Online Insurance Verification System Advisory Council
Meeting Minutes for Tuesday, January 20, 2015
Conference Call Meeting

Members Present: Julie Magee, Jay Starling, Lt. Frost (for Michael Robinson), Charles Angell, the Honorable Greg Tucker, the Honorable Sheila Moore, Steve Houston (for Jeff Bradwell), Ken Needham, Alex Hageli, George Cooper, Ken McFeeters

Members Absent: Michael Robinson, Greg Erath, Jeff Bradwell, Harvey Fischer

Others Present: Sherry Helms, Brenda R. Coone, Daniel Urquhart, Dustin Wilson

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 December 17, 2014 Meeting Minutes

The minutes of the December 17, 2014 meeting were approved with no corrections.

OIVS Update

Ms. Helms provided the following statistics from January 1, 2014 through December 31, 2014:

1. Almost 92M OIVS requests to date
2. Over 49M 1st requests (sources - counties, law enforcement, and reverification process) with a 79% confirm rate still.

The department has sent almost 300,000 questionnaires and almost 182,000 notices of suspensions to Alabama registrants during calendar year 2014. Over 50,000 registration reinstatements have been processed. Of the processed reinstatements, 81% were reinstated without payment because the registrant had valid insurance while 19% of the reinstatements resulted in fees being collected.

An update on the book of business (BOB) files received from insurers is as follows:

✓ Everest ESIC/Arrowhead (22110) began sending data January 6, 2015
✓ Geico expected to start in January 2015 but no files to date
✓ CIS (Quality Casualty)-3 NAICs – looking into it – sent request for update on 12/16/14
✓ Chartis/AIG(19402,19410) – to start in February 2015
✓ Commercial Auto(Auto Owners) – to start in March 2015
✓ ACCC Ins. Co. (10807) - plan to implement by end of January 2015 but no file to date
✓ Auto Club AAA(15512, 27235) - began sending data January 5, 2015

The three (3) insurers the department previously reported had not responded to the request for limited scope book of business have now all responded to the department. They have each acknowledged intent to provide the requested data, but could not provide a date yet:

- ✓ ANPAC/American National (28401,39942)
- ✓ Affirmative (42609)
- ✓ 21st Century (Farmers) (32220,34789)

The department has processed at least one BOB file related to 127 NAICs now (out of 179 production NAICs).

The department is reviewing the annual report which was due to be published by January 1, 2015. An amendment is being requested to the law to require the due date to be February 1 of each year which will provide adequate time for the department to obtain statistics for the previous calendar year to be included in the report. Council members agreed with the amendment being requested.

The department has also provided the Tax Policy and Research Division with the amendments that were recommended by the council.

Mr. Cooper asked if the department is compiling statistics to determine how many changes have been made to registration records as a result of the insurers' BOB submissions records. The department will have these statistics going forward.

New Business

The Motor Vehicle Division participated in the Alabama Licensing Conference and Alabama Probate Judges Conference last week. All participants were generally pleased with OIVS and the process.

Ms. Magee asked Mr. Urquhart if Revenue needed to offer additional OIVS training and law requirements for new patrol officers in the Alabama Law Enforcement Agency. He responded that ALEA will address these training needs at the academy.

Ms. Magee notified the council that advertisements are being revamped to remind the public about their responsibilities under the liability insurance law. This should aid the licensing officials who have reported that a number of registrants fail to have evidence of insurance to display during the time of registration. The department's goal this year is to limit the number of questionnaires sent to registrants who have liability insurance while better identifying registrants who are not complying with the law.

Mr. Mc Feeters asked if the department would consider texting registrants, in addition to sending emails, regarding insurance questionnaires. This is not a method under consideration at this point, but the language in the proposed law amendment will be generic enough to use various electronic methods.

There was a lot of conversation regarding the issue of registrants obtaining replacement (new) vehicles and not having evidence of insurance for the replaced (old) vehicles. Some insurers will no longer

provide coverage on the previously owned vehicle if the registrant indicates that they no longer own the vehicle. There have been instances, however, when agents have dropped the coverage on a vehicle that the registrant continues to own. Mr. Cooper asked the department to prepare a document with the issue to be presented to insurers at the next IICMVA meeting to get a consensus of how this is handled throughout industry. The Motor Vehicle Division will provide a draft of the document for council members to review.

Next Meeting

The next meeting of the advisory council is scheduled for Thursday, February 19, 2015, 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 10:48 a.m. by Mr. Starling.

Respectfully submitted by: Brenda R. Coone