

Online Insurance Verification System Advisory Council

Meeting Minutes for Wednesday, August 14, 2013

Conference Call Meeting

Members Present: Ken Williamson (for Charles Angell), Alex Hageli, Julie Magee, Ken McFeeters, Jay Starling, Dustin Wilson (for Jeff Bradwell).

Members Absent: Charles Angell, The Honorable Patrick Davenport, The Honorable Greg Tucker, George Cooper, Harvey Fischer, Ken Needham, Jeff Bradwell, Michael Robinson, Greg Erath.

Others Present: Brenda R. Coone, Sherry Helms, Reese Hodges.

Call to Order

The meeting was called to order at 10:03 by Mr. Starling.

Roll Call

Mr. Starling conducted the roll call.

Approval of July 17, 2013 Meeting Minutes

While the minutes were approved with no corrections, there was not a quorum of council members available; therefore, a vote must be taken to adopt the minutes at the next scheduled meeting provided a quorum is available.

OIVS Update

Ms. Helms provided the update. There have been approximately 11 million requests with approx. 7 million confirmed responses through the OIVS web service. The department has mailed over 77,000 questionnaires and over 30,000 notices of suspension. She reported that some registrants are mailing the responses even though they are responding on line. The department is not sending the total volume of questionnaires/notices of suspension at this time.

Mr. McFeeters asked if the department would collect fines from registrants who did not have insurance. Ms. Helms and Mr. Starling explained that there are two fines/fees in the law. There is not a fine for not having insurance. The law provides for a fine when a registrant cannot present to law enforcement evidence of insurance and there are reinstatement fees associated with registration suspensions.

Ms. Helms also provided an update on the out-of-state insurers project and some details on issues being addressed with insurers:

1. Geico and USAA have a practice of binding policies on one date, then showing another effective date in their database. Because of this practice, the department cannot confirm evidence of insurance through OIVS which causes their policyholders to receive questionnaires and notices of suspension. These insurance companies are looking into possible solutions to address this issue.
2. State Auto issues both commercial and personal policies under same NAIC number, but does not include commercial policy indicators in its database. The department cannot differentiate between the two policy types, which means that web service calls are being sent on commercial policies that cannot be confirmed through OIVS. Ms. Helms has discussed the issue with representatives of the insurance company and they are working on a solution. This is skewing the unconfirmed response statistics.

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Out of state project. The department sent nearly 1,800 letters to registrants where the NAIC numbers reported have been identified by the Department of Insurance as belonging to out of state companies. Alabama law requires that vehicles be insured by insurance companies licensed to write policies in Alabama. In most instances, registrants have responded by providing NAIC numbers for Alabama insurers. In these instances, insurers have moved the vehicles from one policy to another one oftentimes within the same company. The number of outstanding issues is now approximately 300.

Ms. Magee asked if there was a concentration around military bases and colleges where out of state NAICs were being reported during the July 17 meeting. Sherry reported that only 19 percent of the out of state NAICs being reported are linked to addresses meeting this criteria. To put this in perspective, other identified areas of concentration are:

Baldwin County 9 Percent
Birmingham area 7 Percent
GA line counties 6 Percent

Mr. Starling reported that after he presented at a Probate Judges Association meeting, the chief clerk in Baldwin County reported that in January 2013 when the program began, only 50% percent of the responses returned were confirmed. Now, over 90% percent of the responses returned are confirmed. He was very complimentary of the process and the system.

Ms. Magee asked when the department would begin sending more questionnaires to registrants. Ms. Helms reported that the department is cleaning up old data and working with insurance companies to adjust their systems. The cleanup work will occur throughout the 2013 registration year.

Mr. Hageli asked if, for VIN discrepancies, the department could put some "fuzzy" logic in the system to permit 1 or 2 character discrepancies so that VIN match does not have to be exact. Mr. Starling responded that the department is complying with the provisions of the IICMVA model which do not contain such a provision. He reiterated that 2013 is the implementation and cleanup year and these issues should be resolved. Mr. Hageli asked if including this option would be beneficial to include in the IICMVA model. Mr. Starling agreed that it would be beneficial for states that were implementing online insurance verification programs.

