

CLAIMS INCURRED
2020 GENERAL RATE APPLICATION
June 20, 2019



**MANITOBA
PUBLIC INSURANCE**

Table of Contents

Table of Figures	5
Net Claims Incurred	7
Claims Incurred	8
CI.1 Forecast Methodology	8
CI.2 General Forecasting Assumptions	10
CI.2.1 Volume Growth	10
CI.2.2 Development Assumptions	10
CI.2.3 Historical Ultimate Incurred Losses by Accident Year	11
CI.2.4 Manitoba Inflation Rate	11
CI.2.5 Discount Rate	11
CI.2.6 Duration of Claims Liabilities	12
CI.2.7 Margins for Adverse Deviation	13
CI.2.8 Indexed Case Reserves	14
CI.2.9 2019/20 Light Vehicle Accreditation Agreement	14
CI.2.10 PST Reduction	15
CI.3 Claims Incurred Before Provisions	15
CI.4 Weekly Indemnity	16
CI.4.1 Accident Year Ultimate Forecast	16
CI.4.2 Fiscal Year Claims Incurred Forecast	19
CI.5 Accident Benefits Other – Indexed	20
CI.5.1 Accident Year Ultimate Forecast	20
CI.5.2 Fiscal Year Claims Incurred Forecast	22
CI.6 Accident Benefits Other – Non-Indexed	23
CI.6.1 Accident Year Ultimate Forecast	24
CI.6.2 Fiscal Year Claims Incurred Forecast	26
CI.7 Pipp Enhancements	27
CI.7.1 Accident Year Ultimate Forecast	29
CI.7.2 Fiscal Year Claims Incurred Forecast	30
CI.8 Public Liability – Bodily Injury	31
CI.8.1 Accident Year Ultimate Forecast	31
CI.9 Collision	34
CI.9.1 Collision Frequency	34
CI.9.1.1 Collision Repair Frequency	35
CI.9.1.2 Collision Total Loss Frequency	35
CI.9.1.3 Collision Frequency Forecast	36

CI.9.2	Collision Severity	36
CI.9.2.1	Collision Repair Severity	37
CI.9.2.2	Collision Total Loss Severity	37
CI.9.2.3	Collision Severity Forecast	38
CI.9.3	Ultimate Collision Forecast	39
CI.9.4	Collision Fiscal Year Claims Incurred Forecast	40
CI.10	Comprehensive.....	40
CI.10.1	Comprehensive Frequency	41
CI.10.1.1	Comprehensive Hail Claim Count	41
CI.10.1.2	Comprehensive Theft Frequency	42
CI.10.1.3	Comprehensive Vandalism Frequency	44
CI.10.1.4	Comprehensive Glass Claim Count	46
CI.10.1.5	Comprehensive Rodent Frequency	48
CI.10.1.6	Comprehensive All Other Frequency	50
CI.10.2	Comprehensive Severity	52
CI.10.2.1	Comprehensive Hail Severity	52
CI.10.2.2	Comprehensive Theft Severity	54
CI.10.2.3	Comprehensive Vandalism Severity	56
CI.10.2.4	Comprehensive Glass Severity	58
CI.10.2.5	Comprehensive Rodent Severity	61
CI.10.2.6	Comprehensive All Other Severity	62
CI.10.3	Comprehensive Ultimate Forecast	64
CI.10.4	Fiscal Year Claims Incurred Forecast.....	66
CI.11	Property Damage.....	66
CI.11.1	Property Damage Frequency.....	66
CI.11.2	Property Damage Severity	67
CI.11.2.1	Third Party Deductible Transfer Severity	68
CI.11.2.2	Third Party Loss of Use Severity	68
CI.11.2.3	All Other Severity	68
CI.11.3	Property Damage Ultimate Forecast.....	69
CI.11.4	Fiscal Year Claims Incurred Forecast.....	69
CI.12	Basic Total	70
CI.12.1	Claims Incurred Before Provisions	70
CI.12.1.1	Accident Year Ultimate Forecast.....	71
CI.12.1.2	Fiscal Year Claims Incurred Forecast.....	71
CI.12.2	Unallocated Loss Adjustment Expenses (ULAE)	73
CI.12.2.1	ULAE Forecast	74

CI.12.3 Change in Internal Loss Adjustment Expenses (ILAE)	75
CI.12.3.1 ILAE Forecast	75
CI.12.4 Reinsurance Ceded Claims	76
CI.12.4.1 Reinsurance Claims Ceded Forecast.....	76
CI.12.5 Change in Premium Deficiency or DPAC Write-Down.....	77
CI.12.5.1 Premium Deficiency Forecast.....	77
CI.12.6 Total Fiscal Year Net Claims Incurred.....	79
CI.12.6.1 Fiscal Year Net Claims Incurred Forecast.....	79

[Provided Electronically Only]

- Appendix 1: Accident Benefits Weekly Indemnity
- Appendix 1b: Accident Benefits – Weekly Indemnity (PIPP Enhancement: IAW Increase)
- Appendix 2: Accident Benefits Other - Indexed
- Appendix 2b: Accident Benefits - Other Indexed (PIPP Enhancement: Max PC Increase)
- Appendix 2c: Accident Benefits - Other Indexed (PIPP Enhancement: Change to Vehicle Purchase Policy)
- Appendix 2d: Accident Benefits - Other Indexed (PIPP Enhancement: Section 138)
- Appendix 2e: Accident Benefits - Other Indexed (PIPP Enhancement: Annual Spending Allowance)
- Appendix 2f: Accident Benefits - Other Indexed (PIPP Enhancement: Caregiver Death Benefit)
- Appendix 2g: Accident Benefits - Other Indexed (PIPP Enhancement: Death Benefit)
- Appendix 3: Accident Benefits - Other Non-Indexed
- Appendix 3b: Accident Benefits - Other Non-Indexed (PIPP Enhancement: PI Increase)
- Appendix 4: Basic Public Liability
- Appendix 5: Basic Collision
- Appendix 6: Basic Comprehensive
- Appendix 7: Basic Property Damage
- Appendix 8: Claims Incurred Expenses
- Appendix 9: 10 Year Claims Frequency Comparison
- Appendix 10: Claims Severity Groupings by Major Class
- Appendix 11: Distribution of PIPP Costs (\$000); Direct Claims Incurred by Coverage
- Appendix 12: PIPP Claims Statistics by Injury Type

Table of Figures

Figure CI- 1	Net Claims Incurred	7
Figure CI- 2	Percentage of Total Ultimate Paid in Each Year	10
Figure CI- 3	Percentage of Total Ultimate Incurred in Each Year	11
Figure CI- 4	Assumed Claims Liability Discount Rate	12
Figure CI- 5	Assumed Claim Liability Modified Duration (Years)	13
Figure CI- 6	Margins for Adverse Deviation	13
Figure CI- 7	2019/20 Light Vehicle Accreditation Agreement	15
Figure CI- 8	Claims Incurred before Provisions Forecast	15
Figure CI- 9	Claims Incurred Forecast	16
Figure CI- 10	Weekly Indemnity Ultimate Losses	17
Figure CI- 11	Weekly Indemnity Ultimate Severity.....	18
Figure CI- 12	Weekly Indemnity Claims Incurred	19
Figure CI- 13	Claims Incurred Forecast	20
Figure CI- 14	Accident Benefits Other – Indexed Ultimate Losses	21
Figure CI- 15	Accident Benefits Other – Indexed Ultimate Severity	22
Figure CI- 16	Accident Benefits Other – Indexed Claims Incurred	23
Figure CI- 17	Claims Incurred Forecast	24
Figure CI- 18	Accident Benefits Other – Non-Indexed Ultimate Losses.....	24
Figure CI- 19	Accident Benefits Other – Non-Indexed Ultimate Severity	26
Figure CI- 20	Accident Benefits Other – Non-Indexed Claims Incurred	27
Figure CI- 21	Claims Incurred Forecast	28
Figure CI- 22	PIPP Enhancement Ultimate Losses	29
Figure CI- 23	PIPP Enhancements Claims Incurred.....	30
Figure CI- 24	Claims Incurred Forecast	31
Figure CI- 25	Public Liability – Bodily Injury Ultimate Incurred	32
Figure CI- 26	Public Liability – Bodily Injury Ultimate Severity	33
Figure CI- 27	Public Liability – Bodily Injury Claims Incurred.....	34
Figure CI- 28	Claims Incurred Forecast	34
Figure CI- 29	Ultimate Collision Frequency per HTA Unit by Claim Type.....	35
Figure CI- 30	Ultimate Basic Collision Frequency per Earned Vehicle Unit Excluding \$0 Claims	36
Figure CI- 31	Ultimate Collision Severity by Claim Type.....	37
Figure CI- 32	Ultimate Basic Collision Severity per Non-Zero Claim.....	38
Figure CI- 33	Collision Ultimate Severity Growth Forecast.....	38
Figure CI- 34	Collision Ultimate Incurred	39
Figure CI- 35	Collision Claims Incurred.....	40
Figure CI- 36	Claims Incurred Forecast	40
Figure CI- 37	Comprehensive Hail Claim Count Excluding \$0 Claims	41
Figure CI- 38	Basic Comprehensive Hail Claim Count Excluding \$0 Claims	42
Figure CI- 39	Comprehensive Theft Frequency Excluding \$0 Claims	43
Figure CI- 40	Basic Comprehensive Theft Frequency Excluding \$0 Claims	44
Figure CI- 41	Comprehensive Vandalism Frequency Excluding \$0 Claims.....	45
Figure CI- 42	Basic Comprehensive Vandalism Frequency Excluding \$0 Claims.....	46
Figure CI- 43	Distribution of Glass Claim Counts Gross of the Basic Deductible.....	47
Figure CI- 44	Basic Comprehensive Glass Claim Count Excluding \$0 Claims	48

Figure CI- 45	Comprehensive Rodents Frequency Excluding \$0 Claims	49
Figure CI- 46	Basic Comprehensive Rodents Frequency Excluding \$0 Claims.....	50
Figure CI- 47	Comprehensive All Other Frequency Excluding \$0 Claims	51
Figure CI- 48	Basic Comprehensive Other (Fire, Lightning, Other) Frequency Excluding \$0 Claims	52
Figure CI- 49	Comprehensive Hail Severity Excluding \$0 Claims	53
Figure CI- 50	Basic Comprehensive Hail Severity Excluding \$0 Claims.....	54
Figure CI- 51	Comprehensive Theft Severity Excluding \$0 Claims	55
Figure CI- 52	Basic Comprehensive Theft Severity Excluding \$0 Claims.....	56
Figure CI- 53	Comprehensive Vandalism Severity Excluding \$0 Claims.....	57
Figure CI- 54	Basic Comprehensive Vandalism Severity Excluding \$0 Claims	58
Figure CI- 55	Comprehensive Glass Severity Excluding \$0 Claims.....	59
Figure CI- 56	Comprehensive Glass Severity Excluding \$0 Claims.....	60
Figure CI- 57	Comprehensive Rodents Severity Excluding \$0 Claims	61
Figure CI- 58	Basic Comprehensive Rodents Severity Excluding \$0 Claims.....	62
Figure CI- 59	Comprehensive All Other Severity Excluding \$0 Claims.....	63
Figure CI- 60	Basic Comprehensive Other (Fire, Lightning, Other) Severity Excluding \$0 Claims	64
Figure CI- 61	Comprehensive Ultimate Incurred	65
Figure CI- 62	Comprehensive Claims Incurred.....	66
Figure CI- 63	Claims Incurred Forecast	66
Figure CI- 64	Ultimate Basic Property Damage Frequency Excluding \$0 Claims	67
Figure CI- 65	Property Damage Severity by Coverage Category Excluding \$0 Claims	68
Figure CI- 66	Property Damage Ultimate Incurred	69
Figure CI- 67	Property Damage Claims Incurred.....	70
Figure CI- 68	Claims Incurred before Provisions Forecast	70
Figure CI- 69	Total Basic Ultimate Incurred.....	71
Figure CI- 70	Total Basic Claims Incurred – 2020 GRA Forecast.....	72
Figure CI- 71	Total Basic Claims Incurred – 2019 GRA Forecast.....	72
Figure CI- 72	Total Basic Claims Incurred – Difference between 2020 GRA and2019 GRA Forecast	73
Figure CI- 73	Unallocated Loss Adjustment Expenses.....	74
Figure CI- 74	Unallocated Loss Adjustment Expenses.....	74
Figure CI- 75	Change in ILAE Provision Forecast.....	75
Figure CI- 76	Change in ILAE Provision	75
Figure CI- 77	Reinsurance Ceded Claims Forecast.....	76
Figure CI- 78	Change in Reinsurance Ceded.....	76
Figure CI- 79	Change in Premium Deficiency or DPAC Write-Down Forecast.....	77
Figure CI- 80	Change in Premium Deficiency or DPAC Write-Down.....	78
Figure CI- 81	Equity in Unearned Premium	79
Figure CI- 82	Total Basic Net Claims Incurred Including Claims Provisions	80
Figure CI- 83	Total Basic Net Claims Incurred Including Claims Provisions Comparison to Last Year’s Forecast	80

Net Claims Incurred

1 The Total Net Claims Incurred (CI) is the amount that appears on Manitoba Public
2 Insurance's (MPI) Statement of Operations. The Total Net CI in a given fiscal year is
3 the sum of the following amounts:

- 4 • reported claims incurred in the fiscal year (incurred = paid + change in case
5 reserve);
- 6 • change in actuarial provisions (i.e. incurred-but-not-reported); and
- 7 • change in claims incurred financial provisions (i.e. loss adjustment expenses,
8 reinsurance recoveries, premium deficiency).

9 The above items are described in detail in this document. The net CI represents the
10 Basic claims incurred from section CI.12.1.2 plus the additional claims provisions
11 described in sections CI.12.2 through CI.12.6.

Figure CI- 1 Net Claims Incurred

Line No.		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
1	(\$000)						
2	Claims Incurred before Financial Provisions						
3	Weekly Indemnity	\$146,040	\$90,996	\$106,186	\$108,849	\$110,094	\$111,747
4	ABO - Indexed	\$93,434	\$81,046	\$90,889	\$92,830	\$94,321	\$96,310
5	ABO – Non-Indexed	\$46,579	\$32,586	\$33,709	\$34,338	\$34,853	\$35,366
6	PIPP Enhancements	\$9,240	\$8,153	\$10,372	\$10,674	\$10,849	\$11,259
7	Public Liability - BI	\$4,843	\$5,389	\$5,507	\$5,578	\$5,647	\$5,712
8	Collision	\$399,010	\$453,266	\$477,708	\$504,636	\$533,122	\$563,280
9	Comprehensive	\$116,358	\$104,043	\$109,435	\$115,614	\$122,130	\$128,942
10	Property Damage	\$42,810	\$46,222	\$47,160	\$48,083	\$49,024	\$49,986
11	Total	\$870,538	\$821,702	\$880,965	\$920,603	\$960,040	\$1,002,601
12	Unallocated Loss Adjustment Expenses	\$46,154	\$45,015	\$45,848	\$48,038	\$50,325	\$52,462
13	Change in Internal Loss Adjustment Expense Provision	\$4,384	\$3,005	\$7,506	\$8,472	\$8,388	\$8,388
14	Change in Reinsurance Ceded Provision	(\$13,531)	\$0	\$0	\$0	\$0	\$0
15	Other Financial Adjustments	(\$2,304)	\$0	\$0	\$0	\$0	\$0
16	Change in DPAC / Premium Deficiency Provision	(\$12,983)	(\$13,156)	(\$7,023)	\$2,601	\$3,113	\$5,574
17	Total Net Claims Incurred	\$892,258	\$856,566	\$927,297	\$979,714	\$1,021,867	\$1,069,026

1 The 2020/21 net CI forecast has decreased by \$23.4 million from last year's forecast
2 as a result of the following:

- 3 • Physical Damage: \$27.4 million decrease before interest rate impacts
- 4 • Property Damage: \$3.0 million decrease before interest rate impacts
- 5 • Premium Deficiency and Deferred Policy Acquisition Cost (DPAC) Write-Down:
6 \$2.8 million favourable impact
- 7 • Unallocated Loss Adjustment Expenses: \$9.1 million favourable impact from
8 removal of DR Premium
- 9 • Personal Injury Protection Plan (PIPP) and Bodily Injury: \$18.9 million increase
10 before interest rate impacts

Claims Incurred

11 In this document, the CI is shown on both an accident year basis and a fiscal year
12 basis.

13 On an accident year basis, CI represents the total of paid losses, case reserves, and
14 incurred-but-not-reported (IBNR) for all claims that occur in a given accident year.
15 The accident year CI is used for rate setting purposes.

16 On a fiscal year basis, CI represents the total reported CI in a given fiscal year (i.e.
17 paid + change in case reserves) plus the change in IBNR in the fiscal year. The fiscal
18 year basis is used for financial reporting only.

19 The CI forecasts on an accident year and fiscal year basis are provided in section
20 CI.12.1.

CI.1 Forecast Methodology

21 The primary actuarial technique used in claims forecasting is the loss development
22 technique. The technique assumes that the historical development patterns in accident
23 year paid and incurred losses can be used to predict the development of paid and

1 incurred losses in future periods. For each coverage grouping, development
2 assumptions are selected starting from the accident year in which the claims occur
3 and extending until all claims from that accident year are assumed to be closed (i.e.
4 ultimate). The claims forecasts in this section use the development assumptions from
5 the February 2019 Appointed Actuary's report (Part VIII External Actuary Review of
6 Policy Liabilities Attachment A). The claims development exhibits by coverage are
7 provided at the end of this section. For more details on the loss development
8 technique see the October 2018 Appointed Actuary's report (Part VIII External Actuary
9 Review of Policy Liabilities Attachment B).

10 MPI starts by forecasting the accident year ultimate incurred losses and then uses the
11 development assumptions to project 'backwards' the paid and incurred losses from
12 ultimate to 12 months. In general, it is assumed that the historical ultimate losses are
13 the best predictor of future ultimate losses by accident year. However, there are
14 circumstances where this assumption may not be appropriate because of significant
15 changes in claims patterns (actual or expected). In these cases, the methodology used
16 to make the forecast will be described in the applicable section of this document.

17 The application of assumed loss development patterns results in a projection of paid
18 and reported losses by fiscal period, from the current year until all claims are paid.
19 These payment 'cash flows' are discounted to a present value basis at the end of each
20 fiscal year using the assumed investment return at that date. Actuarial Provisions for
21 Adverse Deviation (PfADs) are then applied to the discounted loss payments. The
22 assumed PfADs are from the February 2019 Appointed Actuary's report. The IBNR
23 amounts are then calculated at each fiscal year-end. The IBNR is equal to the present
24 value of all future unpaid claims including actuarial PfADs minus the projected case
25 reserves (i.e. amounts already set aside for these claims by case managers).

26 The CI by fiscal year are calculated as the reported incurred plus the change in the
27 IBNR provision in that fiscal year.

CI.2 General Forecasting Assumptions

- 1 This section outlines the general forecasting assumptions that apply to all of the
2 individual forecasts.

CI.2.1 Volume Growth

- 3 For forecasts where claims growth is assumed to follow the growth in vehicle units
4 (e.g. Collision coverage), the forecasts in *Part V(i) Revenues REV.1.1* are based on
5 volume growth factors under *The Highway Traffic Act (HTA)*. The assumed HTA
6 volume growth in this year's forecast is 1.40% per year.

CI.2.2 Development Assumptions

- 7 The details on the paid and incurred development assumptions by coverage are
8 provided in the October 2018 and February 2019 Appointed Actuary's reports (*Part*
9 *VIII External Actuary Review of Policy Liabilities*). The figure below shows the paid and
10 incurred assumptions for each major coverage category.

Figure CI- 2 Percentage of Total Ultimate Paid in Each Year

Line No.	Cover	1	2	3	4	5	6	7	8	9	10+
1	Accident Benefits – WI	11.25%	11.84%	6.43%	5.06%	4.38%	3.86%	3.40%	3.14%	2.94%	47.70%
2	ABO – Indexed	18.58%	21.13%	6.54%	3.51%	2.74%	2.36%	2.47%	2.44%	2.12%	38.11%
3	ABO – Non-Indexed	23.62%	32.47%	25.34%	7.45%	3.38%	1.89%	1.32%	1.05%	0.72%	2.76%
4	Bodily Injury	2.71%	15.69%	18.03%	17.25%	16.16%	11.17%	9.68%	3.90%	2.37%	3.04%
5	Collision	77.34%	21.08%	1.23%	0.25%	0.10%	0.00%	0.00%	0.00%	0.00%	0.00%
6	Comprehensive	75.39%	20.58%	3.08%	0.54%	0.20%	0.15%	0.05%	0.00%	0.00%	0.00%
7	Property Damage	56.95%	36.43%	5.19%	0.84%	0.35%	0.15%	0.10%	0.00%	0.00%	0.00%

Figure CI- 3 Percentage of Total Ultimate Incurred in Each Year

Line No.	Cover	1	2	3	4	5	6	7	8	9	10+
1	Accident Benefits – WI	23.15%	16.83%	51.18%	2.73%	0.00%	0.00%	0.00%	0.00%	0.00%	6.11%
2	ABO – Indexed	71.47%	13.09%	3.82%	1.19%	0.90%	0.90%	0.78%	0.37%	0.23%	7.24%
3	ABO – Non-Indexed	60.49%	20.30%	13.51%	2.03%	0.96%	0.44%	0.39%	0.39%	0.34%	1.14%
4	Bodily Injury	56.98%	11.40%	12.21%	7.13%	5.79%	3.41%	2.23%	0.69%	0.10%	0.05%
5	Collision	95.46%	3.36%	0.89%	0.20%	0.10%	0.00%	0.00%	0.00%	0.00%	0.00%
6	Comprehensive	91.61%	7.01%	1.38%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
7	Property Damage	81.40%	15.52%	2.58%	0.30%	0.25%	0.10%	0.00%	-0.05%	-0.05%	-0.05%

CI.2.3 Historical Ultimate Incurred Losses by Accident Year

1 The details of the assumptions used to estimate the historical accident year ultimate
 2 incurred are provided in the October 2018 and February 2019 Appointed Actuary's
 3 Reports (*Part VIII External Actuary Review of Policy Liabilities*). The CI section of the
 4 application describes how the historical ultimate incurred losses are used for
 5 forecasting purposes, but it does not restate the detailed information provided in the
 6 Appointed Actuary's reports.

CI.2.4 Manitoba Inflation Rate

7 The projected Manitoba inflation rate is based on the average forecast from TD
 8 Economics, RBC Economics, BMO Financial Group, and Global Insight. The Manitoba
 9 inflation rate is forecasted at 1.8% in 2019/20 and 2.2% in 2020/21 and 2.0%
 10 thereafter. Please see *Part VI Investments INV.14.2* for more information. MPI
 11 assumes the long term forecasted inflation rate of 2.0% for the purposes of indexing.

CI.2.5 Discount Rate

12 As part of the Corporation's Asset and Liability Management (ALM) Strategy, a unique
 13 portfolio for the Basic Claims assets was implemented. This portfolio includes only
 14 fixed income assets which match the dollar and duration of the associated liabilities.
 15 This change in the portfolio increased the discount rate from 3.26% to 3.38%, which
 16 lowers the value of Basic claims liabilities. For an outline of the Corporation's ALM
 17 Strategy see *Part VI Investments INV.16*. A detailed description on the claims liability

1 discount rate calculation is included in the October 2018 Appointed Actuary's Report
2 (Part VIII External Actuary Review of Policy Liabilities Attachment B).

3 MPI's forecasts include a calculation of the projected claims liability discount rates at
4 each fiscal year end. The forecasted discount rate is used to re-evaluate claim
5 liabilities at each fiscal year end, which results in a fiscal year net CI forecast *including*
6 the expected impact of interest rate changes. The figure below shows the assumed
7 discount rates at each fiscal year end. PIPP claims liabilities that are indexed annually
8 based on Manitoba inflation (i.e. Weekly Indemnity and Accident Benefits Other –
9 Indexed) are discounted based on the 'real' rate (i.e. net of inflation). All other claim
10 liabilities are discounted based on the 'nominal' rate. The full details on the interest
11 rate forecast are provided in Part VI Investments INV.14.1.

