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# Terms of Reference

## Technical Advisory Committee for Transforming Auto Insurance Rate Regulation

### Introduction

Consistent with the government's Putting Drivers First blueprint for auto insurance, FSRA is seeking to improve the way auto insurance rates are regulated in Ontario. The Technical Advisory Committee for Transforming Auto Insurance Rate Regulation ("the Advisory Committee") will be an important mechanism used throughout this process to support engagement between FSRA and stakeholders.

### Mandate

FSRA is establishing the Advisory Committee as a special purpose committee that will provide expert insight to FSRA as we seek to transform auto insurance rate regulation in Ontario.

In particular, the Advisory Committee will provide expert recommendations for changes to the current approach to rate regulation, including legal requirements and opportunities for FSRA rule-making, regulatory guidance, and operational processes.

All recommendations will be consistent with FSRA's rate regulation principles. When necessary, the Advisory Committee will review and provide input regarding the rate regulation principles.

### Consumer Focus

To ensure decisions prioritize consumer interests, and to ensure consistency with FSRA's consumer focus rate regulation principle, discussions will be guided by consumer insights generated by FSRA and Advisory Committee members. FSRA will generate consumer insights





through a multi-pronged engagement strategy that will leverage the FSRA Consumer Office and Consumer Advisory Panel, as well as targeted tools such as research surveys and focus groups.

## **Advisory Committee Membership**



<b>Nomination Process</b>	FSRA will post a process for nominating individuals to serve on the Advisory Committee on its website.
<b>Appointments</b>	FSRA will appoint members based on the skills and experience of the nominees, with an emphasis on ensuring adequate diversity by geography and organization size.
<b>Committee Size</b>	FSRA is seeking 10 – 14 members for the Advisory Committee (not including FSRA participants). FSRA may choose to add or remove a member of the Advisory Committee at any time.



<b>Member Qualifications</b>	<p>Members of the Advisory Committee should be senior members of their respective organization or profession who can represent their organization or profession on relevant issues related to automobile insurance rate regulation.</p> <p>In particular, FSRA is seeking members with direct experience as decision-makers in the current rate regulation process, as well as rate regulation processes in other jurisdictions, from different points of view including:</p> <ul style="list-style-type: none"><li>• consumer focus and perspective</li><li>• underwriting and product development</li><li>• rate making (e.g. actuarial science, data science, modelling and analytics)</li><li>• rate setting (e.g. pricing decisions based on actuarial indications)</li><li>• risk management and compliance</li><li>• operations</li><li>• distribution</li></ul>
<b>Member Responsibilities</b>	<p>FSRA expects members to:</p> <ul style="list-style-type: none"><li>• review background material in preparation for meetings</li><li>• provide advice, proposals and feedback to FSRA</li><li>• use best efforts to, where possible, develop consensus</li><li>• provide feedback to FSRA on the functioning of the committee</li></ul>
<b>FSRA Members</b>	<p>FSRA's Director, Rates Operations, will Chair the Advisory Committee.</p>





## **Confidentiality**

The Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c.F.31, as amended, will generally apply to information provided to the Advisory Committee and to material prepared by or for the Advisory Committee.

Members of the Advisory Committee are permitted to obtain assistance from co-workers or industry collaborators. However, until the Advisory Committee's mandate is complete, Advisory Committee members and those that assist them are requested to maintain confidentiality (with the exception of information made public by FSRA). Following completion of the Advisory Committee's mandate, an Advisory Committee member may communicate his or her views concerning the work of the Advisory Committee.

## **Meetings and Time Commitment**

The Advisory Committee is expected to hold meetings on a quarterly basis, with the potential for more frequent meetings where required. Meetings will be held in person with an option for teleconference where necessary.

FSRA is expecting the Advisory Committee to complete its mandate at the end of its next fiscal year March 31, 2021.

