendix A (Anniversary Report Requirements) has been added to the [UBI Filing Guidelines](#). This appendix outlines the requirement for an insurer who has been approved by the Board to implement a UBI program to submit a report to the AIRB once they have obtained one full year of UBI data or upon updating their UBI program; whichever comes first.

Private Passenger Rating Profiles

With the joint effort between IBC and the CARR research committee, the private passenger rating profiles were updated recently; changes include vehicle models and some marital statuses. Insurers can begin using the new profiles effective immediately. The AIRB requests that all insurers submit their updated rating profiles to the AIRB by April 14, 2017, or 30 days after their filings are approved, whichever comes earlier. The [profiles](#) are posted on the AIRB website with notes and instructions.

Insurers are encouraged to check our website periodically to ensure they are using the latest version of filing guidelines and relevant forms.

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

Original signed by

Del Dyck CPA, CMA, CLGM
Executive Director
Automobile Insurance Rate Board