12 In 2019/20, MPI will be transitioning from a consolidated portfolio to five unique
13 portfolios. A result of this change is that the discount rate for the Basic claims
14 liabilities will increase from 3.26% to 3.38% in Q1 2019/20. This is because a majority
15 of the assets used to match the claims liabilities are longer duration, high yield bonds,
16 compared to the shorter duration of the assets in the portfolios for the Extension and
17 SRE lines of business. Part VI Investments INV.1.1 provides additional information on
18 this transition.

Figure CI- 4 Assumed Claims Liability Discount Rate

Line No.	Fiscal Year End	Nominal	Real
1	2018/19 (a)	3.26%	1.24%
2	2019/20	3.35%	1.32%
3	2020/21	3.30%	1.27%
4	2021/22	3.24%	1.22%
5	2022/23	3.19%	1.17%
6	2023/24	3.15%	1.12%

CI.2.6 Duration of Claims Liabilities

19 MPI's Investment Policy Statement (IPS) states that the duration of the fixed income
20 portfolio will match the duration of claims liabilities. Based on the projected interest
21 rates used in the fixed income asset forecast, MPI's overall claims duration was

1 recalculated at the end of each quarter. *Part VI Investments INV.4* provides additional
2 information on the fixed income duration assumptions for the forecast. The forecasted
3 claims liability durations including all actuarial provisions are shown in the figure
4 below.

Figure CI- 5 Assumed Claim Liability Modified Duration (Years)

Line No.	Fiscal Year End	Duration
1	2018/19 (a)	10.25
2	2019/20	10.10
3	2020/21	10.08
4	2021/22	10.05
5	2022/23	10.00
6	2023/24	9.96

CI.2.7 Margins for Adverse Deviation

5 The margins for adverse deviation used in the claims forecast are the same as those
6 used in the February 2019 Appointed Actuary's report (*Part VIII External Actuary*
7 *Review of Policy Liabilities Attachment A*). A summary of the margins for each
8 coverage are provided in the figure below.

Figure CI- 6 Margins for Adverse Deviation

Line No.		MFAD
1	Interest Rate Margin For Adverse Deviation – All Coverages	0.50%
2	Claims Development Margin for Adverse Deviation:	
3	· Weekly Indemnity	15.00%
4	· Accident Benefits – Other (Indexed)	15.00%
5	· Accident Benefits – Other (Non-Indexed)	10.00%
6	· Public Liability	15.00%
7	· Collision	7.50%
8	· Comprehensive	7.50%
9	· Property Damage	5.00%

CI.2.8 Indexed Case Reserves

1 Prior to 2015/16, MPI did not index case reserves for coverages that are subject to
2 indexation. As a result, the projected *reported* incurred did not account for the
3 increase in benefits from indexation. MPI has since indexed its case reserves as
4 presented in Appendix 1 Table 7 and Appendixes 1b through 2f Table 6. This change
5 increases the yearly reported incurred for these coverages, which is offset by an equal
6 decrease in IBNR. Appendix 1 Tables 7 through 10 and Appendixes 1b through 2f
7 Tables 6 through 9 are now indexed to reflect this change.

CI.2.9 2019/20 Light Vehicle Accreditation Agreement

8 As outlined in Part IV Service Delivery Model SDM.2, MPI negotiated new contracts
9 with the Automotive Trades Association (ATA) and Manitoba Motor Dealer Association
10 (MMDA). The impact of the new terms under these contracts are outlined in the figure
11 below and are incorporated into the ultimate forecasts for Collision and
12 Comprehensive repair claims.

13 As outlined in the figure below, the net effect of these changes is \$5.5 million in
14 2020/21. However, the Collision forecast has been reduced by \$11.5 million as a
15 result of lower severity trends, along with the lower PST and frequency. Overall,
16 Collision is forecasted to decrease \$25.1 million over last year's forecast of \$502.4
17 million. For a more detailed analysis of the ultimate Collision forecast, see CI.9.3.
18 Some of these changes are:

- 19 • Removal of the \$81 DR Premium, which is reflected in the Unallocated Loss
20 Adjustment Expenses (ULAE) forecast
- 21 • A requirement for pre and post scans of all vehicles model 2012 year or newer
- 22 • The provision of additional time for blending on repair claims that require paint
- 23 • An increased discount in Southern Manitoba, resulting in a savings on glass
24 replacement claims

Figure CI- 7 2019/20 Light Vehicle Accreditation Agreement

Line No.	Fiscal Year	DR Premium	Collision	Hail	Glass	Theft	Rodent	Vandalism	Other	Net Total
1	<i>(\$000)</i>									
2	2019/20	(\$5,240)	\$12,414	\$330	(\$2,792)	\$70	\$23	\$538	\$334	\$5,677
3	2020/21	(\$6,000)	\$13,040	\$335	(\$2,880)	\$71	\$24	\$546	\$339	\$5,475
4	2021/22	(\$6,000)	\$13,040	\$335	(\$2,880)	\$71	\$24	\$546	\$339	\$5,475
5	2022/23	(\$6,000)	\$13,040	\$335	(\$2,880)	\$71	\$24	\$546	\$339	\$5,475
6	2023/24	(\$6,000)	\$13,040	\$335	(\$2,880)	\$71	\$24	\$546	\$339	\$5,475

CI.2.10 PST Reduction

- 1 As of July 1, 2019, the provincial sales tax (PST) will be reduced from 8% to 7%. MPI
 2 has adjusted all physical damage forecasts to account for this change. The savings
 3 from the PST reduction are \$3.7 million in 2019/20 and \$5.9 million in 2020/21.

CI.3 Claims Incurred Before Provisions

- 4 The sections that follow provide the CI forecasts on an accident year and fiscal year
 5 basis before the inclusion of CI financial provisions (e.g. loss adjustment expenses,
 6 reinsurance recoveries, premium deficiency). The figure below shows the forecast of
 7 fiscal year CI before financial provisions.

Figure CI- 8 Claims Incurred before Provisions Forecast

Line No.	Fiscal Year	2019/20	2020/21	2021/22	2022/23	2023/24
1	<i>(\$000)</i>					
2	Weekly Indemnity	\$90,996	\$106,186	\$108,849	\$110,094	\$111,747
3	ABO - Indexed	\$81,046	\$90,889	\$92,830	\$94,321	\$96,310
4	ABO - Non-Indexed	\$32,586	\$33,709	\$34,338	\$34,853	\$35,366
5	PIPP Enhancements	\$8,153	\$10,372	\$10,674	\$10,849	\$11,259
6	Public Liability - BI	\$5,389	\$5,507	\$5,578	\$5,647	\$5,712
7	Collision	\$453,266	\$477,708	\$504,636	\$533,122	\$563,280
8	Comprehensive	\$104,043	\$109,435	\$115,614	\$122,130	\$128,942
9	Property Damage	\$46,222	\$47,160	\$48,083	\$49,024	\$49,986
10	Basic Total	\$821,702	\$880,965	\$920,603	\$960,040	\$1,002,601

CI.4 Weekly Indemnity

- 1 Weekly Indemnity provides coverage for loss of wages resulting from the insured's
- 2 inability to work following an automobile accident.

Figure CI- 9 Claims Incurred Forecast

Line No.	Fiscal Year	2019/20	2020/21	2021/22	2022/23	2023/24
1	(\$000)					
2	Weekly Indemnity	\$90,996	\$106,186	\$108,849	\$110,094	\$111,747

CI.4.1 Accident Year Ultimate Forecast

- 3 Weekly Indemnity is forecasted based on the historical accident year claims counts,
- 4 severity, and ultimate losses for this coverage (Appendix 1 Table 1). The figure below
- 5 shows the historical experience and the forecasted ultimate losses for Weekly
- 6 Indemnity along with a comparison to last year's forecast.

Figure CI- 10 Weekly Indemnity Ultimate Losses

Line No.	Claim Count		Severity	Ultimate (\$000)	Annual % Change	Last Year's Forecast (\$000)	Variance to Forecast (\$000)
	Accident Year	Incurred >\$0					
1	2004/05	2,040	\$22,941	\$46,800	-12.99%	\$47,702	(\$902)
2	2005/06	1,942	\$30,074	\$58,404	24.79%	\$58,646	(\$242)
3	2006/07	2,102	\$36,011	\$75,694	29.60%	\$74,567	\$1,127
4	2007/08	2,051	\$36,566	\$74,996	-0.92%	\$72,882	\$2,114
5	2008/09	1,883	\$38,367	\$72,244	-3.67%	\$70,771	\$1,473
6	2009/10	1,878	\$37,094	\$69,662	-3.57%	\$66,966	\$2,696
7	2010/11	1,929	\$46,689	\$90,063	29.28%	\$85,539	\$4,524
8	2011/12	1,833	\$47,311	\$86,721	-3.71%	\$82,795	\$3,926
9	2012/13	2,026	\$45,020	\$91,204	5.17%	\$93,615	(\$2,411)
10	2013/14	1,896	\$41,303	\$78,303	-14.15%	\$78,636	(\$333)
11	2014/15	1,663	\$42,859	\$71,262	-8.99%	\$66,523	\$4,738
12	2015/16	1,813	\$47,390	\$85,921	20.57%	\$85,048	\$873
13	2016/17	1,810	\$46,844	\$84,775	-1.33%	\$81,912	\$2,864
14	2017/18	1,915	\$45,102	\$86,374	1.89%	\$76,173	\$10,201
15	2018/19	1,837	\$48,572	\$89,213	3.29%	\$76,840	\$12,373
16	5-year Trend	1,942	\$48,895	\$94,416	4.85%	\$80,827	
17	10-year Trend	1,811	\$48,102	\$87,267	0.62%	\$78,774	
18	All year Trend	1,778	\$51,874	\$93,708	-0.03%	\$86,380	
19	2019/20	1,809	\$45,584	\$82,460	-7.57%	\$76,953	\$5,507
20	2020/21	1,800	\$46,263	\$83,294	1.01%	\$77,046	\$6,248
21	2021/22	1,792	\$46,952	\$84,134	1.01%	\$77,119	\$7,015
22	2022/23	1,783	\$47,652	\$84,981	1.01%	\$77,171	\$7,810
23	2023/24	1,775	\$48,362	\$85,834	1.00%		

1 As shown in the above figure, there were significant increases made to the prior year's
2 ultimate loss estimates in the February 2019 Appointed Actuary's report (*Part VIII*
3 *External Actuary Review of Policy Liabilities Attachment A*). In particular, the ultimate
4 loss estimates for the 2017/18 and 2018/19 accident years were increased by \$22.5
5 million over last year's estimates. The increase is driven primarily by the introduction
6 of centralized reserving. An outline of centralized reserving can be found in *Part VIII*
7 *External Actuary Review of Policy Liabilities Attachment A*.

8 The 2019/20 forecasted ultimate losses of \$82.5 million are based on the forecasted
9 non-zero claim counts and severity. Claim counts were forecasted based on the all-
10 year trend as shown in the above figure.

1 The 2019/20 severity (i.e. average incurred per claim) is based on the six-year
 2 average of the ultimate severity, excluding the most recent year, with two years of
 3 severity growth applied. Severity growth is determined by calculating a weighted
 4 average severity growth based on the ultimate severity of claims broken down into
 5 three groups: (i) claims with incurred between \$0 and \$100,000, (ii) claims with
 6 incurred between \$100,000 and \$250,000; and (iii) claims with incurred greater than
 7 \$250,000. Severity growth is then calculated based on the last eighteen years
 8 (excluding the two most recent years) trend in these three groups. The two most
 9 recent years are excluded because it generally takes at least two years for case
 10 managers to reasonably assess the reserve requirements for serious injury claims. The
 11 eighteen-year trend is used because this is the farthest back that MPI has data
 12 available in this format. A weighted average severity growth is calculated between
 13 these three severity groups to produce the forecasted severity trend.

Figure CI- 11 Weekly Indemnity Ultimate Severity

Line No.	Accident Year	Average Severity		
		\$0-\$100,000	\$100,000-\$250,000	\$250,000+
1	2004/05	\$6,326	\$174,576	\$736,909
2	2005/06	\$7,210	\$160,986	\$778,107
3	2006/07	\$7,429	\$165,602	\$722,441
4	2007/08	\$7,337	\$150,256	\$762,275
5	2008/09	\$8,750	\$152,297	\$695,201
6	2009/10	\$8,553	\$151,802	\$790,011
7	2010/11	\$9,842	\$150,564	\$773,561
8	2011/12	\$9,504	\$156,194	\$785,816
9	2012/13	\$9,411	\$151,366	\$716,924
10	2013/14	\$9,163	\$148,703	\$666,896
11	2014/15	\$9,316	\$148,349	\$684,225
12	2015/16	\$9,700	\$149,159	\$626,491
13	2016/17	\$9,280	\$188,371	\$529,576
14	2017/18	\$17,429	\$153,653	\$709,283
15	2018/19	\$26,701	\$150,433	\$519,901
16	Severity Growth	2.99%	0.15%	-1.53%
17	Total Incurred	\$241,900,122	\$86,833,181	\$884,956,914
18	Weighted Average Severity Growth	-0.51%		
19	Indexation	2.00%		
20	Total Severity Growth	1.49%		

CI.4.2 Fiscal Year Claims Incurred Forecast

1 The figure below shows the historical and projected fiscal year CI for Weekly
 2 Indemnity. The reported incurred, which are shown in Appendix 1 Table 5 for pre-PIPP
 3 and Appendix 1 Table 3, are based on the projected ultimate losses and the incurred
 4 development assumptions. The change in IBNR, which is shown in Appendix 1 Table 5
 5 for pre-PIPP and Appendix 1 Table 9, is based on the projected ultimate losses,
 6 assumed paid development factors, claims liability discount rates, and provisions for
 7 adverse deviation. The change in IBNR is shown with and without the impact of
 8 changing interest rates.

Figure CI- 12 Weekly Indemnity Claims Incurred

Line No.	Fiscal Year	Reported	Change in IBNR				Total Change in IBNR	Claims Incurred	Last Year's Forecast	Variance to Forecast
			Interest Rate Impact	Interest Rate Margin Change	All Other Changes					
1										
2	2014/15	\$66,093	\$56,900	\$0	\$3,977	\$60,877	\$126,971	\$126,971	\$0	
3	2015/16	\$70,518	(\$34,648)	(\$17,608)	\$42,682	(\$9,573)	\$60,945	\$60,945	\$0	
4	2016/17	\$93,476	(\$4,227)	\$0	\$36,334	\$32,108	\$125,584	\$125,584	\$0	
5	2017/18	\$172,511	(\$7,609)	\$0	(\$35,070)	(\$42,679)	\$129,832	\$129,832	\$0	
6	2018/19	\$95,902	\$20,701	\$0	\$29,437	\$50,139	\$146,040	\$88,113	\$57,927	
7	2019/20	\$97,852	(\$9,599)	\$0	\$2,743	(\$6,856)	\$90,996	\$97,141	(\$6,145)	
8	2020/21	\$100,432	\$5,580	\$0	\$174	\$5,754	\$106,186	\$99,358	\$6,828	
9	2021/22	\$96,061	\$6,318	\$0	\$6,469	\$12,788	\$108,849	\$99,540	\$9,309	
10	2022/23	\$97,327	\$5,932	\$0	\$6,836	\$12,768	\$110,094	\$100,275	\$9,820	
11	2023/24	\$98,995	\$5,987	\$0	\$6,765	\$12,752	\$111,747			

9 The 2018/19 Weekly Indemnity CI was \$57.9 million higher than last year's forecast
 10 as a result of several factors. Lower than expected interest rates caused an increase in
 11 IBNR of \$20.7 million relative to last year's forecasted decrease of \$4.1 million. The
 12 remaining impact stems mainly from the changes in assumptions and methodology
 13 used in the October 2018 (Part VIII External Actuary Review of Policy Liabilities
 14 Attachment B) and February 2019 Appointed Actuary's reports (Part VIII External
 15 Actuary Review of Policy Liabilities Attachment A), which can be broken down as
 16 follows:

- 17 • a revision of the loss development factors which caused an increase in IBNR of
 18 \$11.2 million

- 1 • a change in the selected IBNR which resulted in an increase in IBNR of \$18.2
- 2 million

3 In 2020/21, the CI forecast increases over last year’s forecast as a result of a higher
4 forecasted ultimates in previous years (as described above).

CI.5 Accident Benefits Other – Indexed

5 Accident Benefits Other – Indexed provides coverage for an insured’s medical and
6 rehabilitation expenses including travel expenses and personal care costs arising as a
7 result of an automobile accident.

Figure CI- 13 Claims Incurred Forecast

Line No.	Fiscal Year	2019/20	2020/21	2021/22	2022/23	2023/24
1	(\$000)					
2	ABO - Indexed	\$81,046	\$90,889	\$92,830	\$94,321	\$96,310

CI.5.1 Accident Year Ultimate Forecast

8 Accident Benefits Other – Indexed is forecasted based on the historical accident year
9 claims counts, severity, and ultimate losses for this coverage (*Appendix 2 Table 1*).
10 The figure below shows the historical experience and the forecasted ultimate losses for
11 Accident Benefits Other – Indexed along with a comparison to last year’s forecast.

Figure CI- 14 Accident Benefits Other – Indexed Ultimate Losses

Line No.	Accident Year	Claim Count Incurred >\$0	Severity	Ultimate (\$000)	Annual % Change	Last Year's Forecast (\$000)	Variance to Forecast (\$000)
1	2004/05	11,327	\$5,308	\$60,119	20.54%	\$59,287	\$833
2	2005/06	10,756	\$4,742	\$51,001	-15.17%	\$51,077	(\$77)
3	2006/07	12,061	\$5,579	\$67,290	31.94%	\$67,600	(\$310)
4	2007/08	11,935	\$5,695	\$67,973	1.01%	\$67,278	\$695
5	2008/09	11,418	\$4,772	\$54,487	-19.84%	\$55,127	(\$640)
6	2009/10	11,239	\$5,292	\$59,480	9.16%	\$60,171	(\$691)
7	2010/11	11,840	\$4,592	\$54,371	-8.59%	\$54,166	\$206
8	2011/12	11,252	\$5,549	\$62,444	14.85%	\$61,460	\$984
9	2012/13	12,129	\$5,255	\$63,734	2.07%	\$63,565	\$169
10	2013/14	12,361	\$4,397	\$54,359	-14.71%	\$55,811	(\$1,453)
11	2014/15	10,715	\$4,890	\$52,393	-3.62%	\$54,637	(\$2,244)
12	2015/16	11,629	\$5,679	\$66,035	26.04%	\$69,580	(\$3,545)
13	2016/17	11,667	\$6,671	\$77,834	17.87%	\$69,406	\$8,428
14	2017/18	11,897	\$6,142	\$73,067	-6.12%	\$69,638	\$3,429
15	2018/19	11,139	\$6,623	\$73,771	0.96%	\$63,849	\$9,922
16	5-year Trend	11,744	\$7,180	\$83,557	0.13%	\$70,967	
17	10-year Trend	11,534	\$6,516	\$75,128	5.18%	\$68,828	
18	All year Trend	11,637	\$6,047	\$70,151	2.57%	\$66,103	
19	2019/20	11,803	\$6,295	\$74,302	0.72%	\$64,567	\$9,735
20	2020/21	11,827	\$6,373	\$75,373	1.44%	\$65,294	\$10,079
21	2021/22	11,852	\$6,451	\$76,458	1.44%	\$66,028	\$10,430
22	2022/23	11,876	\$6,531	\$77,559	1.44%	\$66,770	\$10,789
23	2023/24	11,900	\$6,611	\$78,675	1.44%		

1 The 2019/20 ultimate losses of \$74.3 million are based on the forecasted claim counts
2 and severity. Per the above figure, claim counts are forecasted based on the all year
3 trend.

4 The 2019/20 severity is based on the four-year average of the ultimate severity
5 indexed to current levels, excluding the most recent year, with two years of severity
6 growth plus indexation applied. Severity growth is determined by calculating a
7 weighted average severity growth based on the ultimate severity of claims broken
8 down into three groups: (i) claims with incurred between \$0 and \$100,000, (ii) claims
9 with incurred between \$100,000 and \$250,000; and (iii) claims with incurred greater
10 than \$250,000. Severity growth is then calculated based on the trend in these three

1 groups from the last seventeen years (excluding the two most recent years). The two
 2 most recent years are excluded because it generally takes at least two years for case
 3 managers to reasonably assess the reserve requirements for serious injury claims. The
 4 seventeen-year trend is used because this is the farthest back that MPI has data
 5 available in this format. A weighted average severity growth is calculated between
 6 these three severity groups to produce the forecasted severity trend.

Figure CI- 15 Accident Benefits Other – Indexed Ultimate Severity

Line No.	Accident Year	Average Severity		
		\$0-\$100,000	\$100,000-\$250,000	\$250,000+
1	2004/05	\$2,002	\$158,593	\$2,316,697
2	2005/06	\$2,224	\$146,332	\$1,077,833
3	2006/07	\$2,062	\$148,743	\$1,382,005
4	2007/08	\$2,088	\$142,674	\$1,575,599
5	2008/09	\$2,335	\$165,944	\$1,217,588
6	2009/10	\$2,428	\$149,859	\$1,163,945
7	2010/11	\$2,414	\$149,286	\$941,852
8	2011/12	\$2,579	\$152,975	\$1,134,482
9	2012/13	\$2,719	\$163,972	\$921,410
10	2013/14	\$2,867	\$150,969	\$720,965
11	2014/15	\$2,837	\$152,097	\$960,611
12	2015/16	\$3,012	\$154,898	\$912,953
13	2016/17	\$3,058	\$164,008	\$1,031,498
14	2017/18	\$4,019	\$145,541	\$1,326,140
15	2018/19	\$5,056	\$145,845	\$555,243
16	Severity Growth	2.59%	0.39%	-3.95%
17	Total Incurred	\$451,890,576	\$70,295,944	\$501,881,193
18	Weighted Average Severity Growth	-0.77%		
19	Indexation	2.00%		
20	Total Severity Growth	1.23%		

CI.5.2 Fiscal Year Claims Incurred Forecast

7 The figure below shows the historical and projected fiscal year CI for Accident Benefits
 8 Other - Indexed. The reported CI, which are calculated in *Appendix 2 Table 3*, are
 9 based on the projected ultimate losses and the incurred development assumptions.
 10 The change in IBNR, which is shown in *Appendix 2 Table 8*, is based on the projected
 11 ultimate losses, assumed paid development factors, claims liability discount rates, and

- 1 provisions for adverse deviation. The change in IBNR is shown with and without the
2 impact of changing interest rates in the figure below.

Figure CI- 16 Accident Benefits Other – Indexed Claims Incurred

Line No.	Fiscal Year	Reported	Change in IBNR			Total Change in IBNR	Claims Incurred	Last Year's Forecast	Variance to Forecast
			Interest Rate Impact	Interest Rate Margin Change	All Other Changes				
1									
		(\$000)							
2	2014/15	\$49,102	\$46,922	\$0	\$11,405	\$58,327	\$107,429	\$107,429	\$0
3	2015/16	\$59,839	(\$26,782)	(\$13,584)	\$12,566	(\$27,799)	\$32,039	\$32,039	\$0
4	2016/17	\$66,910	(\$2,969)	\$0	\$11,680	\$8,711	\$75,621	\$75,621	\$0
5	2017/18	\$46,866	(\$4,560)	\$0	(\$24,405)	(\$28,966)	\$17,901	\$17,901	\$0
6	2018/19	\$65,878	\$12,243	\$0	\$15,313	\$27,556	\$93,434	\$72,226	\$21,208
7	2019/20	\$87,192	(\$5,357)	\$0	(\$789)	(\$6,146)	\$81,046	\$78,135	\$2,911
8	2020/21	\$85,129	\$3,140	\$0	\$2,620	\$5,761	\$90,889	\$80,356	\$10,533
9	2021/22	\$85,853	\$3,571	\$0	\$3,407	\$6,978	\$92,830	\$80,943	\$11,888
10	2022/23	\$87,517	\$3,365	\$0	\$3,438	\$6,803	\$94,321	\$82,044	\$12,276
11	2023/24	\$89,265	\$3,410	\$0	\$3,635	\$7,045	\$96,310		

- 3 The 2018/19 Accident Benefits Other - Indexed CI was \$21.2 million higher than last
4 year's forecast. Lower than expected interest rates caused an increase in IBNR of
5 \$12.2 million relative to last year's forecasted decrease of \$2.4 million. Reported was
6 \$11.0 million lower relative to last year's forecast of \$76.9 million. The lower than
7 expected reported was offset by an increase in IBNR, mainly from 2018/19 accident
8 year. The remaining changes in IBNR can be attributed to an increase in the ultimate
9 forecast. These changes are outlined in the October 2018 *(Part VIII External Actuary*
10 *Review of Policy Liabilities Attachment B)* and February 2019 Appointed Actuary's
11 reports *(Part VIII External Actuary Review of Policy Liabilities Attachment A)*.

