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Market View Trend Report: Public Summary

As of December 1, 2022

Introduction

Fraser Group conducts an extensive survey among its clients every quarter to identify the assumed rate of annual claims trend used in experience-rating group policyholders.

This brief public summary is based on this proprietary research.

Participating Carriers

Assumption
Beneva
Canada Life
Co-operators
Desjardins
Empire
Equitable
Green Shield
Group Medical Services
Industrial Alliance
Medavie Blue Cross
Pacific Blue Cross
RBC
Sun Life
Wawanesa

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Trend Factors

The reported factors show the assumed annual rate of claim cost increase from a 12-month Experience Period to a 12-month Pricing Period with no intervening lag period.

However, since there is normally a lag between the Experience Period to the proposed Pricing Period, most carriers will gross up the annual factor to reflect this lag in actual renewal calculations.

For dental trend factors, the reported values assume that coverage has been in effect for 5 years and include total inflation, fee guide change, and any utilization impact.

The tables below present the range of most commonly reported factors (from the 10th to 90th percentile). Extreme values, both high and low, are excluded.

Medical Trend Factors

(including Hospital, Drugs, Paramedical and Out of Canada)

Location	Low End of Range	High End of Range
Newfoundland	10.7%	12.7%
Nova Scotia	10.7%	12.7%
P.E.I.	10.7%	12.7%
New Brunswick	10.7%	12.7%
Quebec	10.7%	13.1%
Ontario	10.7%	12.9%
Manitoba	10.7%	12.9%
Saskatchewan	10.7%	12.9%
Alberta	10.7%	12.9%
British Columbia	10.7%	12.9%

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Dental Trend Factors

(excluding orthodontia)

Location	Low End of Range	High End of Range
Newfoundland	8.5%	11.9%
Nova Scotia	8.3%	13.3%
P.E.I.	8.4%	12.5%
New Brunswick	8.5%	12.5%
Quebec	8.9%	12.1%
Ontario	8.6%	12.4%
Manitoba	9.2%	12.7%
Saskatchewan	9.6%	12.7%
Alberta	7.7%	12.4%
British Columbia	8.9%	13.7%

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Caveat

Trend factors are only one component of an experience rating process. Individual carriers can legitimately differ in their determination of appropriate trend factors depending on how they handle other pricing components such as credibility, large claim pooling, and their practices with respect to negotiating required rate increases. Carriers may also experience different levels of trend based on differences in business mix by region or by industry.