Insurance Verification: With Just a Click of the Mouse
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Kevin Wright
Director, Information Bureau, Alabama Law Enforcement Agency
Insurance Verification: With Just a Click of the Mouse
Online Insurance Verification (OLV)

Chris Ziance
Assistant General Counsel
Progressive
Online Insurance Verification (OLV)

• Traditional verification– ID cards
  – Proof of insurance?
  – Evidence of insurance?

• Problems
  – Inefficient
  – Inaccurate/Misleading
  – Costly
  – Fraud
  – Where did I put that %&#@ card?
Online Insurance Verification (OLV)

• The solution...OLV
• What is OLV?
  – A web based service for real-time verification of insurance
• Benefits?
  – Jurisdiction – real-time verification of insurance (reduction in uninsured motorists)
  – Insurers – reduces cost associated with ID cards
  – Policyholders – pass through savings
Online Insurance Verification (OLV)

• Real life example
  – Idaho (2011)
    • Of the 66,000 tickets issued in Idaho in 2011 for driving without insurance, 47,000 were later dismissed because the driver proved they did in fact have insurance – they just couldn’t find the ID card. (IdahoStatesman.com – Idaho Makes Electronic Proof of Insurance Official – 5/1/12)
Online Insurance Verification (OLV)

• How does OLV work?
  – 4 key data points:
    • Date
    • VIN
    • NAIC number
    • Policy number
  – Broadcast inquiries

• IICMVA model (Insurance Industry Committee on Motor Vehicle Administration)
Online Insurance Verification (OLV)

Who can use the OLV system?

- Law Enforcement
  - Traffic stop
  - Motor vehicle crash
- Courts
- Motor Vehicle Administrators
Online Insurance Verification (OLV)

• How OLV becomes a reality
  – Pass the IICMVA model OLV legislation
  – Cost of implementation
    • Relatively inexpensive
      – Vendors solutions vs. In-house build
      – Initial programming – simple/takes a few months
      – Ongoing maintenance costs
Online Insurance Verification (OLV)

- OLV is a comprehensive solution
  - It would replace the other methods in use today to verify insurance
    - State reporting (transactional, book of business)
    - Random sampling
Online Insurance Verification (OLV)

• States that currently have OLV
  – AL, MT, NV, OK, UT, WV, WY
  – Voluntary – CA, SC,
  – Proprietary (non-IICMVA) – TX
  – Legislation passed/Not implemented yet – ID, MS, RI, TN*
Online Insurance Verification

OIVS
Sherry Helms
Alabama Department of Revenue

August 26, 2015
Online Insurance Verification

Background

• Act 2000-554 created MLI law
• Act 2011-688 created OIVS
• IICMVA Model User Guide for Implementing OIV (version 4)
• Advisory Council
Online Insurance Verification

OIVS Participation for Insurers

- Insurers authorized in AL
- Alternative methods available
- Data available for 6 months
- Non-participating insurers
  - Commercial Only
  - Out of State
Online Insurance Verification

Pilot Program

- 9 months
- 10 licensing offices
- Advisory council insurers
- OIVS user guide
- Insurance data transfer
- Universal WSDL
  - IICMVA adopted as industry standard Oct. 2013
Online Insurance Verification

Insurance Data Transfer

- IICMVA Data Transfer Guide (v1)
- Insurer books of business requested
- Uploaded using SFTP
- User guide on Advisory Council Webpage
- Populated registration database
- Insurance information form
OIVS Process

Query sent to Central Service

Request is Authenticated, logged & routed

Query sent to Providers for verification

Request is Logged & returned to requestor

Providers respond

<1 second average response time

Safe Drivers • Safe Vehicles • Secure Identities • Saving Lives
Online Insurance Verification

Unconfirmed Reasons-Registrant Issues

- IICMVA reason codes
- Residents of other states
- Stored/inoperable vehicles
- Resubmitted verification requests
- Postcard renewals
- City ordinances
Online Insurance Verification

Unconfirmed Reasons

- Insurer systems down
- Hourly “ping” recommended
- Reports provided to all insurers
- Variances in policy numbers
- Leading zeroes
- VIN discrepancies
- Binders
Online Insurance Verification

Unconfirmed Reasons

- Timestamp
- Commercial policies
Online Insurance Verification

Recommendations

• Monthly book of business
• VIN validation
• Longer implementation period
• Advisory council
• Partnerships
• Policy Information
• Error reports
Online Insurance Verification

Recommendations

• Technical support
• Training
• Public awareness campaign
• Proposed Amendments to the Law
Online Insurance Verification

Important Notices!

Motor Vehicle

- Contacts
- FAQs
- Forms
- E-Services
- License Plate Information
- Reference & Statistics
- Insurance Advisory Council
- Related Links
- Motor Vehicle Home

Insurance Advisory Council (IAC)

- IAC Council Member Listing
- Council Meetings Agenda and Minutes
- Online Insurance Verification System Annual Report - 2013
- Online Insurance Verification System Annual Report - 2014

Online Insurance Verification System (OIVS)

- Online Insurance Verification Act Information
  - OIVS Production NAIC and company list as of December 23, 2014
  - Out of State NAIC list as identified by DOI as of February 28, 2014
  - Commercial only NAIC list as of December 23, 2014
  - Act 2011-688, Enrolled
  - Procedures
    - Voluntary Monthly Data Upload Letter
    - MLI Data FTP Upload User Guide (version 2)