- 12 In 2020/21, the CI forecast increases over last year's forecast as a result of a higher
13 forecasted ultimates in previous years (as described above).

CI.6 Accident Benefits Other – Non-Indexed

- 14 Accident Benefits Other – Non-Indexed coverage provides lump sum payments in the
15 event that the insured is permanently injured or dies as a result of an automobile
16 accident.

Figure CI- 17 Claims Incurred Forecast

Line No.	Fiscal Year	2019/20	2020/21	2021/22	2022/23	2023/24
1	(\$000)					
2	ABO – Non-Indexed	\$32,586	\$33,709	\$34,338	\$34,853	\$35,366

CI.6.1 Accident Year Ultimate Forecast

- 1 Accident Benefits Other – Non-Indexed is forecasted based on the historical accident
2 year claims counts, severity, and ultimate losses for this coverage (Appendix 3 Table
3 1). The figure below shows the ten-year historical experience and the forecasted
4 ultimate losses for Accident Benefits Other – Non-Indexed along with a comparison to
5 last year's forecast.

Figure CI- 18 Accident Benefits Other – Non-Indexed Ultimate Losses

Line No.	Accident Year	Claim Count Incurred >\$0	Severity	Ultimate (\$000)	Annual % Change	Last Year's Forecast (\$000)	Variance to Forecast (\$000)
1	2004/05	1,413	\$17,523	\$24,761	-2.37%	\$24,781	(\$20)
2	2005/06	1,467	\$19,664	\$28,847	16.51%	\$28,928	(\$80)
3	2006/07	1,641	\$20,748	\$34,048	18.03%	\$34,070	(\$22)
4	2007/08	1,506	\$20,053	\$30,193	-11.32%	\$30,183	\$10
5	2008/09	1,441	\$19,885	\$28,654	-5.10%	\$29,155	(\$501)
6	2009/10	1,439	\$20,862	\$30,010	4.73%	\$29,987	\$24
7	2010/11	1,351	\$21,217	\$28,655	-4.52%	\$28,605	\$49
8	2011/12	1,602	\$20,096	\$32,185	12.32%	\$32,032	\$153
9	2012/13	1,470	\$20,800	\$30,572	-5.01%	\$30,277	\$295
10	2013/14	1,295	\$21,671	\$28,061	-8.21%	\$27,596	\$465
11	2014/15	1,138	\$24,597	\$27,995	-0.24%	\$28,224	(\$229)
12	2015/16	1,614	\$20,186	\$32,589	16.41%	\$30,723	\$1,866
13	2016/17	1,887	\$19,667	\$37,107	13.86%	\$32,139	\$4,968
14	2017/18	1,772	\$18,709	\$33,152	-10.66%	\$30,213	\$2,938
15	2018/19	1,623	\$21,745	\$35,290	6.45%	\$30,911	\$4,380
16	5-year Trend	1,945	\$18,826	\$37,773	1.06%	\$31,901	
17	10-year Trend	1,729	\$20,599	\$35,215	4.26%	\$30,807	
18	All year Trend	1,622	\$21,474	\$34,250	2.07%	\$30,919	
19	2019/20	1,541	\$21,584	\$33,266	-5.74%	\$31,350	\$1,915
20	2020/21	1,541	\$21,899	\$33,752	1.46%	\$31,796	\$1,956
21	2021/22	1,541	\$22,219	\$34,246	1.46%	\$32,249	\$1,997
22	2022/23	1,541	\$22,544	\$34,746	1.46%	\$32,707	\$2,039
23	2023/24	1,541	\$22,874	\$35,255	1.46%		

1 The 2019/20 ultimate losses of \$33.3 million are based on the forecasted claim counts
2 and severity. Claim counts are forecasted based on the six-year average of the
3 ultimate claim counts, excluding the most recent year and remain at that level
4 throughout the forecast period (based on historical trends).

5 The 2019/20 severity is based on the six-year average of the ultimate severity,
6 excluding the most recent year, with two years of severity growth applied. Severity
7 growth is determined by calculating a weighted average severity growth based on the
8 ultimate severity of claims broken down into three groups: (i) claims with incurred
9 between \$0 and \$100,000, (ii) claims with incurred between \$100,000 and \$250,000;
10 and (iii) claims with incurred greater than \$250,000. Severity growth is then
11 calculated based on the trend in these three groups from the last eighteen years
12 (excluding the two most recent years). The two most recent years are excluded
13 because it generally takes at least two years for case managers to reasonably assess
14 the reserve requirements for serious injury claims. The eighteen-year trend is used
15 because this is the farthest back that MPI has data available in this format. A weighted
16 average severity growth is calculated between these three severity groups to produce
17 the forecasted severity trend.

Figure CI- 19 Accident Benefits Other – Non-Indexed Ultimate Severity

Line No.	Accident Year	Average Severity		
		\$0-\$100,000	\$100,000-\$250,000	\$250,000+
1	2004/05	\$12,841	\$164,375	\$301,717
2	2005/06	\$13,433	\$175,229	\$294,788
3	2006/07	\$13,779	\$170,726	\$311,590
4	2007/08	\$14,021	\$171,082	\$327,606
5	2008/09	\$13,266	\$162,018	\$337,302
6	2009/10	\$14,816	\$164,263	\$323,382
7	2010/11	\$14,832	\$165,956	\$326,787
8	2011/12	\$14,873	\$162,602	\$313,480
9	2012/13	\$14,509	\$169,969	\$337,281
10	2013/14	\$16,091	\$158,615	\$327,895
11	2014/15	\$17,034	\$178,210	\$344,828
12	2015/16	\$16,222	\$158,649	\$418,396
13	2016/17	\$15,332	\$168,148	\$351,135
14	2017/18	\$14,770	\$183,925	\$345,930
15	2018/19	\$17,570	\$183,884	\$411,731
16	Severity Growth	2.00%	-0.28%	1.40%
17	Total Incurred	\$322,461,614	\$96,854,811	\$51,427,164
18	Weighted Average Severity Growth	1.46%		
19	Indexation	0.00%		
20	Total Severity Growth	1.46%		

CI.6.2 Fiscal Year Claims Incurred Forecast

- 1 The figure below shows the historical and projected fiscal year CI for Accident Benefits
- 2 Other – Non-Indexed. The reported CI, which are calculated in Appendix 3 Table 3,
- 3 are based on the projected ultimate losses and the incurred development
- 4 assumptions. The change in IBNR, which is shown in Appendix 3 Table 8, is based on
- 5 the projected ultimate losses, assumed paid development factors, claims liability
- 6 discount rates, and provisions for adverse deviation. The change in IBNR is shown
- 7 with and without the impact of changing interest rates in the figure below.

Figure CI- 20 Accident Benefits Other – Non-Indexed Claims Incurred

Line No.	Fiscal Year	Reported	Change in IBNR				Claims Incurred	Last Year's Forecast	Variance to Forecast
			Interest Rate Impact	Interest Rate Margin Change	All Other Changes	Total Change in IBNR			
1									
2	2014/15	\$26,226	\$774	\$0	\$2,237	\$3,011	\$29,237	\$29,237	\$0
3	2015/16	\$27,148	(\$401)	(\$214)	(\$17)	(\$632)	\$26,515	\$26,515	\$0
4	2016/17	\$30,382	(\$49)	\$0	\$1,802	\$1,752	\$32,134	\$32,134	\$0
5	2017/18	\$34,170	(\$92)	\$0	\$3,064	\$2,972	\$37,142	\$37,142	\$0
6	2018/19	\$53,383	\$413	\$0	(\$7,216)	(\$6,803)	\$46,579	\$30,664	\$15,915
7	2019/20	\$26,029	(\$138)	\$0	\$6,695	\$6,557	\$32,586	\$31,387	\$1,199
8	2020/21	\$31,211	\$75	\$0	\$2,422	\$2,498	\$33,709	\$31,877	\$1,831
9	2021/22	\$33,153	\$81	\$0	\$1,103	\$1,184	\$34,338	\$32,325	\$2,013
10	2022/23	\$33,911	\$73	\$0	\$869	\$941	\$34,853	\$32,780	\$2,072
11	2023/24	\$34,484	\$71	\$0	\$812	\$882	\$35,366		

1 The 2018/19 Accident Benefits Other – Non-Indexed CI was \$15.9 million higher than
2 last year's forecast as a result of the higher than expected reported claims which were
3 \$22.8 million over last year's forecast of \$30.6 million. The higher than expected
4 reported was offset by a decrease in IBNR. The remaining increase stems mainly from
5 the changes in assumptions and methodology used in the October 2018 (Part VIII
6 External Actuary Review of Policy Liabilities Attachment B) and February 2019
7 Appointed Actuary's reports (Part VIII External Actuary Review of Policy Liabilities
8 Attachment A).

9 In 2020/21, the CI forecast increases over last year's forecast as a result of higher
10 forecasted ultimates.

CI.7 PIPP Enhancements

11 On October 8, 2009, the provincial government enacted improvements to PIPP
12 benefits to claimants who meet the definition of "Catastrophic Injury". Further
13 improvements to PIPP benefits were enacted on August 19, 2011 and May 1, 2015.

14 A list of all improvements is provided below (all figures at March 1, 2019 levels):

- 15 1. The minimum Income Replacement Indemnity for catastrophically injured
16 claimants was increased to the Industrial Average Wage;

- 1 2. The maximum monthly Personal Care Assistance payment for catastrophically
2 injured claimants was increased to \$5,761;

- 3 3. The Vehicle Purchase Policy for catastrophically injured claimants was revised
4 to allow for the purchase of a new vehicle every five years;

- 5 4. Claimants were now entitled to an Annual Spending Allowance for
6 extraordinary expenses for leisure and recreational activities, with biannual
7 limits ranging from \$500 to \$4,000 depending on the extent of the claimants'
8 injuries;

- 9 5. Improvements to PIPP benefits due to a reinterpretation of section 138 of *The*
10 *Manitoba Public Insurance Corporation Act*. These improvements include
11 benefits for modification of a secondary residence, as well as reimbursement
12 for extraordinary expenses to support continuation of pre-accident activities;

- 13 6. The primary caregiver of a deceased claimant's dependents is now eligible for
14 caregiver weekly indemnity benefits. Eligibility for this benefit depends on the
15 deceased claimant's occupation directly preceding the accident. These
16 payments start at \$465 per week for one dependent and \$611 per week for
17 four or more dependents;

- 18 7. The maximum Permanent Impairment benefit for catastrophically injured
19 claimants was increased to \$253,664; and

- 20 8. If death (of a claimant) occurs more than 90 days after the accident, both the
21 Death and Permanent Impairment benefits are now payable. Previously, the
22 Death benefit payable was offset by the Permanent Impairment benefit already
23 paid.

Figure CI- 21 Claims Incurred Forecast

Line No.	Fiscal Year	2019/20	2020/21	2021/22	2022/23	2023/24
1	(\$000)					
2	PIPP Enhancements	\$8,153	\$10,372	\$10,674	\$10,849	\$11,259

CI.7.1 Accident Year Ultimate Forecast

1 MPI forecasts PIPP Enhancements based on the historical ultimates as many claimants
2 are not categorized as catastrophically injured claimants until twelve or more months
3 after the date of loss. The figure below shows the historical and forecasted ultimate
4 losses for PIPP Enhancements along with a comparison to last year's forecast. The
5 detailed breakdown of the forecasts for each PIPP enhancement are included in
6 Appendices 1b, 2b, 2c, 2d, 2e, 2f, 2g, and 3b.

Figure CI- 22 PIPP Enhancement Ultimate Losses

Line No.	Accident Year	Ultimate (\$000)	Annual % Change	Last Year's Forecast (\$000)	Variance to Forecast (\$000)
1	2004/05	\$6,950	59.47%	\$6,887	\$64
2	2005/06	\$5,871	-15.53%	\$5,814	\$57
3	2006/07	\$9,625	63.95%	\$9,902	(\$276)
4	2007/08	\$8,638	-10.25%	\$8,534	\$105
5	2008/09	\$6,503	-24.72%	\$6,290	\$213
6	2009/10	\$6,509	0.11%	\$6,380	\$130
7	2010/11	\$4,255	-34.63%	\$4,221	\$34
8	2011/12	\$5,495	29.13%	\$5,420	\$75
9	2012/13	\$5,831	6.11%	\$5,387	\$444
10	2013/14	\$3,538	-39.31%	\$4,524	(\$985)
11	2014/15	\$4,706	32.99%	\$4,828	(\$122)
12	2015/16	\$5,387	14.47%	\$6,524	(\$1,137)
13	2016/17	\$10,551	95.88%	\$9,719	\$832
14	2017/18	\$7,087	-32.83%	\$8,846	(\$1,759)
15	2018/19	\$8,005	12.96%	\$7,597	\$408
16	5-year Average	\$7,147	24.69%	\$7,503	
17	10-year Average	\$6,136	8.49%	\$6,344	
18	All year Trend	\$6,498	9.49%	\$6,933	
19	2019/20	\$7,110	-11.19%	\$7,597	(\$487)
20	2020/21	\$7,110	0.00%	\$7,597	(\$487)
21	2021/22	\$7,110	0.00%	\$7,597	(\$487)
22	2022/23	\$7,110	0.00%	\$7,597	(\$487)
23	2023/24	\$7,110	0.00%		

7 Although the year-to-year changes in PIPP enhancement ultimate losses are highly
8 variable, the long term trend appears to be relatively flat. The 2019/20 ultimate losses
9 were selected based on the ten year average, with the exception of Caregiver Death

- 1 Benefits which was forecasted at \$2.0 million. For 2020/21 and thereafter, the
2 ultimate losses were assumed to grow at 0%.

CI.7.2 Fiscal Year Claims Incurred Forecast

- 3 The figure below shows the historical and projected fiscal year CI for PIPP
4 Enhancements. The reported CI, which are calculated in Table 3 of each Appendix, are
5 based on the projected ultimate losses and the incurred development assumptions.
6 The change in IBNR, which is shown in Table 8 of each Appendix, is based on the
7 projected ultimate losses, assumed paid development factors, claims liability discount
8 rates, and provisions for adverse deviation. The change in IBNR is shown with and
9 without the impact of changing interest rates in the figure below.

Figure CI- 23 PIPP Enhancements Claims Incurred

Line No.	Fiscal Year	Reported	Change in IBNR				Total Change in IBNR	Claims Incurred	Last Year's Forecast	Variance to Forecast
			Interest Rate Impact	Interest Rate Margin Change	All Other Changes					
1										
		(\$000)								
2	2014/15	\$4,905	\$12,477	\$0	(\$7,393)	\$5,084	\$9,989	\$9,989	\$0	
3	2015/16	\$4,264	(\$6,607)	(\$3,285)	\$1,350	(\$8,542)	(\$4,278)	(\$4,278)	\$0	
4	2016/17	\$3,988	(\$708)	\$0	\$5,629	\$4,920	\$8,908	\$8,908	\$0	
5	2017/18	\$8,106	(\$1,098)	\$0	(\$4,860)	(\$5,958)	\$2,148	\$2,148	\$0	
6	2018/19	\$9,137	\$2,938	\$0	(\$2,834)	\$103	\$9,240	\$8,983	\$257	
7	2019/20	\$10,318	(\$1,281)	\$0	(\$884)	(\$2,165)	\$8,153	\$10,629	(\$2,475)	
8	2020/21	\$8,789	\$740	\$0	\$842	\$1,583	\$10,372	\$11,095	(\$723)	
9	2021/22	\$8,480	\$833	\$0	\$1,361	\$2,194	\$10,674	\$11,226	(\$553)	
10	2022/23	\$8,653	\$778	\$0	\$1,418	\$2,196	\$10,849	\$11,484	(\$635)	
11	2023/24	\$8,940	\$782	\$0	\$1,538	\$2,320	\$11,259			

- 10 The 2018/19 PIPP Enhancements CI was \$0.3 million higher than last year's forecast.
11 The 2020/21 PIPP Enhancement CI forecast is \$0.7 million or 6.5% lower than last
12 year's forecast of \$11.1 million. This decrease is due to lower forecasted ultimates as
13 a result of the lowering of prior years' ultimates, which decreased the forecast by \$0.5
14 million.

CI.8 Public Liability – Bodily Injury

- 1 Public Liability – Bodily Injury provides third-party liability protection to the insured
- 2 against a claim or suit for bodily injury arising out of the operation of a vehicle outside
- 3 of Manitoba.

Figure CI- 24 Claims Incurred Forecast

Line No.	Fiscal Year	2019/20	2020/21	2021/22	2022/23	2023/24
1	(\$000)					
2	Public Liability – Bodily Injury	\$5,389	\$5,507	\$5,578	\$5,647	\$5,712

CI.8.1 Accident Year Ultimate Forecast

- 4 Public Liability - Bodily Injury is forecasted based on the historical claim counts,
- 5 severity, and ultimate incurred losses (*Appendix 4 Table 1*). The figure below shows
- 6 the historical experience and the forecast by accident year, along with a comparison to
- 7 last year's forecast.

Figure CI- 25 Public Liability – Bodily Injury Ultimate Incurred

Line No.	Accident Year	Claim Count Incurred >\$0	Severity	Ultimate (\$000)	Annual % Change	Last Year's Forecast (\$000)	Variance to Forecast (\$000)
1	2004/05	121	\$42,943	\$5,196	31.59%	\$5,196	\$0
2	2005/06	117	\$36,140	\$4,228	-18.62%	\$4,228	\$0
3	2006/07	109	\$32,562	\$3,549	-16.06%	\$3,565	(\$16)
4	2007/08	105	\$35,919	\$3,772	6.26%	\$3,751	\$21
5	2008/09	85	\$28,606	\$2,432	-35.53%	\$2,431	\$0
6	2009/10	79	\$44,010	\$3,477	42.99%	\$3,479	(\$2)
7	2010/11	104	\$43,426	\$4,516	29.90%	\$4,444	\$72
8	2011/12	69	\$37,232	\$2,578	-42.93%	\$2,593	(\$16)
9	2012/13	75	\$49,150	\$3,668	42.31%	\$3,804	(\$136)
10	2013/14	111	\$34,776	\$3,850	4.97%	\$4,100	(\$249)
11	2014/15	116	\$49,565	\$5,763	49.68%	\$5,952	(\$188)
12	2015/16	93	\$53,237	\$4,948	-14.15%	\$5,054	(\$106)
13	2016/17	88	\$64,056	\$5,659	14.36%	\$5,555	\$103
14	2017/18	103	\$55,064	\$5,693	0.60%	\$5,624	\$69
15	2018/19	96	\$53,278	\$5,113	-10.19%	\$5,090	\$23
16	2013-2017 Average	102	\$51,340	\$5,183	11.09%	\$5,257	
17	10-year Trend	104	\$59,248	\$5,997	-5.64%	\$6,009	
18	All year Trend	90	\$57,220	\$5,249	8.12%	\$5,295	
19	2019/20	102	\$52,662	\$5,389	5.40%	\$5,159	\$230
20	2020/21	102	\$53,336	\$5,458	1.28%	\$5,229	\$229
21	2021/22	102	\$54,019	\$5,528	1.28%	\$5,299	\$229
22	2022/23	102	\$54,710	\$5,598	1.28%	\$5,371	\$228
23	2023/24	102	\$55,410	\$5,670	1.28%		

1 The 2018/19 ultimate incurred was essentially unchanged from last year’s forecast.

2 The 2019/20 ultimate losses of \$5.4 million are based on the forecasted claim counts
3 and severity. Claim counts are forecasted based on the six-year average of the
4 ultimate claim counts, excluding the most recent year and remain at that level
5 throughout the forecast period (based on historical trends).

6 The 2019/20 severity is based on the six-year average of the ultimate severity,
7 excluding the most recent year with two years of severity growth applied. Severity
8 growth is determined by calculating a weighted average severity growth based on the
9 ultimate severity of claims broken down into two groups: (i) claims with incurred
10 between \$0 and \$100,000; and (ii) claims with incurred greater than \$100,000.

11 Severity growth is then calculated in these two groups based on the trend from the

- 1 last eighteen years (excluding the two most recent years). The eighteen-year trend is
2 used because this is the farthest back that MPI has data available in this format. A
3 weighted average severity growth is calculated between these two severity groups to
4 produce the forecasted severity trend.

Figure CI- 26 Public Liability – Bodily Injury Ultimate Severity

Line No.	Accident Year	Average Severity	
		\$0-\$100,000	\$100,000+
1	2004/05	\$14,872	\$193,639
2	2005/06	\$15,091	\$191,001
3	2006/07	\$19,772	\$218,920
4	2007/08	\$13,358	\$182,567
5	2008/09	\$17,384	\$176,357
6	2009/10	\$17,210	\$180,072
7	2010/11	\$16,842	\$170,438
8	2011/12	\$19,697	\$193,775
9	2012/13	\$16,285	\$262,718
10	2013/14	\$17,801	\$191,432
11	2014/15	\$19,751	\$227,472
12	2015/16	\$29,601	\$158,123
13	2016/17	\$38,852	\$168,994
14	2017/18	\$34,358	\$196,882
15	2018/19	\$42,646	\$161,102
16	Severity Growth	3.42%	-0.11%
17	Total Incurred	\$26,544,645	\$40,925,833
18	Weighted Average Severity Growth	1.28%	
19	Indexation	0.00%	
20	Total Severity Growth	1.28%	

- 5 The figure below shows the historical and projected fiscal year CI for Public Liability –
6 Bodily Injury. The reported CI, which are calculated in Table 3 of each Appendix, are
7 based on the projected ultimate losses and the incurred development assumptions.
8 The change in IBNR, which is shown in Table 8 of each Appendix, is based on the
9 projected ultimate losses, assumed paid development factors, claims liability discount
10 rates, and provisions for adverse deviation. The change in IBNR is shown with and
11 without the impact of changing interest rates in the figure below.

Figure CI- 27 Public Liability – Bodily Injury Claims Incurred

Line No.	Fiscal Year	Reported	Change in IBNR				Total Change in IBNR	Claims Incurred	Last Year's Forecast	Variance to Forecast
			Interest Rate Impact	Interest Rate Margin Change	All Other Changes					
1	2014/15	\$5,462	\$301	\$0	\$454	\$754	\$6,216	\$6,216	\$0	
3	2015/16	\$5,618	(\$185)	(\$95)	\$405	\$126	\$5,744	\$5,744	\$0	
4	2016/17	\$5,209	(\$23)	\$0	\$257	\$234	\$5,443	\$5,443	\$0	
5	2017/18	\$4,809	(\$37)	\$0	(\$92)	(\$129)	\$4,680	\$4,680	\$0	
6	2018/19	\$4,526	\$97	\$0	\$219	\$316	\$4,843	\$5,096	(\$254)	
7	2019/20	\$5,206	(\$41)	\$0	\$224	\$183	\$5,389	\$5,214	\$175	
8	2020/21	\$5,328	\$24	\$0	\$156	\$179	\$5,507	\$5,271	\$236	
9	2021/22	\$5,419	\$26	\$0	\$133	\$159	\$5,578	\$5,340	\$239	
10	2022/23	\$5,506	\$24	\$0	\$117	\$141	\$5,647	\$5,411	\$236	
11	2023/24	\$5,582	\$24	\$0	\$107	\$131	\$5,712			

1 The 2018/19 Public Liability – Bodily Injury CI was \$0.3 million lower than last year’s
2 forecast.

3 The 2020/21 Public Liability – Bodily Injury CI is \$0.2 million, or 4.5% higher than last
4 year’s forecast of \$5.3 million. This impact was due to minor changes to the claim
5 frequency and severity forecasts based on the latest information.