New Business

Mr. Starling reported that representatives from Ohio and Connecticut contacted him to obtain information about Alabama's insurance verification process using web services with no database.

While Mr. Cooper could not attend the conference call meeting, he did send Mr. Starling a user guide and white paper regarding utilizing web service technology to file certificates of financial responsibility. Mr. Starling forwarded the information to DPS representatives and will send it to all council members.

Mr. Hageli reported that the Mississippi program is on hold due to legal concerns. He again applauded Alabama's approach to the IICMVA model.

Next Meeting

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Conference Call Meeting

The next meeting of the advisory council is scheduled for September 18, 2013 at 10:00 a.m. The meeting will be held via conference call. A conference call invitation, agenda, and the meeting minutes will be sent to all advisory council members. The meeting was adjourned at 10:37 a.m.

Respectfully submitted by: Brenda R. Coone

**Mandatory Liability Insurance
Status Report
2013**

	January	February	March	April	May	June	July	August (to 8/13)	Totals
OIVS Request Totals	449,129	736,093	620,585	770,357	1,008,852	2,483,439	3,541,369	1,310,796	10,920,620
Unauthorized Requestor	0	0	6	25,298	70,550	11	10	0	95,875
(Source) Counties	386,451	512,830	489,863	604,665	560,821	520,437	565,918	199,977	3,840,962
(Source) Law Enforcement	51,354	89,189	109,298	108,471	127,807	110,865	119,553	51,335	767,872
(Source) DPS - Safety Responsibility (Crashes)	190	457	389	374	210	904	1,087	332	3,943
(Source) Revenue Department	5,473	3,109	3,434	5,714	8,961	10,520	12,360	4,764	54,335
(Source) DPS Records Received (suspensions/ revocations)	2,675	2,819	0	701	662	0	0	0	6,857
(Source) AOC Records Received	50	235	1,578	45	47	0	0	0	1,955
(Source) Testing	1,164	610	236	1,525	20	58,508	65,866	26,448	154,377
(Source) 2nd Request Unconfirmed for Questionnaire Process	1,772	126,844	15,781	23,564	164,939	382,598	990,229	482,979	2,188,706
(Source) 30 Day Reverify Confirmed for Questionnaire Process	0	0	0	0	74,835	1,399,596	1,786,346	544,961	3,805,738
OIVS Response Totals	449,129	736,093	620,585	770,357	1,008,852	2,483,439	3,541,369	1,310,796	10,920,620
Confirmed	299,475	476,514	442,180	561,581	723,062	1,658,511	2,098,482	703,670	6,963,475
Unconfirmed - Not Submitted	15,505	24,614	14,845	18,091	22,135	59,504	110,367	50,653	315,714
Unconfirmed - Incorrect Data Format	9,200	7,907	2,448	1,771	1,814	1,791	2,313	793	28,037
Unconfirmed - NAIC Code Not Submitted	106	3,876	7,667	7,061	7,504	6,515	6,933	2,729	42,391
Unconfirmed - System Cannot Locate NAIC	49,116	68,102	27,583	22,985	10,280	16,353	28,959	9,482	232,860
Unconfirmed - Policy Key Not Submitted	8	22	51	49	39	21	36	12	238
Unconfirmed - Cannot Locate Policy Key	11,332	23,418	18,249	22,986	29,052	72,724	141,341	53,650	372,752
Unconfirmed - Matched Policy Key - Verification Date Cannot be Confirmed	8,860	23,960	16,701	23,987	39,981	163,218	327,803	155,192	759,702
