Commission des ASSURANCES du Nouveau-Brunswick

New Brunswick INSURANCE Board

Information Bulletin 2016-002

NBIB Updated Guidance to Industry

Re: *Injury Regulation – Insurance Act*

(The guidance contained herein supersedes that previously provided in Information Bulletin 2014-004.)

In response to the New Brunswick Insurance Board (NBIB) Decision, dated October 17, 2013, with respect to the public hearing convened to consider the expected impacts of the amendments to the Injury Regulation – Insurance Act (also known as the minor injury regulation (MIR)) by the Government of New Brunswick (www.gnb.ca/0062/acts/BBR-2013/2013-37.pdf), the NBIB is providing the following guidance to insurers:

1) The NBIB Decision recognizes that the MIR amendments may ultimately result in changes to experience for frequency and severity of claims (i.e. loss costs) after they become effective on July 1, 2013. The timing of the ultimate impact is highly uncertain and the effect on claims experience is likely to evolve over time as the impact of the amendments becomes clear.

2) Rate applications submitted for rates effective in 2015 and beyond are permitted to include conversion factors and trends for the impact of the amendments to the MIR applicable for those rates. **The conversion factors and trends have to be based on available data from New Brunswick experience only**. These conversion factors and trend selections will be reviewed for reasonableness on a case by case basis for each rate application submitted.

3) The NBIB requires every insurer to provide comment in future rate applications as to the approach taken to account for the impact of the July 2013 changes to the MIR. This requirement will remain in effect until such time as the Board communicates to industry that further comment is not required.

Please contact Kelly Ferris, Manager of Insurance Services, if you have any questions or require further clarification prior to submitting future rate applications.

Kevin Duff, Secretary to the Board

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