CI.9 Collision

6 Collision provides coverage for damages to the insured’s vehicle caused by collision
7 with another vehicle or object.

Figure CI- 28 Claims Incurred Forecast

Line No.	Fiscal Year	2019/20	2020/21	2021/22	2022/23	2023/24
1	(\$000)					
2	Collision	\$453,266	\$477,708	\$504,636	\$533,122	\$563,280

CI.9.1 Collision Frequency

8 The figure below shows the historical (ten year) ultimate Collision frequency per HTA
9 unit.

Figure CI- 29 Ultimate Collision Frequency per HTA Unit by Claim Type

Line No.	Accident Year	Repair Frequency	% Change	Total Loss Frequency	% Change	Total Frequency	% Change
1	2009/10	0.102	-4.99%	0.024	-0.64%	0.127	-4.18%
2	2010/11	0.110	7.86%	0.027	10.59%	0.137	8.39%
3	2011/12	0.102	-7.48%	0.026	-3.93%	0.128	-6.78%
4	2012/13	0.109	6.92%	0.027	4.76%	0.136	6.48%
5	2013/14	0.113	3.84%	0.029	7.39%	0.142	4.55%
6	2014/15	0.096	-15.02%	0.026	-11.74%	0.122	-14.35%
7	2015/16	0.093	-3.52%	0.028	6.81%	0.120	-1.33%
8	2016/17	0.097	4.21%	0.029	4.09%	0.125	4.18%
9	2017/18	0.096	-0.81%	0.029	0.01%	0.125	-0.62%
10	2018/19	0.092	-4.35%	0.027	-6.97%	0.118	-4.95%
11	Straight Average						
12	3-year	0.095	-0.32%	0.028	-0.96%	0.123	-0.46%
13	5-year	0.095	-3.90%	0.028	-1.56%	0.122	-3.42%
14	10-year	0.101	-1.33%	0.027	1.04%	0.128	-0.86%
15	Exponential Trend						
16	5-year	0.093	-0.61%	0.028	1.08%	0.121	-0.24%
17	7-year	0.088	-2.97%	0.028	0.03%	0.115	-2.33%
18	All-year	0.093	-1.31%	0.029	1.33%	0.122	-0.77%

CI.9.1.1 Collision Repair Frequency

1 Relative to the long term average, the last five accident years have had below average
2 Collision frequency. Some of the reduction from the past four years is related to mild
3 winters; however, there has also been a reduction in summer Collision frequency over
4 the past seven years. For forecasting purposes, MPI has selected the 5-year average
5 frequency of 0.095 and a -0.60% trend rate, which is reflective of the 5-year trend.

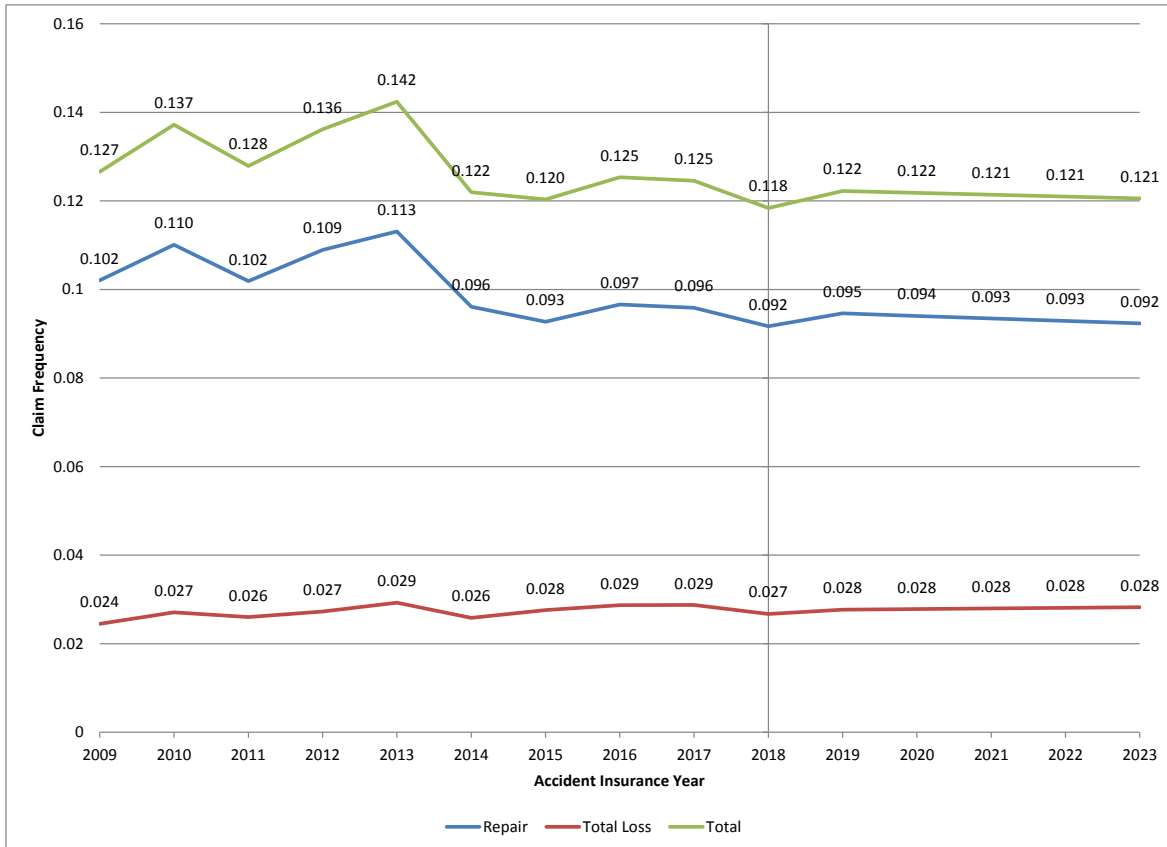
CI.9.1.2 Collision Total Loss Frequency

6 Collision total loss frequency has been increasing over the past decade. As vehicles
7 become increasingly complex and more expensive to repair, there has been an
8 increase in the percentage of Collision claims resulting in total losses. MPI has selected
9 the 5-year average frequency of 0.028 and a 0.50% trend rate, which is reflective of
10 the long term trends.

CI.9.1.3 Collision Frequency Forecast

- 1 The chart below shows the historical and forecasted frequencies for Collision repair
- 2 and Collision total loss.

Figure CI- 30 Ultimate Basic Collision Frequency per Earned Vehicle Unit Excluding \$0 Claims



CI.9.2 Collision Severity

- 3 The figure below shows the historical average severities and severity growth rates for
- 4 Collision repair, total loss, and overall Collision claims as at ultimate.

Figure CI- 31 Ultimate Collision Severity by Claim Type

Line No.	Accident Year	Repair Severity	% Change	Total Loss Severity	% Change	Total Severity	% Change
1	2009/10	\$1,978	3.30%	\$4,729	0.65%	\$2,510	3.13%
2	2010/11	\$2,024	2.37%	\$4,695	-0.73%	\$2,552	1.66%
3	2011/12	\$2,134	5.39%	\$4,912	4.62%	\$2,699	5.77%
4	2012/13	\$2,242	5.10%	\$5,090	3.62%	\$2,812	4.20%
5	2013/14	\$2,357	5.11%	\$5,402	6.14%	\$2,983	6.07%
6	2014/15	\$2,470	4.79%	\$5,558	2.87%	\$3,124	4.73%
7	2015/16	\$2,696	9.13%	\$6,015	8.23%	\$3,457	10.65%
8	2016/17	\$2,818	4.56%	\$6,127	1.86%	\$3,577	3.46%
9	2017/18	\$2,944	4.44%	\$6,456	5.38%	\$3,754	4.95%
10	2018/19	\$3,055	3.78%	\$6,709	3.92%	\$3,880	3.36%
11	Straight Average						
12	3-year	\$2,939	4.26%	\$6,431	3.72%	\$3,737	3.92%
13	5-year	\$2,796	5.34%	\$6,173	4.45%	\$3,558	5.43%
14	10-year	\$2,472	4.80%	\$5,569	3.66%	\$3,135	4.80%
15	Exponential Trend						
16	5-year	\$3,253	5.26%	\$7,045	4.58%	\$4,142	5.29%
17	7-year	\$3,272	5.52%	\$7,066	4.69%	\$4,184	5.73%
18	All-year	\$3,156	4.61%	\$6,708	3.37%	\$4,006	4.61%

CI.9.2.1 Collision Repair Severity

1 Ultimate Collision repair severity increased by 3.78% in 2018/19, which (subject to
2 future claims development) was the lowest growth rate since the 2010/11 year. MPI
3 has experienced abnormally high severity growth of approximately 5.73%
4 (compounded) per year in the 2011/12 through 2016/17 period. It is too early to
5 determine if the latest year's results reflect a change in recent trends.

CI.9.2.2 Collision Total Loss Severity

6 Ultimate Collision total loss severity increased by 3.92% in 2018/19. The increased
7 total loss severity is highly correlated with the change in the average BlackBook value,
8 which increased by approximately 4.33% in 2018/19 relative to the 9.61% increase in
9 2017/18.

CI.9.2.3 Collision Severity Forecast

- 1 Based on the information provided in the previous sections, MPI has forecasted
- 2 Collision repair and total loss severity as follows:

Figure CI- 32 Ultimate Basic Collision Severity per Non-Zero Claim

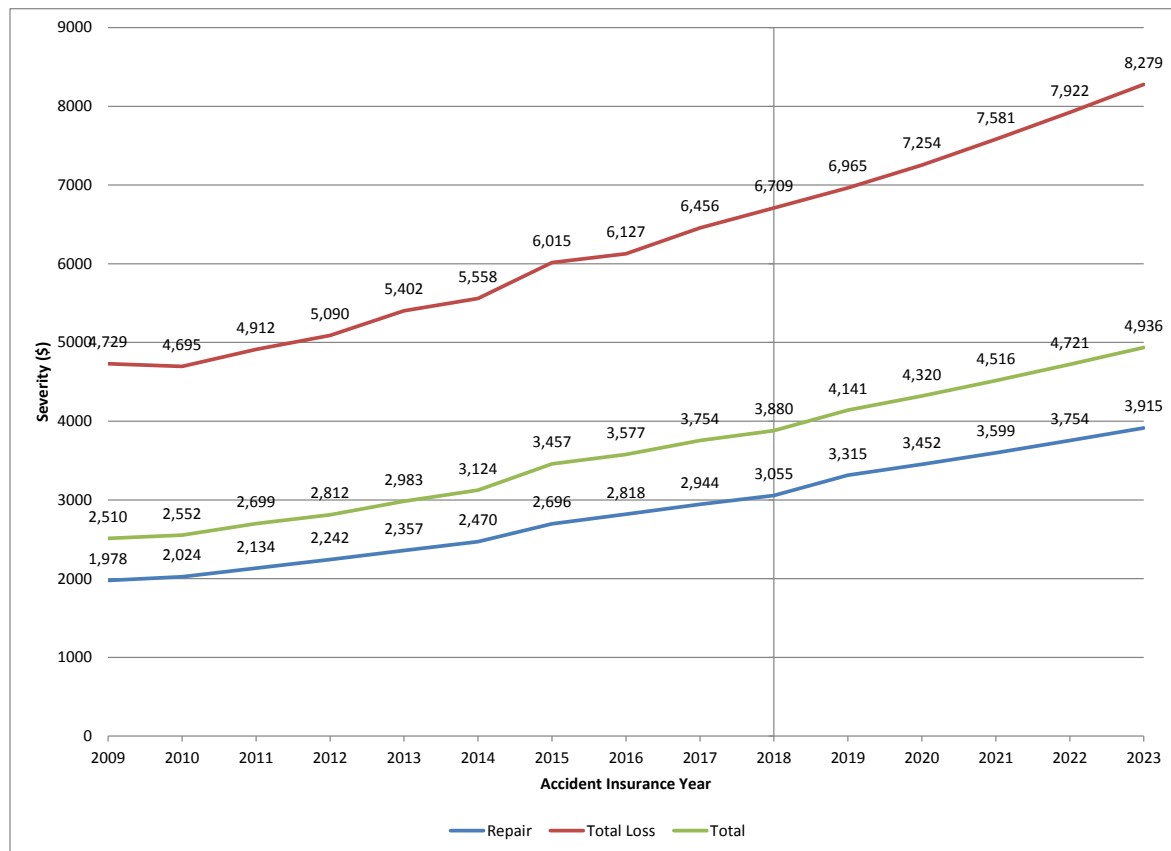


Figure CI- 33 Collision Ultimate Severity Growth Forecast

Line No.	Fiscal Year	2019/20	2020/21	2021/22	2022/23	2023/24
1	Collision Repairs	4.50%	4.50%	4.50%	4.50%	4.50%
2	Collision Total Loss	4.50%	4.50%	4.50%	4.50%	4.50%
3	Total Collision	4.55%	4.69%	4.69%	4.69%	4.69%

- 3 The Collision repair and Collision total loss severity forecasts are supported by the
- 4 recent historical growth rates. Collision repair severity growth was forecasted at
- 5 4.50% which follows the 5-year Olympic average of 4.60% and the longer term

1 growth rates. Collision total loss severity growth was forecasted at 4.50%, which
2 follows the three and five-year average growth rates of approximately 4.45%.

CI.9.3 Ultimate Collision Forecast

3 The figure below shows the historical experience and the forecast by accident year for
4 Collision, along with a comparison to last year's forecast. The 2020/21 ultimate
5 Collision losses are forecast at \$477.3 million, or 5.0% lower than last year's forecast
6 of \$502.4 million. This decrease can be explained as follows:

- 7 • lower forecasted frequency: \$20.3 million favourable impact;
- 8 • lower forecasted severity from lower historical trends: \$11.5 million favourable
9 impact;
- 10 • lower PST: \$4.9 million favourable impact;
- 11 • lower forecasted HTA Earned Units: \$1.4 million favourable impact; and
- 12 • the Light Vehicle Accreditation Agreement: \$13.0 million unfavourable impact.

Figure CI- 34 Collision Ultimate Incurred

Line No.	Accident Year	Claim Frequency	Severity	Ultimate (\$000)	Annual % Change	Last Year's Forecast (\$000)	Variance to Forecast (\$000)
1	2009/10	0.127	\$2,510	\$242,490	0.31%	\$242,510	(\$20)
2	2010/11	0.137	\$2,552	\$271,224	11.85%	\$271,184	\$40
3	2011/12	0.128	\$2,699	\$273,155	0.71%	\$273,139	\$16
4	2012/13	0.136	\$2,812	\$310,691	13.74%	\$310,634	\$57
5	2013/14	0.142	\$2,983	\$349,350	12.44%	\$349,215	\$135
6	2014/15	0.122	\$3,123	\$317,689	-9.06%	\$317,797	(\$109)
7	2015/16	0.120	\$3,456	\$352,243	10.88%	\$352,355	(\$112)
8	2016/17	0.125	\$3,575	\$385,820	9.53%	\$386,123	(\$302)
9	2017/18	0.125	\$3,752	\$408,218	5.81%	\$414,398	(\$6,180)
10	2018/19	0.118	\$3,881	\$405,314	-0.71%	\$438,325	(\$33,011)
11	5-year Trend	0.121	\$4,101	\$443,225	6.78%	\$472,729	
12	10-year Trend	0.120	\$4,041	\$434,309	4.30%	\$449,685	
13	All year Trend	0.122	\$3,914	\$425,639	4.40%	\$437,541	
14	2019/20	0.122	\$4,141	\$452,857	11.73%	\$469,244	(\$16,387)
15	2020/21	0.122	\$4,320	\$477,312	5.40%	\$502,411	(\$25,098)
16	2021/22	0.121	\$4,516	\$504,207	5.63%	\$537,993	(\$33,786)
17	2022/23	0.121	\$4,721	\$532,673	5.65%	\$576,172	(\$43,499)
18	2023/24	0.121	\$4,936	\$562,803	5.66%		

CI.9.4 Collision Fiscal Year Claims Incurred Forecast

1 The historical and forecasted fiscal year CI for Collision, along with a comparison to
 2 last year’s forecast, is shown in the figure below. Due to the short-tail nature of this
 3 coverage (i.e. most claims are settled in less than 6 months), changing interest rates
 4 do not have a significant impact on Collision IBNR calculations. The changes to the
 5 forecast compared to last year align with the changes in the ultimate incurred forecast
 6 discussed in the previous section.

Figure CI- 35 Collision Claims Incurred

Line No.	Fiscal Year	Reported	Change in IBNR				Total Change in IBNR	Claims Incurred	Last Year's Forecast	Variance to Forecast
			Interest Rate Impact	Interest Rate Margin Change	All Other Changes					
1	(\$000)									
2	2014/15	\$329,303	\$265	\$0	(\$14,588)	(\$14,323)	\$314,980	\$314,980	\$0	
3	2015/16	\$347,835	(\$141)	(\$78)	\$5,529	\$5,310	\$353,144	\$353,144	\$0	
4	2016/17	\$382,916	(\$23)	\$0	\$9,604	\$9,581	\$392,497	\$392,497	\$0	
5	2017/18	\$413,823	(\$50)	\$0	\$2,133	\$2,083	\$415,906	\$415,906	\$0	
6	2018/19	\$399,157	\$134	\$0	(\$282)	(\$148)	\$399,010	\$438,921	(\$39,911)	
7	2019/20	\$450,631	(\$61)	\$0	\$2,697	\$2,636	\$453,266	\$469,735	(\$16,468)	
8	2020/21	\$475,622	\$37	\$0	\$2,050	\$2,087	\$477,708	\$502,938	(\$25,230)	
9	2021/22	\$502,554	\$42	\$0	\$2,040	\$2,082	\$504,636	\$538,554	(\$33,918)	
10	2022/23	\$530,938	\$41	\$0	\$2,144	\$2,184	\$533,122	\$576,775	(\$43,652)	
11	2023/24	\$560,990	\$42	\$0	\$2,248	\$2,290	\$563,280			

CI.10 Comprehensive

7 Comprehensive provides coverage for damages to the insured’s vehicle not covered
 8 under Collision coverage (e.g. hail, theft, vandalism, glass, etc.).

Figure CI- 36 Claims Incurred Forecast

Line No.	Fiscal Year	2019/20	2020/21	2021/22	2022/23	2023/24
1	(\$000)					
2	Comprehensive	\$104,043	\$109,435	\$115,614	\$122,130	\$128,942

CI.10.1 Comprehensive Frequency

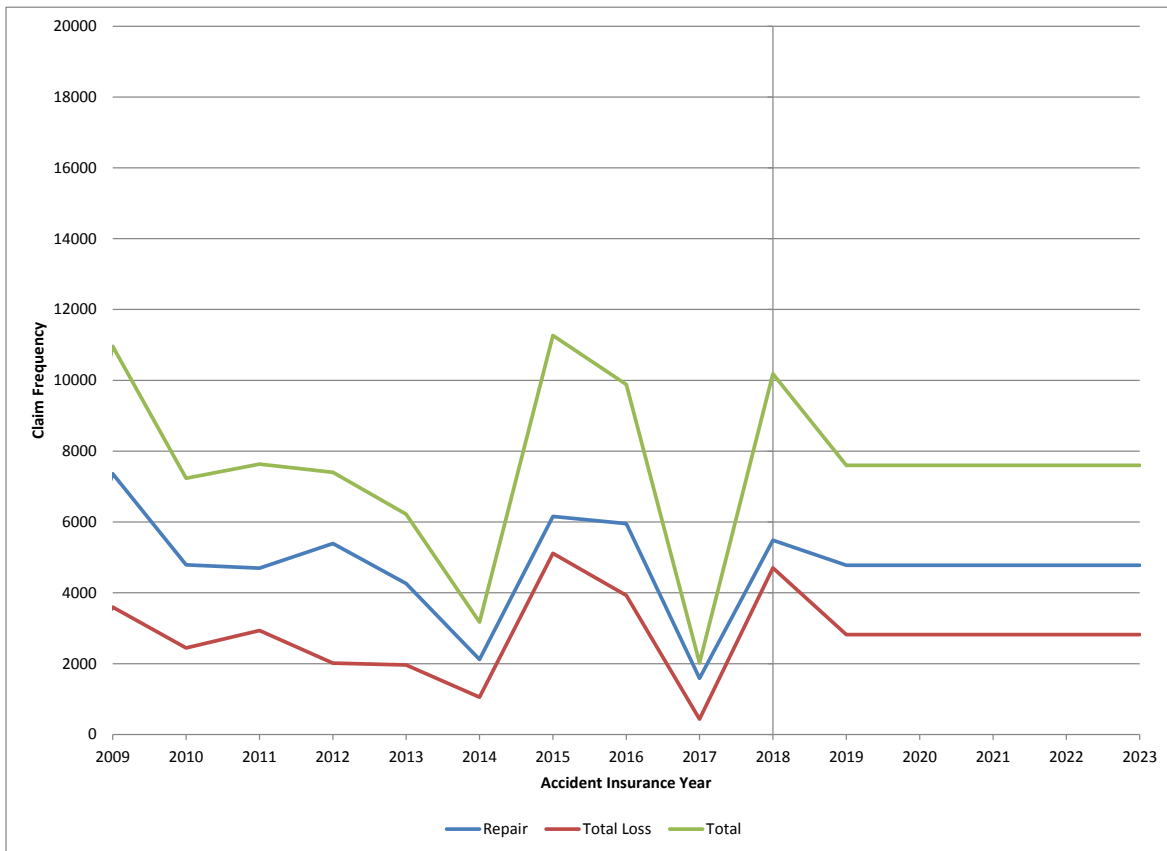
CI.10.1.1 Comprehensive Hail Claim Count

- 1 The figure below shows the historical (ten year) Hail claim count experience excluding
- 2 \$0 claims. Hail claim counts can be highly variable. Therefore, MPI has selected a ten-
- 3 year average of claims to reflect a more stable forecast of hail claims.

