

Online Insurance Verification System Advisory Council

Meeting Minutes for Wednesday, September 28, 2011

Members Present: Julie Magee, Jay Starling, George Cooper, The Honorable Greg Tucker, The Honorable Luke Cooley, Jeff Bradwell, Ken McFeeters, Charles Angell, Lori Biscaglia (for Ken Needham), Greg Erath, Jerry Workman (for Harvey Fischer), Daniel Urquhart for (Michael Robinson)

Members Present via Conference Call: Alex Hageli

Members Absent: Ken Needham, Harvey Fischer, Michael Robinson

Others Present: Brenda R. Coone, Sherry Helms, Ginger Johnson, Mike Gamble, Cpl. John Hall, DPS, Safety Responsibility

Others Present via Conference Call: Cathy Vollmer (Farmers Insurance),

Call to Order: The meeting was called to order at 10:09 a.m. By Chair, Julie Magee.

Roll Call

Mr. Starling conducted the roll call.

Approval of August 10, 2011 meeting minutes

The minutes of the August 10, 2011 meeting were approved with no corrections.

DOR website

Mr. Starling explained that the Motor Vehicle Division's website now has an Insurance Advisory Council link per the request of council members during the last meeting. The link is available on the public site and contains the following documents, a link to the Online Insurance Verification Act (2011-688), list of advisory council members with their contact information, a link to the IICMVA Model User Guide, and a link to the IICMVA Insurance Data Transfer Guide.

Insurance data transfer update

The council members reviewed the letter the department prepared to be emailed to insurance carriers requesting that they send their insurance data in accordance with the guidelines set forth in the IICMVA Insurance Data Transfer Guide. The letter was presented during the council's meeting last month, and since that time, several council members have offered language that is contained within the letter. A minor change was suggested to the letter. It was recommended that the letter also be sent to the trade association representatives for them to notify their members.

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Mr. Starling explained to council members that currently the department has 250 insurance companies with 700 NAIC numbers are on file in our office. The letter will be sent to each of these insurance companies via email. In the letter, the department is requesting that insurers begin sending their data by January 1, 2012.

It was determined that the IIMCVA Insurance Data Transfer Guide does not provide enough detailed information regarding the transfer of data. Supplemental technical specifications are being prepared and will be available with the data transfer guide on the DOR website. Several council members asked to review the technical specifications prior to their distribution to insurers.

The two pilot insurers are Allstate Insurance Company and ALFA. Ms. Biscaglia, Allstate, reported that her company sent some test data to the department and would be sending their entire book of business on next Monday, October 3, 2011.

Ms. Johnson, ALFA, reported that ALFA will be working next week to get their data in the correct format to send to the department for testing. Once it has been determined that the transmission was complete and acceptable, ALFA can begin sending book of business data to the department.

Insurance verification vendors

Jay distributed the proposed letter to vendors to the council. He explained that there are currently 90 vendors on the State Purchasing list. Much discussion was held regarding having the letter specify exactly what the council wanted vendors to demonstrate. Mr. Gamble suggested adding language to the letter that vendors who currently have a solution in another jurisdiction using the IICMVA model can contact the department a schedule a meeting with the council to demonstrate their solution. After much debate, the council decided that vendors do not need to have a solution in another jurisdiction, but their solution must comply with the IICMVA model since the law specifically requires use of the model. The letter will be changed to reflect this language.

The council requested that ADOR devise a checklist for them to use in order to question vendors during their demonstrations. They also want a scoring system developed for their use.

Next steps

Mr. Starling will begin developing the insurers' users' guide based on the IICMVA model. Mr. Cooper pointed out that the guide needs to include how the entire process will work (i.e., DOR's responsibilities, customers and insurers responsibilities). He pointed out that guides published

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by other jurisdictions have not outlined the entire business process for online insurance verification.

Mr. Tucker asked that the county programmers be given information regarding adding fields for the NAIC and policy numbers in the county systems. He emphasized that sufficient time for programming needs to be provided. Mr. Starling will schedule a conference call with the pilot county programmers to discuss this matter. A memorandum will also be sent explaining the work necessary for the county systems to be able to capture the required data elements.

Ms. Johnson suggested that the council also focus on the SR13 information being verified through the online verification system. Mr. Cooper pointed out that a separate users guide must be developed for SR13 verifications.

Discussion was held regarding whether or not commercial lines policy data should be transmitted to DOR. According to Mr. Hageli, the insured rate for commercial lines policies is 2 percent. The council agreed that the DOR will draft a rule to exempt commercial lines policies from the insurance verification process.

Next Meeting: Gordon Persons Building, Room 4112, October 20, 2011, at 10:00 a.m.

Information will be provided for council members to join by conference call.

Closing remarks

Chair Magee thanked the council members for their hard work thus far. She is confident that the resultant product will be a success.

Adjournment: The meeting was adjourned by Chair, Julie Magee at 11:45 a.m.