Unconfirmed - Matched Policy Key - Cannot Locate VIN	13,044	24,790	19,776	25,132	31,771	84,624	162,220	71,281	432,638
Unconfirmed - Matched Policy Key - Manual Search in Progress	1	24	45	47	139	2	6	1	265
Unconfirmed - System Unavailable	5,842	13,347	17,842	20,544	56,161	205,076	269,872	80,166	668,850
Unconfirmed - Unauthorized Requestor	5,652	1,235	25	108	34	243	194	194	7,491
Unconfirmed - Verification Date Cannot be Confirmed	53	175	227	326	643	2,715	4,312	2,969	11,420
Unconfirmed - Verification Date Not Submitted	253	334	319	52	19	34	24	17	1,052
Unconfirmed - Cannot Locate VIN	16,327	28,599	24,718	28,785	37,048	61,095	103,214	41,119	340,905
Unconfirmed - Matched VIN - Verification Date Cannot be Confirmed	10,392	30,072	21,824	29,247	39,475	131,544	248,027	126,855	637,436
Unconfirmed - Matched VIN - Cannot Locate Policy Key	3,912	8,511	4,953	6,546	8,621	18,614	36,257	11,829	99,243
Unconfirmed - VIN Not Submitted	51	593	1,132	1,059	1,074	855	1,009	378	6,151
Questionnaire Sent	0	0	4487	12999	16908	17000	20000	6000	77,394
(Source) Registration Unconfirmed	0	0	2,757	7,201	11,902	12247	15760	2479	52,346
(Source) Law Enforcement Unconfirmed	0	0	1,351	3,539	4,417	4753	4240	720	19,020
(Source) Reverification, Previously Confirmed(1)	0	0	0(2)	0(2)	0(2)	0(2)	0(2)	2801	2,801
(Source) AOC Records Received	0	0	379	499	112	0	0	0	990
(Source) DPS Records Received	0	0	0	1,760	477	0	0	0	2,237
Notice of Suspension Sent	0	0	0	0	6042	9876	8761	5575	30,254
(Source) Registration Unconfirmed	0	0	0	0	2,946	5910	6266	3413	18,535
(Source) Law Enforcement Unconfirmed	0	0	0	0	1,258	2373	2453	2160	8,244
(Source) Reverification, Previously Confirmed(1)	0	0	0	0	0(2)	0(2)	0(2)	0(2)	0
(Source) AOC Records Received	0	0	0	0	1,291	233	13	1	1,538
(Source) DPS Records Received	0	0	0	0	547	1360	29	1	1,937
Questionnaire Response	0	0	368	3618	7171	7190	7871	2952	29,170
Registrant Response System	0	0	202	1408	2468	2611	3387	1071	11,147
MLI System - clerk entry (mail, fax or walk in)	0	0	166	2210	4703	4579	4484	1881	18,023
Notice of Suspension Response	0	0	0	0	543	2400	3528	935	7,406
Registrant Response System	0	0	0	0	242	1081	1689	20	3,032
MLI System - clerk entry (mail, fax or walk in)	0	0	0	0	301	1319	1839	915	4,374
Suspensions	2161	236	605	714	540	1772	7943	4341	18,312
1st Suspension	2,154	230	598	706	532	1756	7904	4320	18,200
2nd Suspension	7	6	7	8	8	16	39	21	112
Reinstatements	5614	3070	3607	5314	6509	7612	7713	3323	42,762
R1 - 1st Violation (registration suspended)	505	894	760	448	301	261	280	120	3,569
R2 - 2nd Violation (registration suspended)	20	78	76	36	23	19	6	5	263
R3 - Valid Insurance (registration suspended)	4582	1646	2117	1727	1181	1185	856	390	13,684
RV - Revoked Registration	473	416	473	528	718	599	598	317	4,122
CL - Closed Open Record without Suspension	34	36	181	2575	4,286	5548	5973	2491	21,124

(1) Insurance initially confirmed; however, upon reverification, insurance could not be confirmed (registrant possibly dropped insurance)

(2) source not currently used.