



Date: November 29, 2013

Bulletin: GISA 2013-12

To: All Reporting Companies

RE: **Update on the Revised Deficiency Fee System**

With the Revised Deficiency Fee System scheduled to be implemented effective February 1st, 2014, the General Insurance Statistical Agency is pleased to provide the following updates.

In June this year, a structured project plan, together with sample fee application scenarios under the Revised Deficiency Fee System, was shared. In October, User ID Forms were distributed that would facilitate access to the online application that will allow users to view both summary and detailed information regarding charges related to Deficiency Fee invoices.

As a next step and prior to full implementation of the new fee structure – with effect from the January 2014 invoice period - GISA will provide each reporting company with a sample of the new fee structure in use. For the November and December 2013 invoice periods, each reporting company will receive a sample invoice that will illustrate what their fees would have been under the Revised Deficiency Fee System. These samples will serve as a comparator of how the new fee structure will affect individual reporting companies and will provide a preview of what to expect for the January 2014 invoice. These sample invoices - distributed in December 2013 and January 2014 - will not require payment.

In January 2014, the *Revised Deficiency Fees Manual* will be posted on the GISA website. This Manual documents the new fee structure and includes illustrations of sample fee calculations.

In addition, GISA's *Administrative Review of Assessments and Deficiency Fees Policy* will be posted on the website in January 2014. This Policy – and accompanying Process – will

articulate the criteria under which insurers may escalate objections and/or request a review of assessments or deficiency fee charges.

For your information and reference, please find attached a summary of Frequently Asked Questions explaining the evolution of the Revised Deficiency Fee System.

Should you have any questions, please contact GISA's service provider, IBC, at 416-445-5912 or 800-761-6703, or email your assigned Data Quality Analyst.

General Insurance Statistical Agency