

Online Insurance Verification System Advisory Council

Meeting Minutes for Tuesday, March 18, 2014

Conference Call Meeting

Members Present: Julie Magee, Jay Starling, the Honorable Greg Tucker, Alex Hageli, Charles Angell, Daniel Urquhart (for Michael Robinson), Ken McFeeters, Dustin Wilson (for Jeff Bradwell)

Members Absent: Ken Needham, Jeff Bradwell, Michael Robinson, Harvey Fischer, Greg Erath, the Honorable Patrick Davenport, George Cooper

Others Present: Sherry Helms, Brenda R. Coone, Lt. Frost, Steve Houston

Call to Order

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

Roll Call

Mr. Starling conducted the roll call.

Approval of February 18, 2014 Meeting Minutes

The minutes were approved with no corrections and will be posted to the advisory council webpage.

OIVS Update

Ms. Helms provided the following statistics from January 1, 2013 through March 16, 2014:

- a. Over 23M OIVS requests to date
- b. Over 8.3 M 1st requests (counties, law enforcement, and the reverification process) with a 76% confirm rate
- c. Over 15M 2nd requests related to the MLI questionnaire creation process
- d. 26,000 subsequent requests related to MLI system postcard responses received

The department has sent over 52,000 questionnaires and 34,000 notices of suspensions to Alabama registrants this calendar year. Mr. McFeeters asked how many of the notices of suspension recipients must pay reinstatement fees. Ms. Helms reported that there are approximately 26,000 registration suspensions thus far. She reminded council members that this does not mean that everyone will be required to pay reinstatement fees. It is important to note that a registrant could receive a notice of suspension because he/she did not respond to the questionnaire in a timely manner. Registrants with suspended registrations typically do not attempt to address the issue until they are renewing the motor vehicle registrations for their vehicles.

Over 7,000 reinstatements have been processed since January 1, 2014, but the majority of the vehicles were covered by a liability insurance policy. This means that the registrants will not have to pay reinstatement fees. Out of the 7,000 reinstatements, 1,500 paid the \$200 reinstatement fee and 35 have paid \$400 in reinstatement fees. These fees were collected for the period January 1, 2014 through March 16, 2014.

Mr. Tucker reported that licensing officials spend a lot of time working with customers whose VINs are incorrect on the insurance documents. He stated that if the insurance companies reflected correct VINs

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on insurance credentials and in their systems, the number of questionnaires being mailed could be reduced.

Mr. Hageli stated that the IICMVA would discuss amending the model to permit a character or two variance in the VIN in an effort to decrease the number of unconfirmed responses due to VIN discrepancies. If approved, this would address the concerns of licensing officials throughout the state. The IICMVA will meet the end of this month.

Ms. Helms reported that the department is working with a large insurer to address another issue which is causing a large number of unconfirmed responses to be returned. The insurer has discovered that the policy numbers appearing on insurance credentials do not match policy numbers in its system. The policy number format has changed since the credentials were printed. The department has requested the insurer's book of business in an attempt to update policy numbers in the state's registration database.

There is a new security certificate to be installed by insurers. The current certificate expires April 10, 2014. The IT project manager is contacting insurers regarding this matter so that they will be no disruption in the web service.

Ms. Helms stated that a representative from Idaho contacted the department to determine how contact was made with insurers licensed to do business in Alabama. Idaho begins implementation of their liability insurance program in July 2015, and they are seeking assistance. Ms. Helms encouraged Idaho to work with members of the insurance industry who are an excellent resource. Mr. Hageli stated that when he becomes aware that a jurisdiction is beginning or revising the liability insurance verification process, he encourages them to contact Alabama because Alabama has the only insurance verification system that relies solely on the IICMVA web services model.

Mr. Tucker stated that another issue for licensing officials is when a registrant purchases a vehicle and is not prepared to show proof of insurance. Ms. Magee volunteered to work with the dealer associations in this state to encourage dealers to educate customers regarding this requirement.

Ms. Magee reported that it appears that the insurance premium tax collections increased last year due in part to the implementation of OIVS.

New Business

Ms. Wilson reported that ALFA made some server configuration changes to eliminate the "Unconfirmed-system unavailable responses" that were being returned for its customers.

Next Meeting

The next meeting of the advisory council is scheduled for Wednesday, April 16, 2014 at 10 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 10:31 a.m. by Mr. Jay Starling.

Respectfully submitted by: Brenda R. Coone