

Information Bulletin 2014-004
New Brunswick Regulation 2013-37
Injury Regulation - Insurance Act
NBIB Guidance to Industry

amended September 2014

In response to the NBIB Decision, dated October 17, 2013, with respect to the public hearing convened to consider the expected impacts of 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 New Brunswick Insurance Board (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 became effective on July 1, 2013. The timing of the ultimate impact is highly uncertain and that 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 beginning in 2015 and beyond will be 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 will have to be based on available data from New Brunswick experience only.*** These conversion factors and trends will have to be justified on a case- by-case basis by the insurer submitting the rate application.
- 3) The Board anticipates that insurers will utilize conversion factors and trends for a period of up to five years after which time virtually all of the impact of the amendments to the MIR should be reflected in industry data and in company data.

Please contact the Board if you have any questions or require further clarification.

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