- OIVS Web Service Information
  - Sample OIVS Web Service (zip)
  - OIVS User Guide
  - OIVS User Guide: Commissioner's Letter
  - OIVS Level 3 Certificate and Certificate Chain
  - OIVS WSDL and Schemas

Insurance Industry Committee on Motor Vehicle Administration (IICMVA)

- Model User Guide
- Insurance Data Transfer Guide

Promotional Information

- Brochure: Be Sure to Insure!
- OIVS Promotional Poster (11x17)
- OIVS Videos (YouTube)
For More Information

Contact:
Sherry Helms
(334) 242-9671
Sherry.helms@revenue.alabama.gov
Alabama

Mandatory Liability Insurance Verification

Kevin Wright
Information Bureau Director

Safe Drivers • Safe Vehicles • Secure Identities • Saving Lives
Mandatory Liability Insurance

2001
- Alabama mandates Motor Vehicle Liability Insurance
  - every vehicle required to have liability insurance & proof of insurance in vehicle

2011
- Law amended to require insurance companies to electronically send the state coverage lists
  - Created OIVS

2013
- Incorporated into statewide Alabama Law Enforcement Mobile system (MOVE)
  - No funding allocated
Mobile Officer’s Virtual Environment (MOVE)

MOVE
Statewide law enforcement mobile enforcement system
Provided to all state & local LE agencies at no cost

includes
- eCite
- LETSgo
- eCrash
- NCIC
- eForms
- ULTRA
- ASPEN
- QuickSAR
- Mapping
- Logging
Mobile Officer’s Virtual Environment (MOVE)
Mobile Officer’s Virtual Environment (MOVE)
Alfa Insurance

Automobile Liability Insurance Card
Issue Date: February 19, 2013

2012 Toyota Highlander Limited
VIN: 5TDRK3EHP0108462
Policy Number: 120006677998
Effective Date: February 19, 2013
Expiration Date: August 19, 2013
Named Insured: Al Adams
Address: 123 Adams Street
Montgomery, AL 36116

NAIC Number: 999999
Insurer: Alfa Mutual Insurance Co.
Agent Name: John Johnson
Address: 454 Jackson Street
Prattville, AL 36066
Phone: (334) 333-4444

Important Claims Information On Reverse Side

INSURANCE SEARCH

Policy Number: 123456789ABC
VIN: 12345678901234567

NAIC Number: 12345
Date of Record: 08/11/2015

This form can send requests to the Online Insurance Verification System (OIVS). The search and result is logged to improve data quality.

If the insurance information has changed you may edit it here and click the 'Search' button to send the request.

Result for the target Date of Record:

Unconfirmed

SUGGESTED ACTION: Rely on Evidence of Insurance
Error Code: PKEY2 - System cannot locate Policy Key information.

Close and Return
MOVE DL Query

[Image of a driver's license query interface]

- **Name:** John J Doe
- **Date of Birth:** 12/31/1979
- **License Number:** 9888888
- **License Status:** VALID
- **License Address:** 123 Test Drive, Tuscaloosa, AL 12345
- **Issue Date:** 9/7/2006
- **Expire Date:** 9/8/2006 - EXPIRED
- **Social Security Number:** 777777777

**Tag History**

<table>
<thead>
<tr>
<th>Tag Number</th>
<th>Issue Date</th>
<th>Expiration Date</th>
<th>Vehicle</th>
<th>Vin Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>TESTTAG</td>
<td>07/07/2009</td>
<td></td>
<td>2001 CHEV CORVETTE LS</td>
<td>12345678901234567</td>
</tr>
<tr>
<td>DOE JOHN</td>
<td>07/31/2010</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Driver History**

- eCitations (1)
- OEC (1)
- DNA (1)
- Tag History (1)
- Title History (1)
- Dead Person (1)
- Criminal Charge (1)

**Driver History**

- Registered:
  - TestTag: 07/07/2009
  - Doe John: 07/31/2010

**Title History**

- Vehicle:
  - 2001 CHEV CORVETTE LS

**Dead Person**

- None listed

**Criminal Charge**

- None listed
1.66M
Law Enforcement verifications in 2014

1,819
MLI Violations in July ‘15
(vs. 7,866 in July 2010)
Violation Reduction

MLI Violations

<table>
<thead>
<tr>
<th>Year</th>
<th>Violations</th>
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<tbody>
<tr>
<td>2009</td>
<td>94,521</td>
</tr>
<tr>
<td>2010</td>
<td>95,361</td>
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<tr>
<td>2011</td>
<td>71,729</td>
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<td>2012</td>
<td>62,884</td>
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<tr>
<td>2013</td>
<td>27,349</td>
</tr>
<tr>
<td>2014</td>
<td>21,594</td>
</tr>
<tr>
<td>2015</td>
<td>12,813</td>
</tr>
</tbody>
</table>

YTD 8/14/2015

Safe Drivers • Safe Vehicles • Secure Identities • Saving Lives
Benefits to Law Enforcement

• Saves time
  – Know before leaving vehicle
• Officer Safety
• Accuracy
• Intelligence
• Reduces potential of Fraud
Benefits to State Driver License

• Manpower Reduction in Safety/Financial Responsibility Unit
  – Through use of eCrash integration
  – 75% staff reduction
For More Information Contact

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Alabama Law Enforcement Agency
Kevin.Wright@alea.gov
(334) 517-2887
Insurance Verification: With Just a Click of the Mouse
Up Next:

QuickConnect for Region I and Region III

Hall A

Region II Town Hall
Rooms 312–314

Region IV Town Hall
Rooms 315–317