Figure CI- 37 Comprehensive Hail Claim Count Excluding \$0 Claims

Line No.	Accident Year	Repair Claim Count	% Change	Total Loss Claim Count	% Change	Total Claim Count	% Change
1	2009/10	7,360	535.03%	3,597	587.76%	10,957	551.43%
2	2010/11	4,788	-34.95%	2,446	-32.00%	7,234	-33.98%
3	2011/12	4,699	-1.86%	2,936	20.03%	7,635	5.54%
4	2012/13	5,391	14.73%	2,012	-31.47%	7,403	-3.04%
5	2013/14	4,263	-20.92%	1,960	-2.58%	6,223	-15.94%
6	2014/15	2,117	-50.35%	1,055	-46.15%	3,172	-49.03%
7	2015/16	6,154	190.76%	5,114	384.52%	11,268	255.23%
8	2016/17	5,954	-3.25%	3,928	-23.20%	9,882	-12.30%
9	2017/18	1,588	-73.33%	434	-88.96%	2,022	-79.54%
10	2018/19	5,484	245.33%	4,702	984.62%	10,186	403.86%
11	Straight Average						
12	3-year	4,342	56.25%	3,021	290.82%	7,363	104.01%
13	5-year	4,259	61.83%	3,046	242.16%	7,306	103.64%
14	10-year	4,780	80.12%	2,818	175.26%	7,598	102.22%
15	Exponential Trend						
16	5-year	4,340	5.65%	2,483	5.34%	7,120	6.35%
17	7-year	3,496	-3.13%	2,350	3.06%	6,021	-0.55%
18	All-year	3,189	-5.59%	1,890	-3.61%	5,238	-4.56%

Figure CI- 38 Basic Comprehensive Hail Claim Count Excluding \$0 Claims



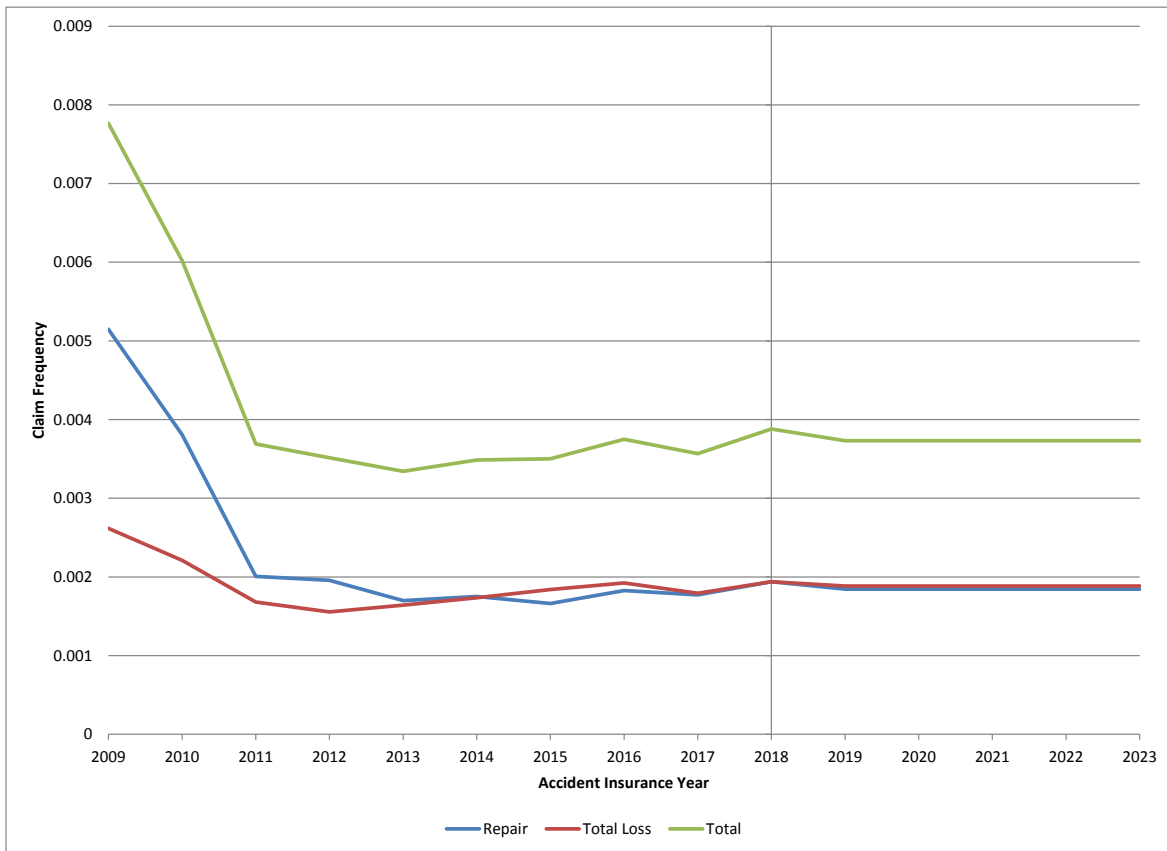
CI.10.1.2 Comprehensive Theft Frequency

- 1 The figure below shows the historical (ten year) Theft claim count excluding \$0 claims
- 2 per HTA unit. Theft frequency for the last three to five-years has been very stable.
- 3 MPI selected a three-year average frequency for its forecast.

Figure CI- 39 Comprehensive Theft Frequency Excluding \$0 Claims

Line No.	Accident Year	Repair Frequency	% Change	Total Loss Frequency	% Change	Total Frequency	% Change
1	2009/10	0.0051	-25.18%	0.0026	-12.71%	0.0078	-21.40%
2	2010/11	0.0038	-26.05%	0.0022	-15.54%	0.0060	-22.51%
3	2011/12	0.0020	-47.27%	0.0017	-23.93%	0.0037	-38.69%
4	2012/13	0.0020	-2.45%	0.0016	-7.51%	0.0035	-4.75%
5	2013/14	0.0017	-13.18%	0.0016	5.50%	0.0033	-4.91%
6	2014/15	0.0018	2.96%	0.0017	5.80%	0.0035	4.35%
7	2015/16	0.0017	-5.06%	0.0018	5.91%	0.0035	0.40%
8	2016/17	0.0018	9.85%	0.0019	4.64%	0.0038	7.11%
9	2017/18	0.0018	-2.90%	0.0018	-6.82%	0.0036	-4.92%
10	2018/19	0.0019	9.38%	0.0019	8.22%	0.0039	8.80%
11	Straight Average						
12	3-year	0.0018	5.44%	0.0019	2.01%	0.0037	3.66%
13	5-year	0.0018	2.85%	0.0018	3.55%	0.0036	3.15%
14	10-year	0.0024	-9.99%	0.0019	-3.64%	0.0043	-7.65%
15	Exponential Trend						
16	5-year	0.0019	2.73%	0.0020	1.99%	0.0039	2.34%
17	7-year	0.0018	0.34%	0.0020	3.42%	0.0038	1.80%
18	All-year	0.0013	-8.73%	0.0017	-1.76%	0.0029	-5.76%

Figure CI- 40 Basic Comprehensive Theft Frequency Excluding \$0 Claims



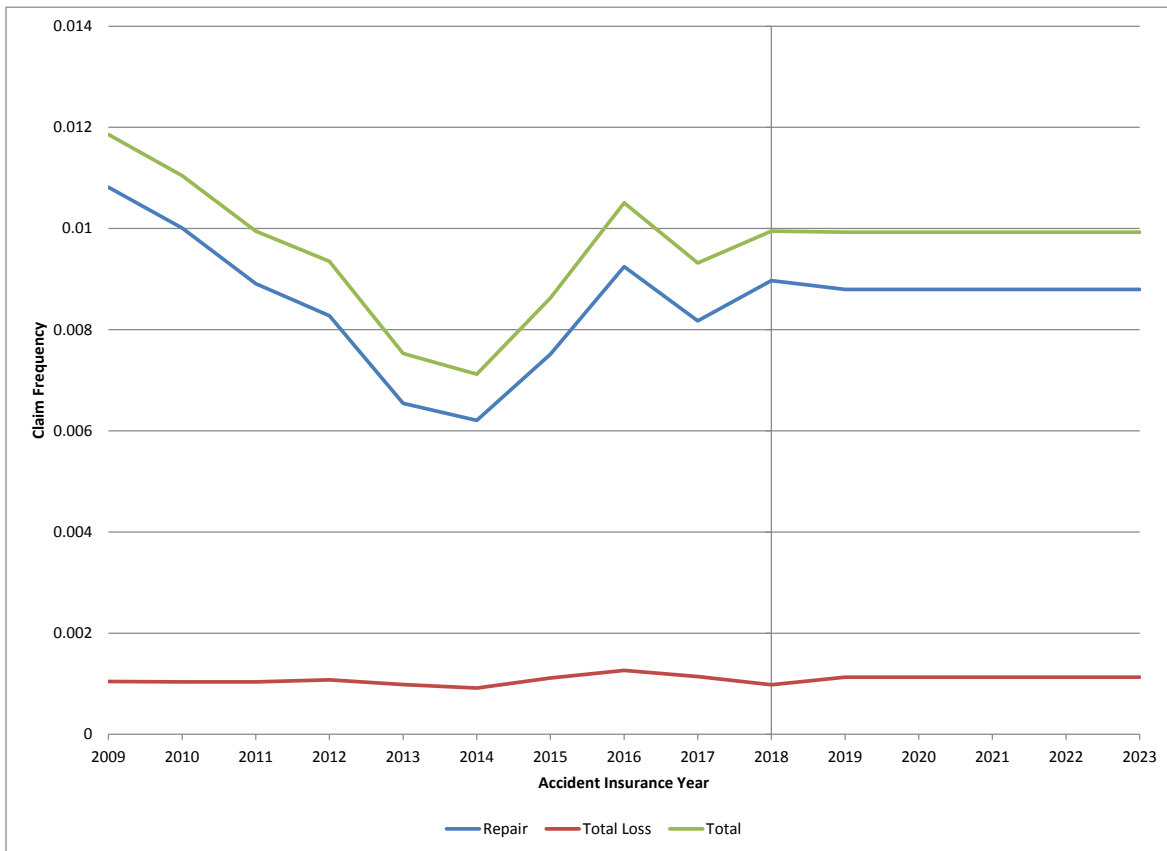
CI.10.1.3 Comprehensive Vandalism Frequency

1 The figure below shows the historical (ten year) Vandalism claim count excluding \$0
 2 claims per HTA unit. In October 2015, MPI began waiving the deductible on vandalism
 3 claims for customers who purchased the \$200 or \$100 reduced deductible products.
 4 This change is believed to be a contributing factor to the 47.59% increase in
 5 Vandalism frequency in 2015/16 and 2016/17. However, 2018/19 vandalism
 6 frequency is similar to the frequency observed in the 2007/08 to 2010/11 period, so
 7 the increase may simply be a reversion to historical vandalism rates. MPI selected a
 8 three-year average claim frequency for its forecast.

Figure CI- 41 Comprehensive Vandalism Frequency Excluding \$0 Claims

Line No.	Accident Year	Repair Frequency	% Change	Total Loss Frequency	% Change	Total Frequency	% Change
1	2009/10	0.0108	5.80%	0.0010	15.44%	0.0119	6.58%
2	2010/11	0.0100	-7.47%	0.0010	-0.87%	0.0110	-6.88%
3	2011/12	0.0089	-10.96%	0.0010	0.09%	0.0099	-9.93%
4	2012/13	0.0083	-7.12%	0.0011	3.85%	0.0094	-5.98%
5	2013/14	0.0065	-20.96%	0.0010	-8.50%	0.0075	-19.52%
6	2014/15	0.0062	-5.12%	0.0009	-7.28%	0.0071	-5.41%
7	2015/16	0.0075	21.07%	0.0011	21.62%	0.0086	21.14%
8	2016/17	0.0092	23.03%	0.0013	13.78%	0.0105	21.84%
9	2017/18	0.0082	-11.58%	0.0011	-9.54%	0.0093	-11.33%
10	2018/19	0.0090	9.71%	0.0010	-14.26%	0.0099	6.77%
11	Straight Average						
12	3-year	0.0088	7.06%	0.0011	-3.34%	0.0099	5.76%
13	5-year	0.0080	7.42%	0.0011	0.86%	0.0091	6.60%
14	10-year	0.0085	-0.36%	0.0011	1.43%	0.0095	-0.27%
15	Exponential Trend						
16	5-year	0.0102	8.55%	0.0011	1.72%	0.0113	7.75%
17	7-year	0.0091	3.95%	0.0011	1.23%	0.0102	3.64%
18	All-year	0.0075	-1.96%	0.0011	0.69%	0.0086	-1.68%

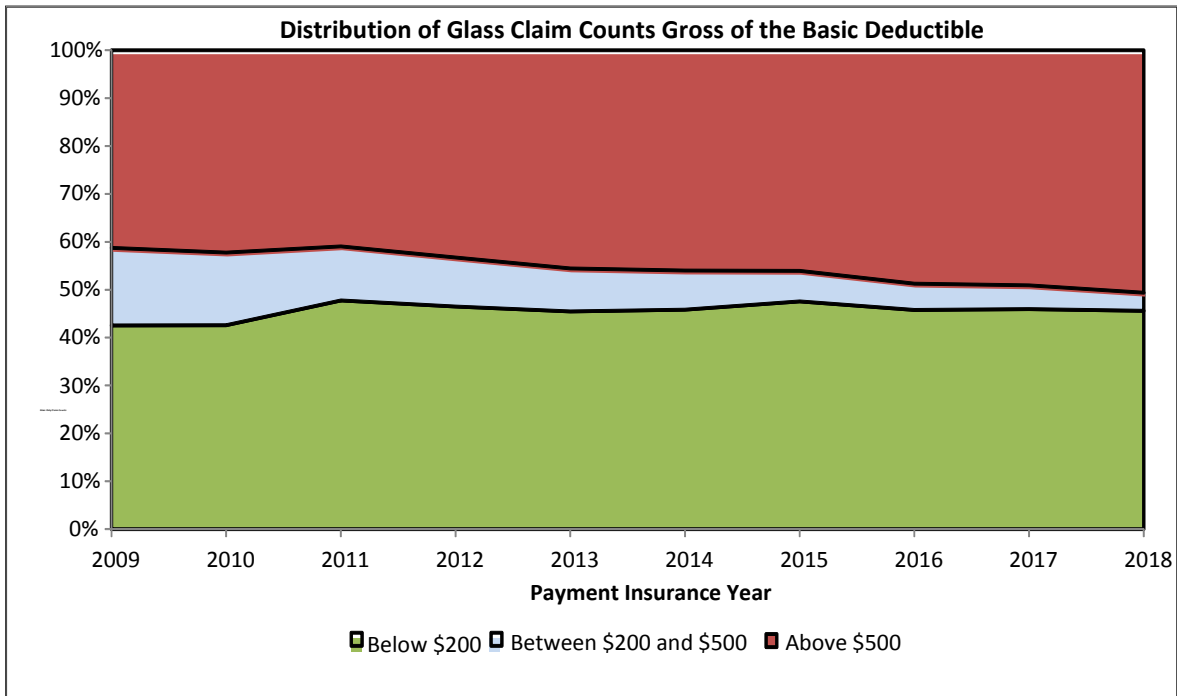
Figure CI- 42 Basic Comprehensive Vandalism Frequency Excluding \$0 Claims



CI.10.1.4 Comprehensive Glass Claim Count

- 1 Glass claims have been steadily increasing over the past ten years. MPI looked at
- 2 Glass claims gross of the Basic Deductible to see if there was a trend.

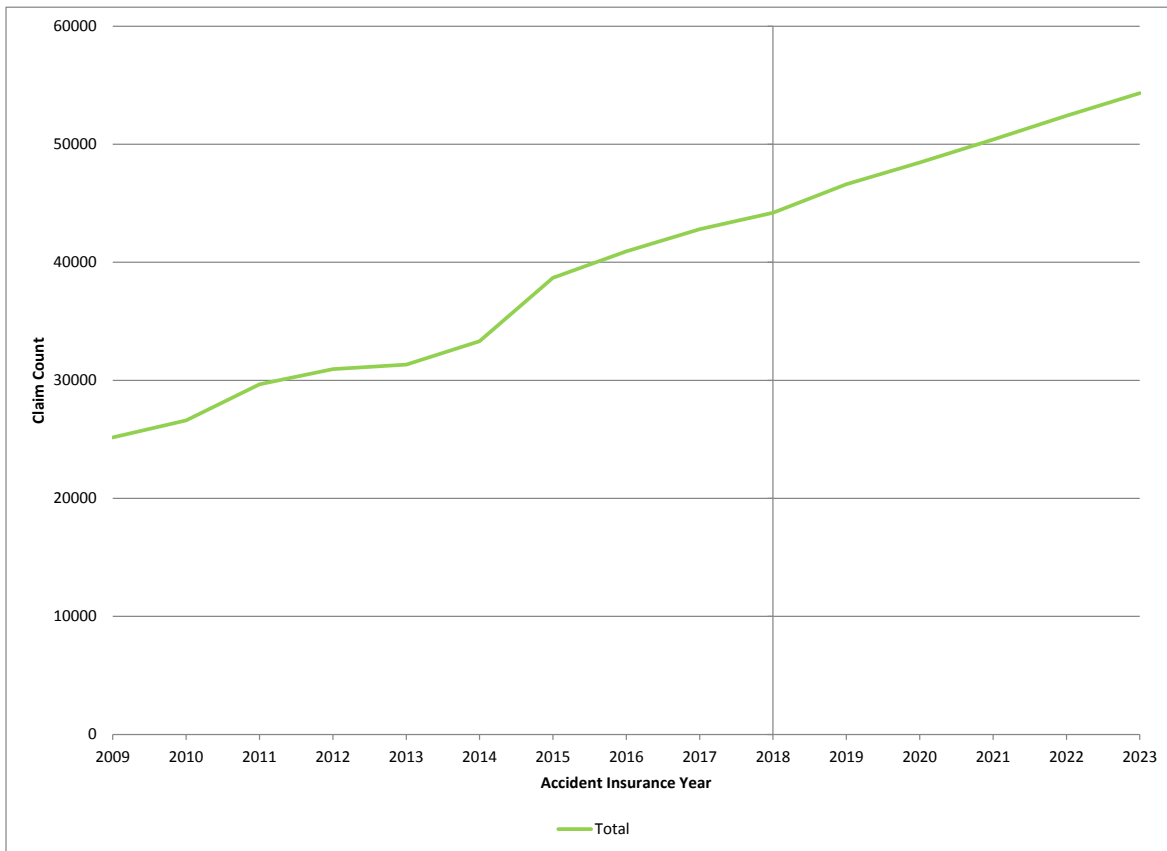
Figure CI- 43 Distribution of Glass Claim Counts Gross of the Basic Deductible



1 The portion of Glass claims that fall above the \$500 deductible has been increasing.
 2 This means that as the cost of parts and labour increase, more Glass claims will move
 3 above the Basic deductible of \$500. MPI used Glass claims from 2018/19 and
 4 forecasted the distribution of claim counts that would fall above the Basic deductible of
 5 \$500. What MPI found is that the majority of Glass claims around the \$500 Basic
 6 deductible have already increased to above the Basic deductible.

7 Based on the above, MPI believes that future increases in Basic Glass claim counts will
 8 occur at a slower rate than in recent years. MPI selected an average claim count
 9 growth rate of 3.00% during the forecast period.

Figure CI- 44 Basic Comprehensive Glass Claim Count Excluding \$0 Claims



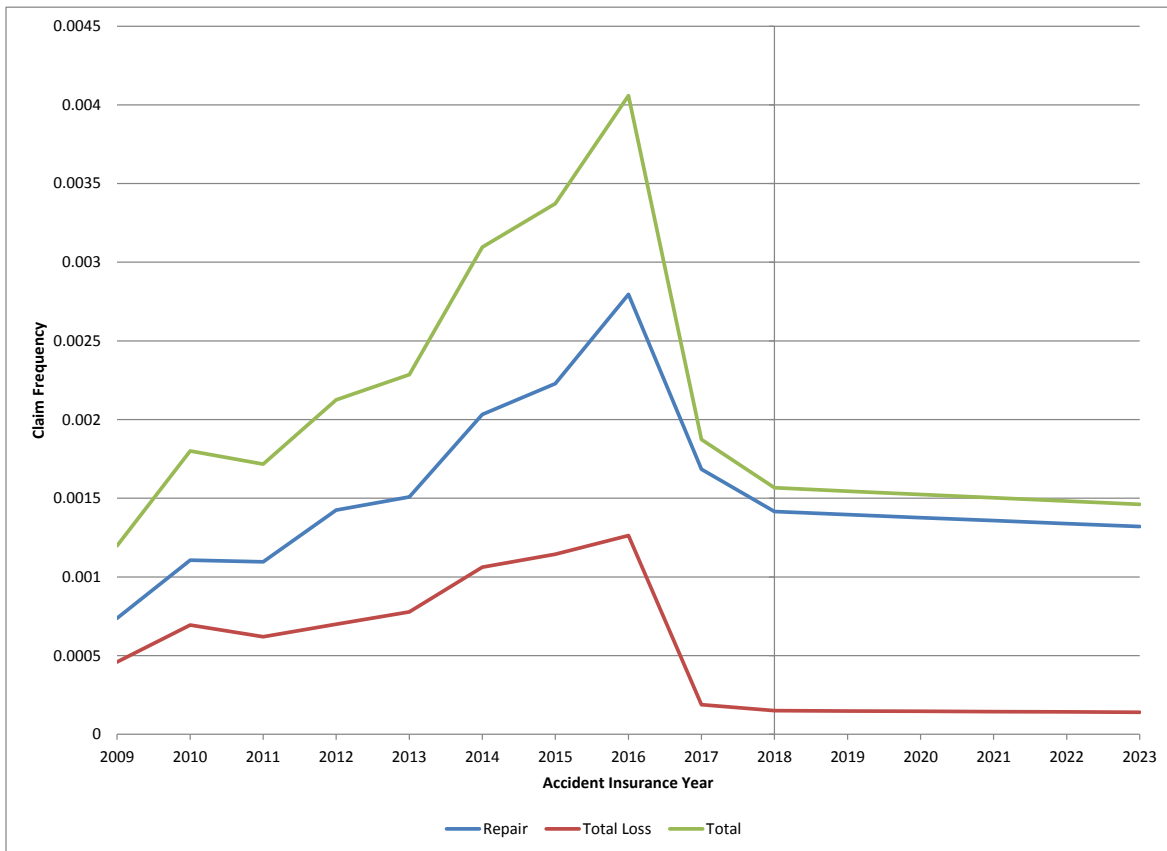
CI.10.1.5 Comprehensive Rodent Frequency

- 1 The figure below shows the historical (ten year) Rodent claim count excluding \$0
- 2 claims per HTA unit. The Rodent Claims Strategy was successful in reducing the repair
- 3 costs of rodent claims in 2017/18 as outlined in 2019 GRA Part IV Service Delivery
- 4 Model SDM.1.4. By reducing the costs of repair claims there has been significant
- 5 reductions in the number of total loss claims. Therefore, MPI has selected the latest
- 6 total claim count and applied the latest repair and total loss ratio of 90% and 10%
- 7 respectively.

Figure CI- 45 Comprehensive Rodents Frequency Excluding \$0 Claims

Line No.	Accident Year	Repair Frequency	% Change	Total Loss Frequency	% Change	Total Frequency	% Change
1	2009/10	0.0007	28.10%	0.0005	16.04%	0.0012	23.18%
2	2010/11	0.0011	49.96%	0.0007	51.00%	0.0018	50.36%
3	2011/12	0.0011	-0.84%	0.0006	-10.65%	0.0017	-4.63%
4	2012/13	0.0014	29.92%	0.0007	12.85%	0.0021	23.75%
5	2013/14	0.0015	5.86%	0.0008	11.11%	0.0023	7.59%
6	2014/15	0.0020	34.80%	0.0011	36.52%	0.0031	35.38%
7	2015/16	0.0022	9.60%	0.0011	7.71%	0.0034	8.95%
8	2016/17	0.0028	25.44%	0.0013	10.43%	0.0041	20.35%
9	2017/18	0.0017	-39.73%	0.0002	-85.10%	0.0019	-53.85%
10	2018/19	0.0014	-15.96%	0.0002	-19.99%	0.0016	-16.36%
11	Straight Average						
12	3-year	0.0020	-10.08%	0.0005	-31.55%	0.0025	-16.62%
13	5-year	0.0020	2.83%	0.0008	-10.09%	0.0028	-1.11%
14	10-year	0.0016	12.71%	0.0007	2.99%	0.0023	9.47%
15	Exponential Trend						
16	5-year	0.0015	-9.55%	0.0001	-43.51%	0.0015	-17.72%
17	7-year	0.0020	1.88%	0.0002	-22.88%	0.0022	-3.65%
18	All-year	0.0025	9.61%	0.0004	-8.05%	0.0029	5.40%

Figure CI- 46 Basic Comprehensive Rodents Frequency Excluding \$0 Claims



CI.10.1.6 Comprehensive All Other Frequency

- 1 The All Other category contains claims that do not fall into the previous categories.
- 2 These claims include fire, lightning, wind, and flood claims. The figure below shows
- 3 the historical (ten year) All Other claim count excluding \$0 claims per HTA unit. Given
- 4 the variability in claim frequency, MPI selected a longer five-year average claim
- 5 frequency for its forecast.

