

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

Meeting Minutes for Wednesday, July 20, 2016

Conference Call Meeting

**Members Present:** Julie Magee, Jay Starling, Ken Williamson (for Charles Angell), the Honorable Greg Tucker, Dustin Wilson, Ken Needham, Alex Hageli and Ken McFeeters

**Members Absent:** the Honorable Sheila Moore, Greg Erath, Harvey Fischer, George Cooper, Charles Angell and Michael Robinson

**Others Present:** Sherry Helms and Troy Thigpen.

### **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 17, 2016 and April 20, 2016 Meeting Minutes**

The minutes of the February 17, 2016 and April 20, 2016 meetings were approved without correction.

### **OIVS Update**

Ms. Helms provided the following statistics from January 1, 2016 through June 30, 2016:

1. Over 28 M OIVS requests
2. Over 27 M 1<sup>st</sup> requests (sources - counties, law enforcement, and reverification process) with an 86% confirm rate (up from 85% reported in April).

The department has sent almost 227,000 questionnaires and over 173,000 notices of suspensions to Alabama registrants thus far this calendar year. Over 33,000 registration reinstatements have been processed this year. Of the processed reinstatements, 58% were reinstated without payment because the registrant had valid insurance (down from 59% reported in April), while 42% of the reinstatements resulted in fees being collected (up from 41% reported in February). For this same time period, 48% of the processed responses resulted in registration revocations because the registrant claimed the vehicle was sold, inoperable, or stored on the insurance verification date (up from 46% reported in February) and 25% of the questionnaire records were closed (insurance confirmed) before the registration was suspended (down from 27% reported in April). Related to the registration revocations, Ms. Helms clarified that registrants are required to provide documentation to the licensing official's office prior to renewing the vehicle registration. If they cannot, then the licensing official will re-suspend the registration and collect the reinstatement fees.

### **New Business**

Commissioner Magee informed the council that a news release was submitted through the Governor's office detailing the OIVS success with dropping the uninsured motorist rate to 12.9% per internal data. Council members then discussed the timeline for the Insurance Research Council (IRC) report and the comparison to what the department has found.

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Council members discussed the possibility of looking at retention rates for insurers as an indicator for the success of OIVS as well. Later it was determined that there are too many other factors that affect those numbers and that it would not be a good indicator.

The Commissioner mentioned she had met with the Commissioner from TN regarding Alabama's OIVS. Alex Hageli said he has told representatives from TN to "do what AL is doing". Ms. Helms informed the council members that she and others from the Motor Vehicle Division have spoken with representatives from TN on several occasions and that Department personnel have offered to assist in any way needed.

The Commissioner mentioned that she has spoken with a State Farm representative from GA regarding GA's insurance verification program. Alex Hageli offered to reach out to the representative to further discuss the IICMVA model.

#### **Next Meeting**

The next meeting of the advisory council is scheduled for October 19<sup>th</sup>. 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 10:24 a.m. by Mr. Starling.

*Respectfully submitted by:* Sherry Helms