

BULLETIN: 06-2021
DATE: MAY 1, 2021

Bulletin to All Insurers

Updated Filing Guidelines

Effective May 1, 2021

Purpose:

The Automobile Insurance Rate Board (AIRB) is issuing this Bulletin to advise all automobile insurers operating in Alberta of amendments to the filing guidelines for both private passenger and other than private passenger vehicles.

Background:

In accordance with AIRB [Policy P04 Automobile Insurance Rating Program Approvals](#), the AIRB develops and updates [filing guidelines](#) to communicate the requirements and expectations for submitting a request to change or adopt a new rating program.

Process:

The AIRB regularly reviews its filing guidelines to provide the most current information to insurers in preparing their filings to change or adopt a rating program. Effective May 1, 2021, the following amendments were made to streamline the flow of the guidelines, clarify the instructions and reduce redundancy. The following amendments to the filing guidelines, and Appendix A:

- Full and Simplified Filing Guidelines:
 - Reduce the current two (2) guidelines to one (1) guideline by combining full and simplified guidelines, reducing redundancy.
 - Update the filing requirements for clarity, simplifying wording.
 - Move the following items into [Technical Guidance](#):
 - COVID-19
 - Definitions
 - Fleet
 - Rate Capping
 - Rating Profiles
 - Reduce the maximum dislocation in a simplified filing to +15% before capping for private passenger vehicles and +20% before capping for commercial and interurban vehicles.
 - Remove the requirement for filings introducing new rating variables to be filed through a full filing.
 - Update guidelines for predictive modeling (GLM).
 - Update guidelines for the profit provision, specific to the interest rate.
 - Update the trend period to reflect for no more than 2 years.
- Appendix A:
 - Update to include DCPD information.
 - Add number of territories for all coverage types.

The AIRB recommends insurers review these updated guidelines and Appendix A before developing a new filing.

Action Required:

The AIRB requires all insurers follow the latest filing guidelines when preparing their filings and expects insurers will submit the latest version of Appendix A for all filings submitted after May 1, 2021.

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

Laurie Balfour, MBA, CPA, CMA
Executive Director