Figure CI- 47 Comprehensive All Other Frequency Excluding \$0 Claims

Line No.	Accident Year	Repair Frequency	% Change	Total Loss Frequency	% Change	Total Frequency	% Change
1	2009/10	0.0050	-3.14%	0.0015	8.98%	0.0065	-0.54%
2	2010/11	0.0065	30.65%	0.0021	37.01%	0.0086	32.15%
3	2011/12	0.0057	-13.04%	0.0016	-22.25%	0.0073	-15.29%
4	2012/13	0.0060	6.21%	0.0017	4.97%	0.0077	5.93%
5	2013/14	0.0054	-10.30%	0.0016	-5.58%	0.0070	-9.25%
6	2014/15	0.0053	-0.83%	0.0018	13.55%	0.0072	2.48%
7	2015/16	0.0063	17.39%	0.0020	11.24%	0.0083	15.82%
8	2016/17	0.0057	-9.69%	0.0017	-15.65%	0.0074	-11.15%
9	2017/18	0.0056	-1.72%	0.0014	-19.77%	0.0069	-5.93%
10	2018/19	0.0053	-4.03%	0.0016	13.57%	0.0069	-0.53%
11	Straight Average						
12	3-year	0.0055	-5.15%	0.0016	-7.28%	0.0071	-5.87%
13	5-year	0.0056	0.22%	0.0017	0.59%	0.0073	0.14%
14	10-year	0.0057	1.15%	0.0017	2.61%	0.0074	1.37%
15	Exponential Trend						
16	5-year	0.0054	-1.19%	0.0014	-6.80%	0.0068	-2.52%
17	7-year	0.0055	-0.81%	0.0015	-2.26%	0.0070	-1.13%
18	All-year	0.0056	-0.20%	0.0016	-1.07%	0.0072	-0.39%

Figure CI- 48 Basic Comprehensive Other (Fire, Lightning, Other) Frequency Excluding \$0 Claims



CI.10.2 Comprehensive Severity

CI.10.2.1 Comprehensive Hail Severity

- 1 The figure below shows the historical (ten year) Hail average severities and severity
- 2 growth rates by repair, total loss, and overall claims at ultimate. Hail severity can be
- 3 highly variable based on the size and severity of the storm. In 2017 MPI implemented
- 4 Paintless Dent Repair for minor hail claims as outlined in 2019 GRA Part IV SDM
- 5 Service Delivery Model SDM.1.8. This has resulted in significant savings. However,
- 6 because of the low credibility (i.e. lack of sufficient data) of 2017/18 results, MPI has
- 7 selected a weighted average severity (33%/67%) of the last two years giving the
- 8 latest year the most weight. That severity is assumed to grow at the longer term
- 9 average severity growth rates of 4.00% for repair and total loss.

Figure CI- 49 Comprehensive Hail Severity Excluding \$0 Claims

Line No.	Accident Year	Repair Severity	% Change	Total Loss Severity	% Change	Total Severity	% Change
1	2009/10	\$3,282	3.00%	\$2,478	-20.00%	\$3,018	-4.45%
2	2010/11	\$3,726	13.52%	\$2,602	5.03%	\$3,346	10.87%
3	2011/12	\$4,256	14.22%	\$3,103	19.26%	\$3,813	13.95%
4	2012/13	\$3,081	-27.61%	\$2,730	-12.04%	\$2,985	-21.70%
5	2013/14	\$3,662	18.87%	\$3,251	19.11%	\$3,533	18.33%
6	2014/15	\$3,820	4.31%	\$3,342	2.79%	\$3,661	3.63%
7	2015/16	\$4,496	17.69%	\$3,663	9.62%	\$4,118	12.48%
8	2016/17	\$4,268	-5.07%	\$3,606	-1.56%	\$4,005	-2.74%
9	2017/18	\$3,025	-29.14%	\$3,367	-6.63%	\$3,098	-22.65%
10	2018/19	\$4,011	32.62%	\$4,096	21.64%	\$4,050	30.74%
11	Straight Average						
12	3-year	\$3,768	-0.53%	\$3,690	4.49%	\$3,718	1.78%
13	5-year	\$3,924	4.08%	\$3,615	5.17%	\$3,787	4.29%
14	10-year	\$3,763	4.24%	\$3,224	3.72%	\$3,563	3.85%
15	Exponential Trend						
16	5-year	\$3,555	-2.94%	\$3,972	3.28%	\$3,674	-0.82%
17	7-year	\$4,017	1.87%	\$4,148	4.99%	\$4,014	2.69%
18	All-year	\$3,927	0.93%	\$4,160	4.96%	\$3,957	2.05%

Figure CI- 50 Basic Comprehensive Hail Severity Excluding \$0 Claims



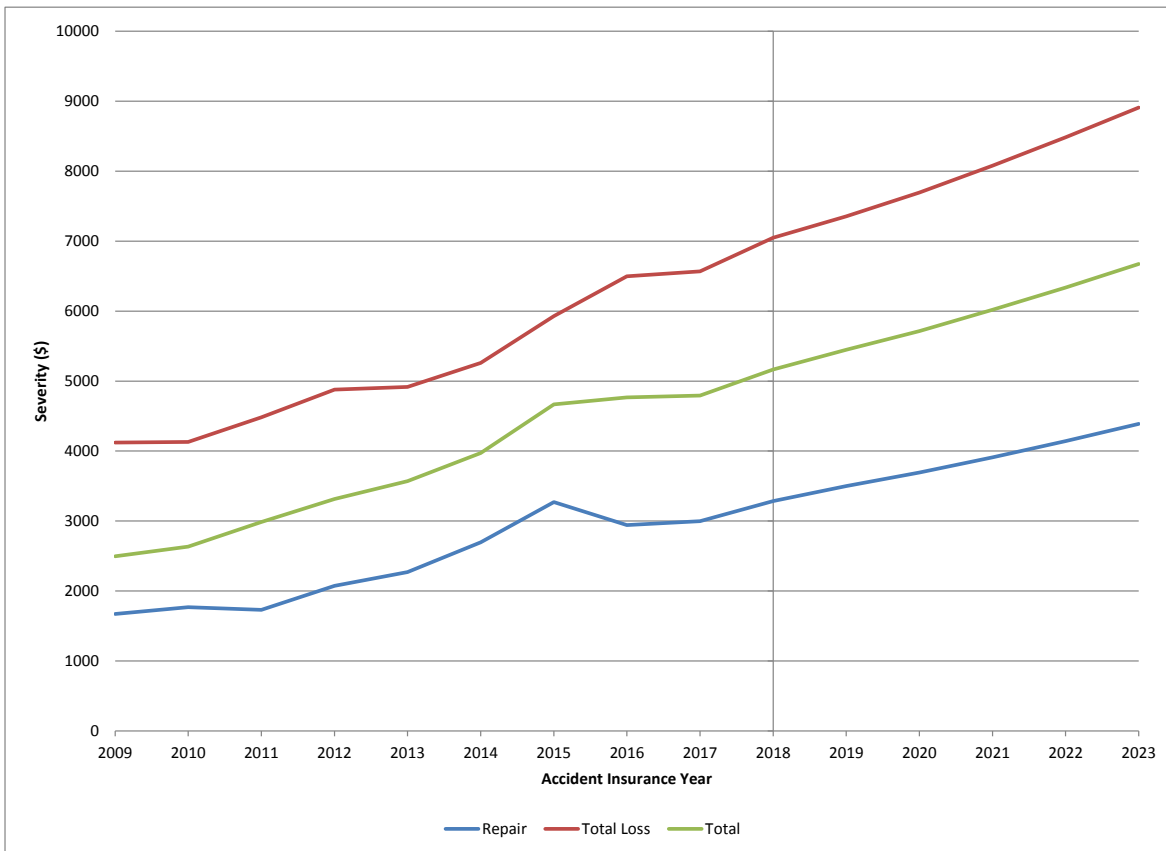
CI.10.2.2 Comprehensive Theft Severity

- 1 The figure below shows the historical (ten year) Theft average severities and severity
- 2 growth rates for repair, total loss, and overall claims at ultimate. MPI selected the
- 3 most recent severity and the longer term average severity growth rates of 6.00% and
- 4 5.00% for repair and total loss respectively.

Figure CI- 51 Comprehensive Theft Severity Excluding \$0 Claims

Line No.	Accident Year	Repair Severity	% Change	Total Loss Severity	% Change	Total Severity	% Change
1	2009/10	\$1,671	2.68%	\$4,121	-3.86%	\$2,497	2.56%
2	2010/11	\$1,767	5.75%	\$4,130	0.21%	\$2,635	5.54%
3	2011/12	\$1,730	-2.11%	\$4,483	8.56%	\$2,985	13.28%
4	2012/13	\$2,072	19.80%	\$4,879	8.81%	\$3,314	11.04%
5	2013/14	\$2,269	9.49%	\$4,915	0.75%	\$3,569	7.67%
6	2014/15	\$2,697	18.86%	\$5,260	7.01%	\$3,973	11.33%
7	2015/16	\$3,271	21.29%	\$5,927	12.69%	\$4,666	17.45%
8	2016/17	\$2,942	-10.05%	\$6,497	9.60%	\$4,766	2.14%
9	2017/18	\$2,998	1.88%	\$6,569	1.11%	\$4,793	0.57%
10	2018/19	\$3,284	9.55%	\$7,050	7.32%	\$5,167	7.81%
11	Straight Average						
12	3-year	\$3,075	0.46%	\$6,705	6.01%	\$4,909	3.50%
13	5-year	\$3,038	8.31%	\$6,260	7.55%	\$4,673	7.86%
14	10-year	\$2,470	7.71%	\$5,383	5.22%	\$3,837	7.94%
15	Exponential Trend						
16	5-year	\$3,322	3.11%	\$7,658	7.13%	\$5,495	5.68%
17	7-year	\$3,678	7.50%	\$7,624	7.00%	\$5,767	7.80%
18	All-year	\$3,812	8.84%	\$7,528	6.63%	\$5,974	8.99%

Figure CI- 52 Basic Comprehensive Theft Severity Excluding \$0 Claims



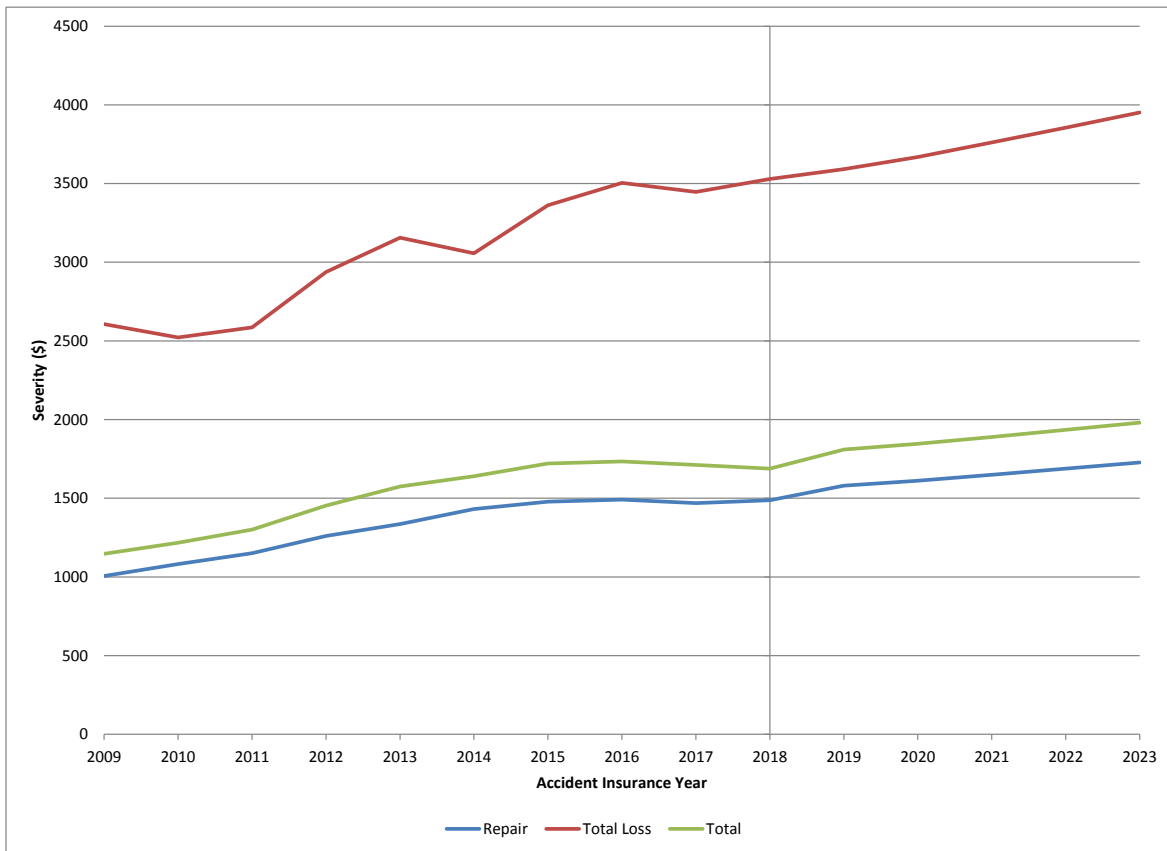
CI.10.2.3 Comprehensive Vandalism Severity

1 The figure below shows the historical (ten year) Vandalism average severities and
 2 severity growth rates for repair, total loss, and overall claims at ultimate. In October
 3 2015, MPI began waiving the deductible on vandalism claims for customers who
 4 purchased the \$200 or \$100 Extension reduced deductible products. This change
 5 appears to have caused an increase in the reporting of lower severity vandalism
 6 claims (some of which exceed the \$500 Basic deductible threshold) resulting in a
 7 lower than normal increase in Vandalism average severity growth for 2015/16 and
 8 2016/17. As such, MPI selected the most recent severity and a longer term average
 9 severity growth rate of 2.50% for repair and total loss.

Figure CI- 53 Comprehensive Vandalism Severity Excluding \$0 Claims

Line No.	Accident Year	Repair Severity	% Change	Total Loss Severity	% Change	Total Severity	% Change
1	2009/10	\$1,007	6.07%	\$2,606	0.86%	\$1,148	6.06%
2	2010/11	\$1,082	7.54%	\$2,522	-3.23%	\$1,218	6.10%
3	2011/12	\$1,151	6.34%	\$2,586	2.54%	\$1,301	6.83%
4	2012/13	\$1,260	9.51%	\$2,938	13.61%	\$1,454	11.76%
5	2013/14	\$1,337	6.05%	\$3,155	7.39%	\$1,575	8.33%
6	2014/15	\$1,432	7.10%	\$3,057	-3.11%	\$1,640	4.15%
7	2015/16	\$1,479	3.28%	\$3,362	9.96%	\$1,721	4.94%
8	2016/17	\$1,492	0.92%	\$3,504	4.24%	\$1,734	0.76%
9	2017/18	\$1,469	-1.54%	\$3,447	-1.64%	\$1,712	-1.29%
10	2018/19	\$1,488	1.27%	\$3,529	2.38%	\$1,689	-1.34%
11	Straight Average						
12	3-year	\$1,483	0.22%	\$3,493	1.66%	\$1,712	-0.62%
13	5-year	\$1,472	2.20%	\$3,380	2.37%	\$1,699	1.44%
14	10-year	\$1,320	4.65%	\$3,071	3.30%	\$1,519	4.63%
15	Exponential Trend						
16	5-year	\$1,503	0.71%	\$3,707	3.17%	\$1,726	0.53%
17	7-year	\$1,575	2.63%	\$3,707	3.13%	\$1,809	2.43%
18	All-year	\$1,679	4.65%	\$3,823	4.21%	\$1,953	4.87%

Figure CI- 54 Basic Comprehensive Vandalism Severity Excluding \$0 Claims



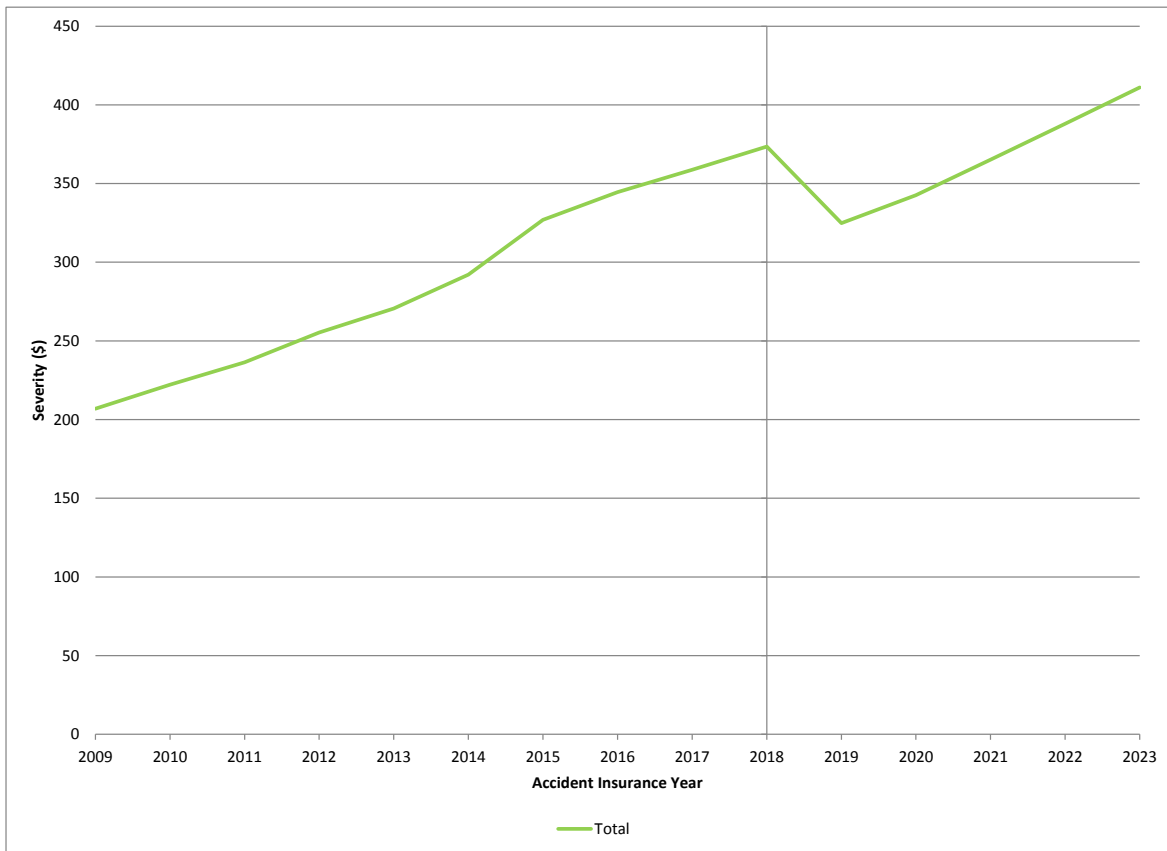
CI.10.2.4 Comprehensive Glass Severity

1 The figure below shows the historical (ten year) Glass average severities and severity
 2 growth rates. Basic Comprehensive Glass covers the portion of a Glass claim over the
 3 Basic deductible of \$500. As the average Glass claim gross of the Basic deductible
 4 increases, the average Glass claim net of the Basic deductible increases at a higher
 5 rate. This effect makes the Glass severity growth appear abnormally high on a net
 6 basis, even though the severity growth is close to inflationary on a gross basis (e.g.
 7 ten year average gross severity growth of 2.25%). MPI selected the all-year trend to
 8 forecast average Glass claim severity gross of the Basic deductible. To calculate the
 9 Basic portion, MPI subtracted the \$500 deductible. This results in a 2019/20 Glass
 10 claim severity net of the Basic deductible of \$390. The severity growth gross of the
 11 Basic deductible is forecasted at the all-year exponential trend rate of 2.25%. This
 12 corresponds to an average severity growth net of the Basic deductible of 5.13%.

Figure CI- 55 Comprehensive Glass Severity Excluding \$0 Claims

Line No.	Accident Year	Gross of Basic Deductible	% Change	Net of Basic Deductible	% Change
1	2009/10	\$707	2.70%	\$207	9.88%
2	2010/11	\$722	2.16%	\$222	7.36%
3	2011/12	\$736	1.97%	\$236	6.41%
4	2012/13	\$755	2.57%	\$255	8.02%
5	2013/14	\$771	2.03%	\$271	6.00%
6	2014/15	\$792	2.78%	\$292	7.91%
7	2015/16	\$827	4.41%	\$327	11.95%
8	2016/17	\$845	2.12%	\$345	5.37%
9	2017/18	\$859	1.68%	\$359	4.12%
10	2018/19	\$873	1.72%	\$373	4.11%
11	Straight Average				
12	3-year	\$859	1.84%	\$359	4.53%
13	5-year	\$839	2.54%	\$339	6.69%
14	10-year	\$789	2.41%	\$289	7.11%
15	Exponential Trend				
16	5-year	\$899	2.36%	\$403	6.02%
17	7-year	\$904	2.59%	\$411	6.90%
18	All-year	\$902	2.52%	\$414	7.13%

Figure CI- 56 Comprehensive Glass Severity Excluding \$0 Claims



1 Glass severity is forecast to decrease from \$373 in 2018 to \$325 in 2019. This
 2 decrease is mainly due to the following:

- 3 • the new Light Vehicle Accreditation Agreement includes an increased cost
 4 savings on glass replacements: \$3.3 million favourable impact or \$71 decrease
 5 per claim;
- 6 • lower PST: \$0.2 million favourable impact or \$4 decrease per claim;
- 7 • glass calibrations are expected to increase severity of glass claims: \$0.5 million
 8 unfavourable impact or \$11 increase per claim; and
- 9 • forecasted severity growth: \$0.7 million unfavourable impact or \$16 increase
 10 per claim.

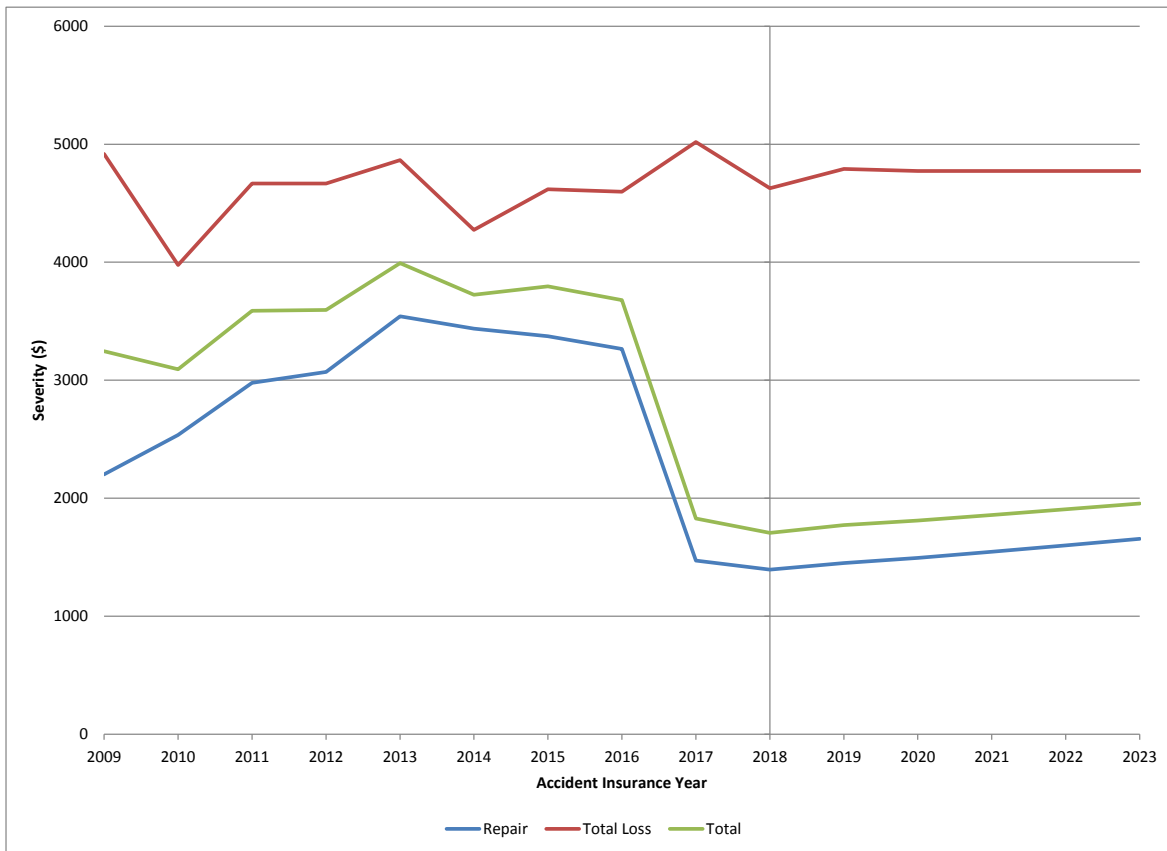
CI.10.2.5 Comprehensive Rodent Severity

1 The figure below shows the historical (ten year) Rodent average severities and
 2 severity growth rates for repair, total loss, and overall claims at ultimate. The Rodent
 3 Claims Strategy was successful in reducing the repair costs of rodent claims in
 4 2017/18 as outlined in 2019 GRA Part IV SDM Service Delivery Model SDM.1.4. For
 5 repair claims, MPI has selected the latest claim severity and applied a longer term
 6 average severity growth rate of 3.50%. Total loss claims have drastically dropped
 7 since 2017/18. As a result, very few claims are a total loss. The claims that are
 8 determined to be total losses tend to be more severe than before. Therefore, MPI has
 9 selected a 2-year average severity with no growth.

