

## **Online Insurance Verification System Advisory Council**

Meeting Minutes for Wednesday, October 15, 2014

### **Conference Call Meeting**

**Members Present:** Julie Magee, Jay Starling, Lt. Frost (for Michael Robinson), Ken Williamson (for Charles Angell), the Honorable Greg Tucker, George Cooper, Ken McFeeters, Dustin Wilson (for Jeff Bradwell), Ken Needham

**Members Absent:** Michael Robinson, Greg Erath, Alex Hageli, Charles Angell, Jeff Bradwell, Harvey Fischer, the Honorable Sheila Moore

**Others Present:** Sherry Helms, Brenda R. Coone, Daniel Urquhart, and Steve Houston

#### **Call to Order**

The meeting was called to order at 10:04 a.m. by Mr. Starling.

#### **Roll Call**

Mr. Starling conducted the roll call.

#### **Approval of September 20, 2014 Meeting Minutes**

The minutes of the September 20, 2014 meeting were noted approved. Ms. Magee noted that the minutes inaccurately reflected that the department needed to obtain authorization from the IICMVA to begin using "fuzzy logic" to confirm insurance on a vehicle when the policy or vehicle identification number contains minor variances. There was much discussion on this topic and Mr. Hageli stated that he would discuss this with the board, but it was not to gain authorization for the department to proceed.

The September 2014, meeting minutes will be amended to incorporate this correction and will be presented to the advisory council for approval during the November meeting.

#### **OIVS Update**

Ms. Helms provided the following statistics from January 1, 2014 through September 30, 2014:

1. Almost 79M OIVS requests to date
2. Over 37 M 1st requests (sources - counties, law enforcement, and reverification process) with a 78% confirm rate. It is important to note that the confirmation rate is up from 77% being reported in recent months. The receipt of limited scope book of business files from insurers thus far has had a positive effect on the confirmation rate.

The department has sent over 185,000 questionnaires and 127,000 notices of suspensions to Alabama registrants thus far this calendar year. Over 40,000 registration reinstatements have been processed. Of the processed reinstatements, 82% (83% was reported last month) were reinstated without payment because the registrant had valid insurance while 18% of the reinstatements resulted in fees being collected.

Mr. McFeeters asked why the reinstatements with fees collected is only 18%. He asked if a large majority of the responses indicated that the vehicles were inoperable. Ms. Helms and Mr. Starling

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explained that many of the reinstatements resulted from registrants changing their insurance carriers, but the web service requests were sent to the previous carrier which results in unconfirmed responses being returned to the requestor. This results in questionnaire, suspensions (if the registrant fails to respond to notices), and subsequent reinstatements with no fees due.

Beginning with the mailing on Friday, October 10<sup>th</sup>, the department increased the number of questionnaires mailed each week from 5,000 to 10,000. While initially the plan was to wait until all insurers that contacted the department sent their limited scope book of business files, the decision was made to increase the output. For those insurers who have not sent the files as requested by the department, this could mean that more of their customers will be receiving questionnaires.

Ms. Helms is following up with insurers that have indicated they would begin sending limited scope book of business files to the department to get an update on their progress. She is also following up with the non-responding insurers to determine whether or not they intend to participate.

An update on the book of business files received was provided. As of October 10<sup>th</sup>, the department has processed at least one book of business file related to 87 NAICs (out of 187 production NAICs). To date, only sixty-nine (69) companies are sending files on a monthly basis.

Ms. Magee asked if any of the non-responding insurers are larger insurance carriers and Ms. Helms reported none were. There are 2 larger carriers sending monthly files. (ALFA, USAA)

### **New Business**

Mr. Starling reported that the following jurisdictions have contacted the department to inquire about OIVS:

1. Louisiana
2. Maryland
3. Illinois

Additionally, Mr. Starling attended the IICMVA meeting on September 30, 2014, in Boise, Idaho.

Mr. Urquhart reported that the MVR printed report will be changed. He asked who should receive the amended report. Mr. Starling suggested that he send the information to the Department of Insurance and the IICMVA so that the information can be distributed to insurance carriers.

### **Next Meeting**

The next meeting of the advisory council is scheduled for Wednesday, November 19, 2014 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 10:21 a.m. by Ms. Magee.

*Respectfully submitted by:* Brenda R. Coone