Online Insurance Verification System Advisory Council
Meeting Minutes for Wednesday, March 25, 2015
Conference Call Meeting

Members Present: Julie Magee, Jay Starling, Charles Angell, and Alex Hageli

Members Absent: Michael Robinson, Greg Erath, Harvey Fischer, George Cooper, Ken McFeeters, Ken Needham, Dustin Wilson, the Honorable Greg Tucker and the Honorable Sheila Moore

Others Present: Sherry Helms and Brenda R. Coone

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 19, 2015 Meeting Minutes

The minutes of the February 19, 2015 meeting could not be approved because no quorum was established. No one on the call had any corrections to offer to the minutes.

OIVS Update

Ms. Helms provided the following statistics from January 1, 2015 through February 28, 2015:

1. Just over 9.5M OIVS requests to date
2. Over 8.6 M 1st requests (sources - counties, law enforcement, and reverification process) with a 83% confirm rate (same as reported last month).

The department has mailed over 85,000 questionnaires and almost 60,000 notices of suspension to Alabama registrants thus far this calendar year. Additionally, over 10,000 registration reinstatements have been processed thus far this year. Of the processed reinstatements, 67% were reinstated without payment because the registrant had valid insurance (this is down from 76% reported in February) while 34% of the reinstatements resulted in fees being collected (this is up from 24% reported in February). For this same time period, 40% of the processed responses resulted in registration revocations because the registrant responded that the vehicle was sold, inoperable, or stored on the requested verification date and 36% of the questionnaire records were closed (insurance confirmed) before the registration was suspended.

Ms. Helms reported that she requested information regarding the registrations that were revoked due to registrants responding that their vehicles were stored, inoperable, or sold. The department is trying to determine the percentages for each response. When the information becomes available, it will be reported to council members.

In December 2014, the percentage of motor vehicle registrations reinstated without payment was 81% compared to 67% thus far this year. The department is doing a better job identifying registrants who are not complying with the liability insurance law through the questionnaire process, and evidence indicates that the limited scope book of business (BOB) files received from insurers has been very beneficial in the identification of these registrants.

Mr. Hageli stated that vendors are reporting that in jurisdictions that receive regular BOB files, the ability to identify registrants who are not complying with the law has greatly increased. Alabama's statistics clearly support this assertion.

Ms. Helms provided the following update on the BOB file transmissions:

- ✓ GEICO expected to start in March 2015, but has had some delays.
- ✓ CIS (Quality Casualty)-3 NAICs –the department sent requests for updates on 12/16/14 and again on 3/13/15.
- ✓ Commercial Auto (Auto Owners) – scheduled to start in March 2015, but no file has been received yet. The department requested an update on 3/13/15.
- ✓ ANPAC/American National (28401 and 39942) – plan to implement early 2015. The department requested an update on 3/13/15.
- ✓ Affirmative (42609) – The department requested an update on 3/13/15.

The department has processed at least one BOB file related to 134 NAICs (out of 179 production NAICs).

The OIVS annual report has been posted to the Insurance Advisory Council page of the department's website.

New Business

Ms. Helms reported that she had the opportunity to attend the IICMVA meeting last week and meet several people she had only corresponded with through email and phone calls. She appreciated the opportunity to meet with the IICMVA membership. She learned a lot listening to discussions with the other jurisdictions that were present, and is very proud of the Alabama program.

Mr. Starling reported that some of the licensing officials reported concerns regarding the number of registration revocations due to registrants claiming that their vehicles were stored/inoperable. The department is considering amending a rule to require registrants to submit documentation to their licensing official when they respond that their vehicle was stored/inoperable. The amendment refers to another rule that provides for the types of documentation that must be presented to licensing officials when the vehicle has not been in use. Ms. Helms asked if insurers provided customers with any documentation when they request that their policies be cancelled because vehicles are inoperable or stored. Mr. Hageli responded that customers are not provided any documentation by insurers.

Ms. Helms reported that the public awareness campaign was reinstituted last week. The emphasis of the campaign is to educate the public on the following points:

- ✓ Be prepared to present evidence of Alabama auto insurance when visiting the licensing official's office. The evidence can be presented by paper or electronic means.
- ✓ Be prepared to present evidence of Alabama auto insurance to law enforcement officers, upon request. While paper evidence is required to be retained in motor vehicles, evidence can also be presented by electronic means.
- ✓ Check the insurance card to ensure that the VIN printed on the card matches the VIN on the vehicle. If a discrepancy exists, please notify the insurance company.
- ✓ If there is a change in insurance carriers, notify the licensing official so that the registration record can be updated.

Social media, TV, and radio ads as well as flyers that include an insurance checklist are being used as part of the advertising campaign.

Next Meeting

The next meeting of the advisory council is scheduled for Wednesday, April 15, 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 10:45 a.m. by Mr. Starling.

Respectfully submitted by: Brenda R. Coone