Figure CI- 57 Comprehensive Rodents Severity Excluding \$0 Claims

Line No.	Accident Year	Repair Severity	% Change	Total Loss Severity	% Change	Total Severity	% Change
1	2009/10	\$2,203	21.72%	\$4,917	1.91%	\$3,246	6.79%
2	2010/11	\$2,537	15.15%	\$3,977	-19.12%	\$3,093	-4.71%
3	2011/12	\$2,978	17.37%	\$4,667	17.35%	\$3,588	16.03%
4	2012/13	\$3,070	3.10%	\$4,667	-0.01%	\$3,596	0.22%
5	2013/14	\$3,542	15.38%	\$4,864	4.24%	\$3,992	11.01%
6	2014/15	\$3,438	-2.95%	\$4,274	-12.14%	\$3,725	-6.70%
7	2015/16	\$3,372	-1.91%	\$4,618	8.06%	\$3,795	1.88%
8	2016/17	\$3,265	-3.18%	\$4,597	-0.45%	\$3,680	-3.03%
9	2017/18	\$1,472	-54.92%	\$5,018	9.15%	\$1,828	-50.31%
10	2018/19	\$1,396	-5.18%	\$4,628	-7.78%	\$1,706	-6.66%
11	Straight Average						
12	3-year	\$2,044	-21.09%	\$4,748	0.31%	\$2,405	-20.00%
13	5-year	\$2,589	-13.63%	\$4,627	-0.63%	\$2,947	-12.97%
14	10-year	\$2,727	0.46%	\$4,623	0.12%	\$3,225	-3.55%
15	Exponential Trend						
16	5-year	\$1,085	-23.14%	\$4,969	2.45%	\$1,392	-20.48%
17	7-year	\$1,443	-13.85%	\$4,735	0.39%	\$1,757	-12.72%
18	All-year	\$2,044	-4.27%	\$4,745	0.51%	\$2,283	-5.45%

Figure CI- 58 Basic Comprehensive Rodents Severity Excluding \$0 Claims



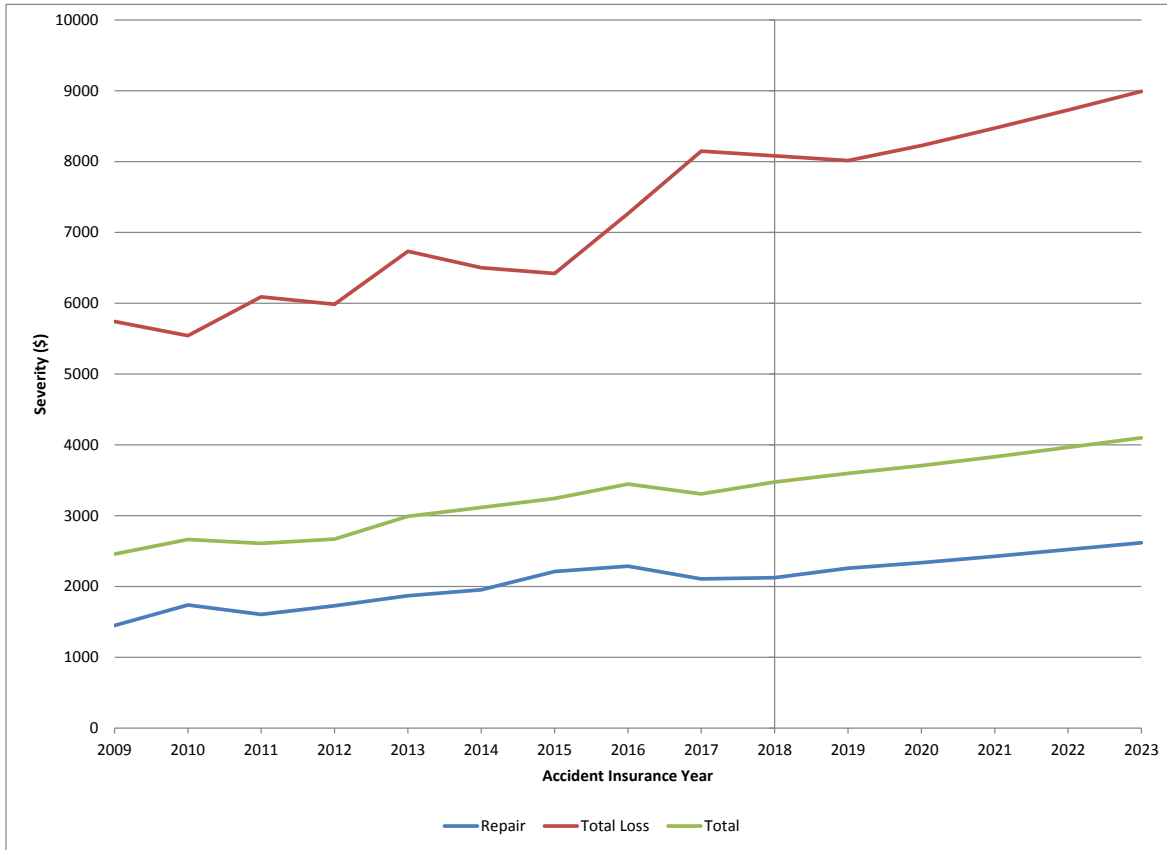
CI.10.2.6 Comprehensive All Other Severity

- 1 The All Other category contains claims that do not fall into the previous categories.
- 2 These claims types include fire, lightning, wind, and flood claims. The figure below
- 3 shows the historical (ten year) 'All Other' average severities and severity growth rates
- 4 by repair, total loss, and overall claims at ultimate. The average severity growth rates
- 5 for repair and total loss have been fairly stable over the long term. For repair, MPI
- 6 selected the most recent repair severity and the longer term average severity growth
- 7 rate of 4.00%. For total loss, MPI selected a three-year average severity and a longer
- 8 term average severity growth rate of 3.00%.

Figure CI- 59 Comprehensive All Other Severity Excluding \$0 Claims

Line No.	Accident Year	Repair Severity	% Change	Total Loss Severity	% Change	Total Severity	% Change
1	2009/10	\$1,449	7.43%	\$5,742	0.58%	\$2,458	7.61%
2	2010/11	\$1,738	19.93%	\$5,541	-3.50%	\$2,664	8.40%
3	2011/12	\$1,607	-7.54%	\$6,089	9.89%	\$2,609	-2.08%
4	2012/13	\$1,726	7.44%	\$5,986	-1.68%	\$2,670	2.35%
5	2013/14	\$1,870	8.34%	\$6,734	12.49%	\$2,992	12.03%
6	2014/15	\$1,952	4.40%	\$6,500	-3.48%	\$3,114	4.10%
7	2015/16	\$2,210	13.21%	\$6,420	-1.23%	\$3,243	4.14%
8	2016/17	\$2,286	3.42%	\$7,265	13.17%	\$3,446	6.25%
9	2017/18	\$2,106	-7.88%	\$8,148	12.15%	\$3,306	-4.05%
10	2018/19	\$2,123	0.82%	\$8,080	-0.83%	\$3,474	5.09%
11	Straight Average						
12	3-year	\$2,171	-1.21%	\$7,831	8.16%	\$3,409	2.43%
13	5-year	\$2,135	2.79%	\$7,282	3.95%	\$3,317	3.10%
14	10-year	\$1,907	4.96%	\$6,650	3.76%	\$2,998	4.38%
15	Exponential Trend						
16	5-year	\$2,210	1.20%	\$8,867	6.97%	\$3,559	2.41%
17	7-year	\$2,348	3.70%	\$8,512	5.10%	\$3,701	3.97%
18	All-year	\$2,411	4.54%	\$8,282	4.23%	\$3,714	4.11%

Figure CI- 60 Basic Comprehensive Other (Fire, Lightning, Other) Severity Excluding \$0 Claims



CI.10.3 Comprehensive Ultimate Forecast

- 1 The figure below shows the historical experience and forecast by accident year for
- 2 Comprehensive, along with a comparison to last year's forecast.

Figure CI- 61 Comprehensive Ultimate Incurred

Line No.	Accident Year	Claim Frequency	Severity	Ultimate (\$000)	Annual % Change	Last Year's Forecast (\$000)	Variance to Forecast (\$000)
1	2009/10	0.075	\$1,380	\$78,638	57.88%	\$78,618	\$20
2	2010/11	0.071	\$1,358	\$74,839	-4.83%	\$74,821	\$18
3	2011/12	0.070	\$1,352	\$74,631	-0.28%	\$74,634	(\$3)
4	2012/13	0.070	\$1,279	\$72,612	-2.70%	\$72,606	\$6
5	2013/14	0.066	\$1,382	\$74,788	3.00%	\$74,802	(\$14)
6	2014/15	0.065	\$1,317	\$70,995	-5.07%	\$70,979	\$17
7	2015/16	0.083	\$1,713	\$120,140	69.22%	\$120,099	\$41
8	2016/17	0.085	\$1,632	\$119,063	-0.90%	\$119,093	(\$30)
9	2017/18	0.073	\$1,173	\$74,831	-37.15%	\$73,678	\$1,154
10	2018/19	0.084	\$1,548	\$114,610	53.16%	\$99,534	\$15,075
11	5-year Trend	0.086	\$1,453	\$112,504	18.88%	\$99,883	
12	7-year Trend	0.086	\$1,536	\$117,312	24.43%	\$108,206	
13	All year Trend	0.081	\$1,509	\$110,336	11.10%	\$103,926	
14	2019/20	0.083	\$1,399	\$104,045	-9.22%	\$105,343	(\$1,298)
15	2020/21	0.084	\$1,430	\$109,350	5.10%	\$111,507	(\$2,157)
16	2021/22	0.086	\$1,468	\$115,508	5.63%	\$118,033	(\$2,525)
17	2022/23	0.087	\$1,507	\$122,013	5.63%	\$124,877	(\$2,865)
18	2023/24	0.088	\$1,549	\$128,818	5.58%		

1 2018/19 Comprehensive is \$15.1 million or 15.15% higher than last year's forecast as
2 a result of higher than forecasted hail. June 2018 had the highest claim counts since
3 2009. Hail is \$17.5 million higher than last year's forecast of \$23.7 million.

4 As shown in the figure, the 2020/21 Comprehensive incurred losses are \$109.4
5 million, or 1.93%, lower than last year's forecast of \$111.5 million. The \$2.2 million
6 decrease in forecast is from the reduction in PST (\$1.4 million) and the savings in
7 glass replacement claims from increased discounts as a result of the new Light Vehicle
8 Accreditation Agreement (\$2.9 million). This is offset by increases in other
9 Comprehensive perils. Further details of the changes are given below:

- 10 • Comprehensive Glass: \$3.7 million decrease
- 11 • Comprehensive Other: \$1.3 million decrease
- 12 • Comprehensive Rodents: \$0.9 million decrease
- 13 • Comprehensive Theft and Vandalism: \$0.2 million decrease
- 14 • Comprehensive Hail: \$4.0 million increase

CI.10.4 Fiscal Year Claims Incurred Forecast

1 The historical and forecasted fiscal year CI for Comprehensive, along with a
 2 comparison to last year’s forecast, are shown in the figure below. Due to the short-tail
 3 nature of this coverage, changing interest rates do not have a significant impact on
 4 IBNR calculations.

Figure CI- 62 Comprehensive Claims Incurred

Line No.	Fiscal Year	Reported	Change in IBNR				Claims Incurred	Last Year's Forecast	Variance to Forecast
			Interest Rate Impact	Interest Rate Margin Change	All Other Changes	Total Change in IBNR			
1	<i>(\$000)</i>								
2	2014/15	\$72,269	\$90	\$0	(\$437)	(\$347)	\$71,922	\$71,922	\$0
3	2015/16	\$119,342	(\$103)	(\$57)	\$7,164	\$7,005	\$126,346	\$126,346	\$0
4	2016/17	\$119,957	(\$13)	\$0	(\$2,739)	(\$2,752)	\$117,204	\$117,204	\$0
5	2017/18	\$73,580	(\$13)	\$0	(\$4,070)	(\$4,083)	\$69,497	\$69,497	\$0
6	2018/19	\$110,928	\$39	\$0	\$5,392	\$5,431	\$116,358	\$99,974	\$16,384
7	2019/20	\$102,257	(\$22)	\$0	\$1,807	\$1,785	\$104,043	\$105,494	(\$1,451)
8	2020/21	\$108,878	\$13	\$0	\$543	\$556	\$109,435	\$111,624	(\$2,190)
9	2021/22	\$114,917	\$15	\$0	\$682	\$697	\$115,614	\$118,151	(\$2,537)
10	2022/23	\$121,381	\$14	\$0	\$735	\$749	\$122,130	\$125,002	(\$2,872)
11	2023/24	\$128,157	\$14	\$0	\$770	\$785	\$128,942		

CI.11 Property Damage

5 Property Damage provides third-party liability protection to the insured against a claim
 6 or suit for property damage arising out of the operation of a vehicle.

Figure CI- 63 Claims Incurred Forecast

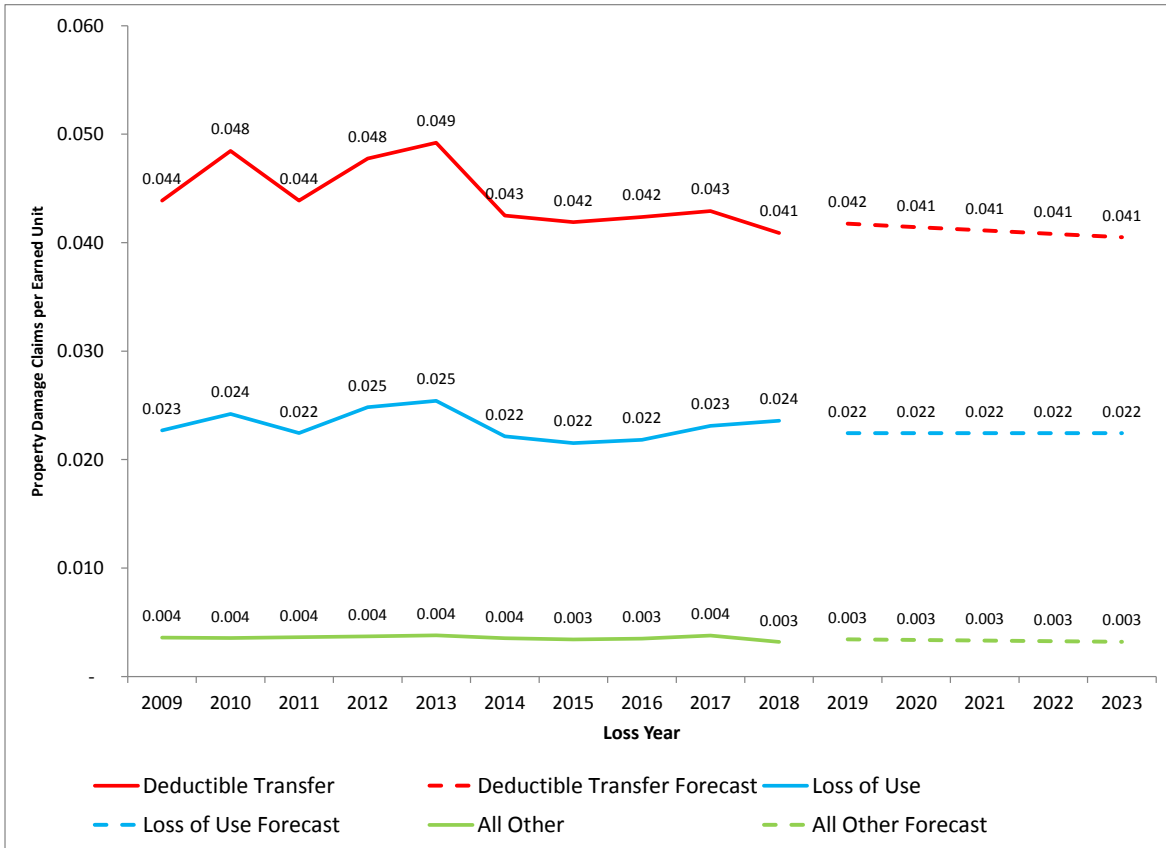
Line No.	Fiscal Year	2019/20	2020/21	2021/22	2022/23	2023/24
1	<i>(\$000)</i>					
2	Property Damage	\$46,222	\$47,160	\$48,083	\$49,024	\$49,986

CI.11.1 Property Damage Frequency

7 The Property Damage frequency forecast is split into three coverage categories: Third
 8 Party Deductible Transfer, Third Party Loss of Use, and Other Property Damage. Both

- 1 Third Party Deductible Transfer and Third Party Loss of Use are highly correlated with
- 2 Collision. As shown in the graph below, we have forecasted frequency to remain flat
- 3 based on the 5-year average, with the exception of Other Property Damage which is
- 4 forecast at the three-year average and expected to decline 0.50% over the period.

Figure CI- 64 Ultimate Basic Property Damage Frequency Excluding \$0 Claims



CI.11.2 Property Damage Severity

- 5 The figure below shows the historical property damage severities split into the three
- 6 coverage categories.

Figure CI- 65 Property Damage Severity by Coverage Category Excluding \$0 Claims

Line No.	Accident Year	Third Party Deductible		Third Party Loss		All Other Severity	
		Transfer Severity	% Change	of Use Severity	% Change		% Change
1	2009/10	\$505	0.60%	\$413	3.35%	\$3,979	1.87%
2	2010/11	\$504	-0.13%	\$414	0.17%	\$3,878	-2.55%
3	2011/12	\$506	0.26%	\$415	0.13%	\$4,395	13.34%
4	2012/13	\$506	-0.03%	\$442	6.70%	\$4,468	1.67%
5	2013/14	\$507	0.22%	\$503	13.70%	\$4,700	5.18%
6	2014/15	\$514	1.45%	\$482	-4.27%	\$4,768	1.46%
7	2015/16	\$514	0.04%	\$491	1.93%	\$4,871	2.15%
8	2016/17	\$521	1.26%	\$496	1.10%	\$5,122	5.16%
9	2017/18	\$520	-0.18%	\$445	-10.32%	\$5,429	6.00%
10	2018/19	\$531	2.26%	\$422	-5.09%	\$5,419	-0.19%
11	Straight Average						
12	3-year	\$524	1.11%	\$455	-4.77%	\$5,324	3.66%
13	5-year	\$520	0.96%	\$467	-3.33%	\$5,122	2.92%
14	10-year	\$513	0.57%	\$452	0.74%	\$4,703	3.41%

CI.11.2.1 Third Party Deductible Transfer Severity

1 Severity is very stable as it is deductible based. Severity growth over the last ten
 2 years has been 0.57% on average. However, there has been higher growth in recent
 3 years as the distribution of claims changes. As such, we selected a three-year average
 4 of \$515 with 1.00% severity growth, which follows the three and five year trends.

CI.11.2.2 Third Party Loss of Use Severity

5 There have been large changes in severity in the history for third party loss of use.
 6 MPI has selected five-year average of \$467 with no growth.

CI.11.2.3 All Other Severity

7 MPI selected the latest severity of \$5,419 with 3.00% severity growth based on the
 8 three year average growth.

CI.11.3 Property Damage Ultimate Forecast

- 1 The figure below shows the historical experience and forecast by accident year for
- 2 Property Damage, along with a comparison to last year's forecast.

Figure CI- 66 Property Damage Ultimate Incurred

Line No.	Accident Year	Claim Frequency	Severity	Ultimate (\$000)	Annual % Change	Last Year's Forecast (\$000)	Variance to Forecast (\$000)
1	2009/10	0.047	\$966	\$34,945	-2.85%	\$34,937	\$9
2	2010/11	0.052	\$928	\$37,344	6.87%	\$37,337	\$7
3	2011/12	0.047	\$999	\$37,484	0.37%	\$37,475	\$9
4	2012/13	0.051	\$1,005	\$41,885	11.74%	\$41,770	\$115
5	2013/14	0.053	\$1,048	\$45,620	8.92%	\$45,594	\$25
6	2014/15	0.046	\$1,077	\$41,047	-10.02%	\$41,004	\$43
7	2015/16	0.045	\$1,083	\$41,180	0.32%	\$41,203	(\$23)
8	2016/17	0.045	\$1,113	\$43,551	5.76%	\$43,652	(\$101)
9	2017/18	0.046	\$1,138	\$46,082	5.81%	\$46,445	(\$362)
10	2018/19	0.045	\$1,096	\$43,143	-6.38%	\$46,849	(\$3,707)
11	5-year Trend	0.045	\$1,129	\$45,729	2.93%	\$48,910	
12	10-year Trend	0.044	\$1,161	\$46,514	-0.13%	\$48,145	
13	All year Trend	0.045	\$1,156	\$46,662	-0.78%	\$47,904	
14	2019/20	0.045	\$1,138	\$46,233	7.16%	\$48,465	(\$2,231)
15	2020/21	0.045	\$1,145	\$47,137	1.95%	\$50,150	(\$3,013)
16	2021/22	0.045	\$1,151	\$48,059	1.96%	\$51,908	(\$3,849)
17	2022/23	0.045	\$1,157	\$49,001	1.96%	\$53,743	(\$4,742)
18	2023/24	0.045	\$1,164	\$49,962	1.96%		

- 3 Based on the ultimate frequency and severity forecasts, the 2020/21 Property
- 4 Damage ultimate is \$47.1 million, or 6.01%, lower than last year's forecast of \$50.2
- 5 million. Property Damage and Collision frequency are highly correlated, accordingly,
- 6 decreases in Collision frequency has reduced Property Damage claims by 6.25% over
- 7 last year's forecast of 0.048.

CI.11.4 Fiscal Year Claims Incurred Forecast

- 8 The historical and forecasted fiscal year CI for Property Damage, along with a
- 9 comparison to last year's forecast, are shown in the figure below. Due to the short-tail

- 1 nature of this coverage, changing interest rates do not have a significant impact on
- 2 IBNR calculations.

Figure CI- 67 Property Damage Claims Incurred

Line No.	Fiscal Year	Reported	Change in IBNR				Claims Incurred	Last Year's Forecast	Variance to Forecast
			Interest Rate Impact	Interest Rate Margin Change	All Other Changes	Total Change in IBNR			
1	<i>(\$000)</i>								
2	2014/15	\$42,359	\$107	\$0	(\$3,020)	(\$2,913)	\$39,445	\$39,445	\$0
3	2015/16	\$41,481	(\$54)	(\$30)	\$1,059	\$975	\$42,456	\$42,456	\$0
4	2016/17	\$42,478	(\$7)	\$0	\$298	\$291	\$42,769	\$42,769	\$0
5	2017/18	\$47,295	(\$12)	\$0	\$1,364	\$1,352	\$48,647	\$48,647	\$0
6	2018/19	\$41,877	\$33	\$0	\$901	\$933	\$42,810	\$46,869	(\$4,059)
7	2019/20	\$46,214	(\$15)	\$0	\$24	\$8	\$46,222	\$48,499	(\$2,277)
8	2020/21	\$46,967	\$9	\$0	\$184	\$193	\$47,160	\$50,185	(\$3,026)
9	2021/22	\$47,856	\$10	\$0	\$217	\$227	\$48,083	\$51,943	(\$3,860)
10	2022/23	\$48,795	\$9	\$0	\$221	\$230	\$49,024	\$53,779	(\$4,755)
11	2023/24	\$49,752	\$9	\$0	\$224	\$233	\$49,986		

CI.12 Basic Total

- 3 This section summarizes the overall forecast for Basic before and after CI financial
- 4 provisions.

CI.12.1 Claims Incurred Before Provisions

- 5 This section shows the total of all Basic coverage categories that were described in
- 6 sections CI.3 through CI.11.

Figure CI- 68 Claims Incurred before Provisions Forecast

Line No.	Fiscal Year	2019/20	2020/21	2021/22	2022/23	2023/24
1	<i>(\$000)</i>					
2	Basic Total	\$821,702	\$880,965	\$920,603	\$960,040	\$1,002,601

CI.12.1.1 Accident Year Ultimate Forecast

- 1 The figure below shows the historical and forecasted Basic ultimate losses, along with
2 a comparison to last year's forecast.

Figure CI- 69 Total Basic Ultimate Incurred

Line No.	Accident Year	Ultimate (\$000)	Annual % Change	Last Year's Forecast (\$000)	Variance to Forecast (\$000)
1	2014/15	\$591,849	-7.21%	\$589,944	\$1,906
2	2015/16	\$708,443	19.70%	\$710,586	(\$2,143)
3	2016/17	\$764,360	7.89%	\$747,599	\$16,761
4	2017/18	\$734,503	-3.91%	\$725,014	\$9,490
5	2018/19	\$774,460	5.44%	\$768,995	\$5,464
6	2019/20	\$805,662	4.03%	\$808,678	(\$3,016)
7	2020/21	\$838,786	4.11%	\$851,029	(\$12,244)
8	2021/22	\$875,249	4.35%	\$896,226	(\$20,977)
9	2022/23	\$913,681	4.39%	\$944,409	(\$30,728)
10	2023/24	\$954,127	4.43%		

- 3 The 2020/21 Total Basic Ultimate Incurred forecast is \$12.2 million or 1.44% lower
4 than last year's forecast:

- 5 • Collision: \$25.1 million decrease
- 6 • Comprehensive Glass: \$3.7 million decrease
- 7 • Property Damage: \$3.0 million decrease
- 8 • Comprehensive Other: \$1.3 million decrease
- 9 • Comprehensive Rodents: \$0.9 million decrease
- 10 • Comprehensive Theft and Vandalism: \$0.2 million decrease
- 11 • PIPP and Bodily Injury: \$18.5 million increase
- 12 • Comprehensive Hail: \$4.0 million increase
- 13 • PIPP Enhancements: \$0.5 million decrease

CI.12.1.2 Fiscal Year Claims Incurred Forecast

- 14 The figure below shows the historical and projected fiscal year CI for all Basic
15 coverages in the 2019 GRA forecast.

Figure CI- 70 Total Basic Claims Incurred – 2020 GRA Forecast

Line No.	Fiscal Year	Reported	Change in IBNR				Last Year's Forecast	Variance to Forecast	
			Interest Rate Impact	Interest Rate Margin Change	All Other Changes	Total Change in IBNR			
1									
		(\$000)							
2	2014/15	\$595,720	\$117,836	\$0	(\$4,929)	\$112,907	\$708,627	\$708,627	\$0
3	2015/16	\$676,044	(\$68,921)	(\$34,950)	\$70,739	(\$33,132)	\$642,912	\$642,912	\$0
4	2016/17	\$746,019	(\$8,019)	\$0	\$60,456	\$52,437	\$798,456	\$798,456	\$0
5	2017/18	\$801,649	(\$13,472)	\$0	(\$61,937)	(\$75,409)	\$726,240	\$726,240	\$0
6	2018/19	\$781,926	\$36,598	\$0	\$52,013	\$88,612	\$870,538	\$790,845	\$79,692
7	2019/20	\$825,699	(\$16,515)	\$0	\$12,518	(\$3,996)	\$821,702	\$846,233	(\$24,531)
8	2020/21	\$862,355	\$9,619	\$0	\$8,991	\$18,610	\$880,965	\$892,705	(\$11,739)
9	2021/22	\$894,293	\$10,896	\$0	\$15,413	\$26,309	\$920,603	\$938,021	(\$17,419)
10	2022/23	\$934,029	\$10,235	\$0	\$15,776	\$26,012	\$960,040	\$987,550	(\$27,510)
11	2023/24	\$976,165	\$10,338	\$0	\$16,099	\$26,437	\$1,002,601		

- 1 The corresponding figure from the 2019 GRA forecast, along with a comparison
- 2 between the 2020 GRA forecast and the 2019 GRA forecast, are shown in the figures
- 3 below.

Figure CI- 71 Total Basic Claims Incurred – 2019 GRA Forecast

Line No.	Fiscal Year	Reported	Change in IBNR				Total Change in IBNR	Claims Incurred
			Interest Rate Impact	Interest Rate Margin Change	All Other Changes	Total Change in IBNR		
1								
		(\$000)						
2	2013/14	\$684,675	(\$23,574)	\$0	\$18,406	(\$5,168)	\$679,507	
3	2014/15	\$595,720	\$117,836	\$0	(\$4,929)	\$112,907	\$708,627	
4	2015/16	\$676,044	(\$68,921)	(\$34,950)	\$70,739	(\$33,132)	\$642,912	
5	2016/17	\$746,019	(\$8,019)	\$0	\$60,456	\$52,437	\$798,456	
6	2017/18	\$801,649	(\$13,472)	\$0	(\$61,937)	(\$75,409)	\$726,240	
7	2018/19	\$796,313	(\$7,232)	\$0	\$1,764	(\$5,468)	\$790,845	
8	2019/20	\$833,674	\$7,382	\$0	\$5,178	\$12,560	\$846,233	
9	2020/21	\$876,787	\$9,984	\$0	\$5,934	\$15,918	\$892,705	
10	2021/22	\$923,164	\$8,682	\$0	\$6,175	\$14,857	\$938,021	
11	2022/23	\$972,118	\$8,500	\$0	\$6,933	\$15,433	\$987,550	

Figure CI- 72 Total Basic Claims Incurred – Difference between 2020 GRA and 2019 GRA Forecast

Line No.	Fiscal Year	Reported	Change in IBNR			Total Change in IBNR	Claims Incurred
			Interest Rate Impact	Interest Rate Margin Change	All Other Changes		
1	(\$000)						
2	2014/15	\$0	\$0	\$0	\$0	\$0	\$0
3	2015/16	\$0	\$0	\$0	\$0	\$0	\$0
4	2016/17	\$0	\$0	\$0	\$0	\$0	\$0
5	2017/18	\$0	\$0	\$0	\$0	\$0	\$0
6	2018/19	(\$14,387)	\$43,830	\$0	\$50,249	\$94,079	\$79,692
7	2019/20	(\$7,975)	(\$23,897)	\$0	\$7,341	(\$16,556)	(\$24,531)
8	2020/21	(\$14,431)	(\$366)	\$0	\$3,058	\$2,692	(\$11,739)
9	2021/22	(\$28,871)	\$2,214	\$0	\$9,237	\$11,452	(\$17,419)
10	2022/23	(\$38,089)	\$1,735	\$0	\$8,844	\$10,579	(\$27,510)
11	2023/24						

1 As described in CI.3 through CI.11, the 2018/19 fiscal year results were 10.08% or
2 \$79.7 million higher than last year's forecast mainly as a result of (i) lower than
3 expected interest rates, (ii) higher than expected increases in PIPP case reserves and
4 (iii) associated IBNR adjustments from the Appointed Actuary's reports.

5 The 2020/19 CI is forecasted at \$881.0 million, or 1.31% lower than last year's
6 forecast of \$892.7 million. Excluding interest rate impacts, the 2020/21 CI would be
7 \$871.3 million, or 1.29% lower than last year's 2020/21 forecast of \$882.7 million.
8 Similar to the previous section, the main cause of this \$11.4 million deviation from
9 forecast (excluding interest rate impacts) is from the Collision, Property Damage, and
10 Comprehensive Glass forecasts as outlined in section CI.12.1.1.

CI.12.2 Unallocated Loss Adjustment Expenses

11 ULAE represents claims costs that cannot be allocated to individual claims (e.g. towing
12 charges, payments to Manitoba Health, and medical consultants' fees). The amounts
13 paid for ULAE are added to fiscal year net CI.

Figure CI- 73 Unallocated Loss Adjustment Expenses

Line No.	Fiscal Year	2019/20	2020/21	2021/22	2022/23	2023/24
1	(\$000)					
2	ULAE	\$45,015	\$45,848	\$48,038	\$50,325	\$52,462

CI.12.2.1 ULAE Forecast

1 The figure below shows the historical and forecasted ULAE, along with a comparison to
2 last year's forecast. The most significant ULAE item is payments to Manitoba Health
3 (shown below), which are calculated based on MPI's agreement with Manitoba Health.
4 The Direct Repair Program was implemented on March 1, 2017. As outlined in Part IV
5 Service Delivery Model SDM.2.2.2, repair shops will no longer be entitled to an \$81
6 Direct Repair Premium per claim. MPI has budgeted \$0.8 million for 2019/20 for the
7 run off of the Direct Repair Premium. For more information, please see Part IV Service
8 Delivery Model SDM.2.2.2. A detailed forecast for all other ULAE categories is shown in
9 Appendix 8.

Figure CI- 74 Unallocated Loss Adjustment Expenses

Line No.	Fiscal Year	Manitoba Health	Direct Repair	All Other	Total	Last Year's Forecast	Variance to Forecast
1	(\$000)						
2	2014/15	\$25,418	\$0	\$11,777	\$37,195	\$37,195	\$0
3	2015/16	\$26,943	\$0	\$13,081	\$40,024	\$40,024	\$0
4	2016/17	\$27,240	\$0	\$12,629	\$39,869	\$39,869	\$0
5	2017/18	\$29,408	\$0	\$12,844	\$42,252	\$42,252	\$0
6	2018/19	\$30,637	\$3,666	\$11,851	\$46,154	\$50,135	(\$3,981)
7	2019/20	\$30,667	\$760	\$13,588	\$45,015	\$52,371	(\$7,356)
8	2020/21	\$31,866	\$0	\$13,982	\$45,848	\$54,921	(\$9,073)
9	2021/22	\$33,325	\$0	\$14,714	\$48,038	\$57,537	(\$9,499)
10	2022/23	\$35,203	\$0	\$15,122	\$50,325	\$60,210	(\$9,885)
11	2023/24	\$37,178	\$0	\$15,284	\$52,462		

10 The 2020/21 ULAE forecast decreased by \$9.1 million, or 16.52%, over last year's
11 forecast mainly because of the removal of the Direct Repair Premium.

CI.12.3 Change in Internal Loss Adjustment Expenses

1 The provision for ILAE refers to the unpaid amounts required to handle and maintain
2 claims until all claims are paid (ultimate). This provision is reviewed annually as part
3 of the review of policy liabilities. The change in this provision is reported in the fiscal
4 year net CI.

Figure CI- 75 Change in ILAE Provision Forecast

Line No.	Fiscal Year	2019/20	2020/21	2021/22	2022/23	2023/24
1	(\$000)					
2	Change in ILAE	\$3,005	\$7,506	\$8,472	\$8,388	\$8,388

CI.12.3.1 ILAE Forecast

5 The calculation of the latest ILAE is shown in detail in the February 2019 Appointed
6 Actuary's Report (*Part VIII External Actuary Review of Policy Liabilities Attachment A*).
7 ILAE margin for 2018/19 was lowered from 9.20% in 2017/18 to 9.00%. This change
8 reduced ILAE by \$4.1 million. This was offset by lower than forecasted interest rates
9 resulting in an unfavourable impact of \$3.8 million. For forecasting purposes, the
10 change in the ILAE at a given fiscal year end was calculated by totaling 9.00% of the
11 change in unpaid claims and 9.00% of the change in IBNR for that year.

Figure CI- 76 Change in ILAE Provision

Line No.	Fiscal Year	Change in Unpaid Claims	Change in IBNR	Change in ILAE	Last Year's Forecast	Variance to Forecast
1	(\$000)					
2	2014/15	\$83,811	\$112,907	\$8,015	\$8,015	\$0
3	2015/16	(\$303)	(\$33,132)	\$503	\$503	\$0
4	2016/17	\$3,752	\$52,437	\$10,168	\$10,168	\$0
5	2017/18	\$35,783	(\$75,409)	(\$2,219)	(\$2,219)	\$0
6	2018/19	\$139,003	\$88,612	\$4,384	\$4,679	(\$295)
7	2019/20	\$37,388	(\$3,997)	\$3,005	\$6,988	(\$3,983)
8	2020/21	\$64,791	\$18,611	\$7,506	\$7,329	\$177
9	2021/22	\$67,827	\$26,308	\$8,472	\$7,035	\$1,438
10	2022/23	\$67,190	\$26,013	\$8,388	\$6,961	\$1,427
11	2023/24	\$66,759	\$26,439	\$8,388		

- 1 The change in ILAE follows directly from the projected changes in unpaid claims and
- 2 IBNR for overall Basic coverages.

CI.12.4 Reinsurance Ceded Claims

- 3 Reinsurance ceded represents the actual or estimated amount of claims ceded (i.e.
- 4 transferred) to reinsurers. The change in the amount recoverable from reinsurers is
- 5 recorded as part of the fiscal year net CI.

Figure CI- 77 Reinsurance Ceded Claims Forecast

Line No.	Fiscal Year	2018/19	2019/20	2020/21	2021/22	2022/23
1	(\$000)					
2	Reinsurance Ceded	\$0	\$0	\$0	\$0	\$0

CI.12.4.1 Reinsurance Claims Ceded Forecast

- 6 MPI assumes there are no changes to reinsurance claims ceded amounts in the
- 7 forecast period. The figure below provides the historical changes in reinsurance ceded
- 8 amounts. A negative figure indicates amounts that were ceded to reinsurers, which
- 9 reduces overall CI. For more details on MPI's reinsurance programs see REV.3.

Figure CI- 78 Change in Reinsurance Ceded

Line No.	Fiscal Year	Change in Reinsurance Ceded
1	(\$000)	
2	2014/15	\$1,279
3	2015/16	(\$1,076)
4	2016/17	\$786
5	2017/18	(\$676)
6	2018/19	(\$13,531)

CI.12.5 Change in Premium Deficiency or DPAC Write-Down

1 Deferred policy acquisition costs (DPAC) represent the premium taxes and
 2 commissions that are deferred to reflect the unearned portion of existing policies. As
 3 part of the October and February policy liability valuations, MPI calculates the Equity
 4 in the Unearned Premiums (EUP). The EUP equals the unearned premiums minus the
 5 expected claim costs and expenses associated with these unearned premiums. If the
 6 EUP is less than the DPAC asset, then MPI must write-down the DPAC asset to the
 7 amount of the EUP. If the EUP is negative, then MPI must write-down the DPAC asset
 8 to zero and post a premium deficiency equal to the amount of the negative EUP. The
 9 change in the DPAC write-down or premium deficiency is recorded in the current fiscal
 10 year’s net claims incurred.

Figure CI- 79 Change in Premium Deficiency or DPAC Write-Down Forecast

Line No.	Fiscal Year	2019/20	2020/21	2021/22	2022/23	2023/24
1	(\$000)					
2	Change in Premium Deficiency/DPAC	(\$13,156)	(\$7,023)	\$2,601	\$3,113	\$5,574

CI.12.5.1 Premium Deficiency Forecast

11 In 2018/19, MPI reduced the DPAC write-down by \$4.1 million and decreased the
 12 premium deficiency by \$8.8 million (from \$8.8 million to \$0.0 million). The favourable
 13 change to the DPAC write-down is largely a result of the PUB approving a naïve
 14 interest rate forecast for 2018/19 rates instead of the Standard Interest Rate Forecast
 15 used in previous rating years.

Figure CI- 80 Change in Premium Deficiency or DPAC Write-Down

Line No.	Fiscal Year	This Year's Forecast	Last Year's Forecast	Variance to Forecast
1	(\$000)			
2	2014/15	(\$7,584)	(\$7,584)	\$0
3	2015/16	(\$14,959)	(\$14,959)	\$0
4	2016/17	\$12,971	\$12,971	\$0
5	2017/18	\$4,364	\$4,364	\$0
6	2018/19	(\$12,983)	(\$28,521)	\$15,538
7	2019/20	(\$13,156)	(\$5,380)	(\$7,776)
8	2020/21	(\$7,023)	(\$4,243)	(\$2,780)
9	2021/22	\$2,601	\$3,999	(\$1,398)
10	2022/23	\$3,113	\$7,997	(\$4,884)
11	2023/24	\$5,574		

In 2019/20, MPI is forecasting a \$13.2 million decrease in the DPAC write-down (from \$27.9 million to \$14.8 million) and no change in the premium deficiency. The \$19.7 million decrease in the DPAC write-down can be largely attributed to the 2019 GRA approved rate increase of 1.80% and the ALM strategy, which segregated assets, thereby increasing the discount rate. The figure below shows how the DPAC write-down and premium deficiency are calculated.

Figure CI- 81 Equity in Unearned Premium

Line No.	Fiscal Year	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
1	(\$000)						
2	Net Earned Premium	\$1,026,935	\$1,092,096	\$1,144,612	\$1,190,099	\$1,236,814	\$1,285,473
3	Operating Expenses as % of Earned Premium	8.98%	8.49%	8.10%	7.90%	7.75%	7.89%
4	Maintenance Expense Rate [(3) x 1/3]	2.99%	2.83%	2.70%	2.63%	2.58%	2.63%
5	Selected	2.99%	2.91%	2.76%	2.67%	2.61%	2.61%
6	ILAE Ratio to Losses - Selected	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%
7	Net Unearned Premium	\$499,704	\$528,025	\$549,273	\$570,550	\$592,867	\$615,943
8	Additional Expected Cost of Non-Proportional Reinsurance	\$7,075	\$7,217	\$7,361	\$7,508	\$7,658	\$7,811
9	Expected Claims (Including Ext Adj Expenses)	\$396,537	\$411,676	\$422,685	\$441,689	\$461,767	\$484,231
10	Reinsurance PFAD	\$43	\$0	\$0	\$0	\$0	\$0
11	Maintenance Expense [a]	\$14,679	\$15,156	\$14,980	\$15,009	\$15,258	\$15,849
12	Internal Loss Adjustment Expense	\$71,531	\$74,102	\$76,083	\$79,504	\$83,118	\$87,162
13	Expected Claims (Including Ext Adj Expenses) - PIPP Enhancement	\$3,777	\$3,777	\$3,777	\$3,777	\$3,777	\$3,777
14	Equity in Unearned Premium [(7) - Sum(8) to (13)]	\$6,063	\$16,098	\$24,389	\$23,063	\$21,289	\$17,114
15	Carried Deferred Policy Acquisition Expenses	\$33,980	\$30,860	\$32,127	\$33,402	\$34,742	\$36,140
16	Write Down Deferred Policy Acquisition Expenses [b]	\$27,917	\$14,762	\$7,738	\$10,340	\$13,453	\$19,027
17	Change	(\$4,138)	(\$13,156)	(\$7,023)	\$2,601	\$3,113	\$5,574
18	Premium Deficiency [c]	\$0	\$0	\$0	\$0	\$0	\$0
19	Change	(\$8,845)	\$0	\$0	\$0	\$0	\$0
20	Notes:						
21	[a] ((7) - (8)) x (4) x Discount to Valuation Date Without Margin						
22	[b] Min((15) - (14), (15)) if greater than 0, otherwise 0						
23	[c] Negative of (14) if greater than 0, otherwise 0						

CI.12.6 Total Fiscal Year Net Claims Incurred

- 1 The Total Net CI is the amount that appears on MPI's Statement of Operations. This
2 amount represents the Basic CI from section CI.12.1.2 plus the additional claims
3 provisions described in sections CI.12.2 through CI.12.5.

CI.12.6.1 Fiscal Year Net Claims Incurred Forecast

- 4 The figure below shows the historical and projected fiscal year CI for all Basic
5 coverages including claims provisions.

Figure CI- 82 Total Basic Net Claims Incurred Including Claims Provisions

Line No.	Fiscal Year	Claims Incurred	ULAE	Change in ILAE	Change in Reinsurance Ceded	Other Financial Adjustments	Change in Premium Deficiency/DPAC	Total Net Claims Incurred
1	(\$000)							
2	2014/15	\$708,627	\$37,195	\$8,015	\$1,279	\$739	(\$7,584)	\$748,271
3	2015/16	\$642,912	\$40,024	\$503	(\$1,076)	(\$1,124)	(\$14,959)	\$666,280
4	2016/17	\$798,456	\$39,869	\$10,168	\$786	(\$2,217)	\$12,971	\$860,033
5	2017/18	\$726,240	\$42,252	(\$2,219)	(\$676)	(\$2,722)	\$4,364	\$767,240
6	2018/19	\$870,538	\$46,154	\$4,384	(\$13,531)	(\$2,304)	(\$12,983)	\$892,258
7	2019/20	\$821,702	\$45,015	\$3,005	\$0	\$0	(\$13,156)	\$856,566
8	2020/21	\$880,965	\$45,848	\$7,506	\$0	\$0	(\$7,023)	\$927,297
9	2021/22	\$920,603	\$48,038	\$8,472	\$0	\$0	\$2,601	\$979,714
10	2022/23	\$960,040	\$50,325	\$8,388	\$0	\$0	\$3,113	\$1,021,867
11	2023/24	\$1,002,601	\$52,462	\$8,388	\$0	\$0	\$5,574	\$1,069,026

1 The figure below compares this year’s net CI forecast to last year’s forecast.

Figure CI- 83 Total Basic Net Claims Incurred Including Claims Provisions Comparison to Last Year’s Forecast

Line No.	Fiscal Year	This Year's Forecast	Last Year's Forecast	Variance to Forecast
1	(\$000)			
2	2014/15	\$745,835	\$745,835	\$0
3	2015/16	\$666,404	\$666,404	\$0
4	2016/17	\$860,034	\$860,034	\$0
5	2017/18	\$767,240	\$767,240	\$0
6	2018/19	\$892,258	\$817,139	\$75,119
7	2019/20	\$856,566	\$900,212	(\$43,646)
8	2020/21	\$927,297	\$950,712	(\$23,415)
9	2021/22	\$979,714	\$1,006,592	(\$26,878)
10	2022/23	\$1,021,867	\$1,062,718	(\$40,851)
11	2023/24	\$1,069,026		

2 The 2018/19 net CI was \$75.1 million higher than last year’s forecast as a result of:

- 3 • Actuarial Adjustment: \$54.9 million higher than last year’s forecast;
- 4 • Increased Interest Rate Impact: \$49.1 million higher than last year’s forecast;
- 5 • Comprehensive Hail: \$16.2 million higher than last year’s forecast;
- 6 • Premium Deficiency and DPAC Write-Down: \$15.5 million higher than last
- 7 year’s forecast; and
- 8 • PIPP and Bodily Injury: \$6.9 million higher than last year’s forecast.

1 These increases were offset by:

- 2 • Collision: \$40.9 million lower than last year's forecast;
- 3 • Change in Reinsurance Ceded: \$13.5 million higher than last year's forecast;
- 4 • Property Damage: \$5.3 million lower than last year's forecast;
- 5 • ULAE and ILAE: \$5.5 million lower than last year's forecast; and
- 6 • Allowance for doubtful accounts: \$2.3 million lower than last year's forecast.

7 The 2020/21 net CI forecast has decreased by \$23.4 million from last year's forecast,
8 as a result of the following:

- 9 • Collision and Comprehensive: \$27.4 million decrease before interest rate
10 impacts;
- 11 • ULAE: \$9.1 million favourable impact;
- 12 • Property Damage Claims: \$3.0 million favourable impact;
- 13 • Premium Deficiency and DPAC Write-Down: \$2.8 million favourable impact;
- 14 and
- 15 • PIPP and Bodily Injury: \$18.9 million increase before interest rate impacts.