

Quarterly Insurance Industry Conference Call

October 28, 2022, at 2 p.m.

Ray Graves, Bureau Chief of BMC, thanked everyone for participating in FLHSMV's fall quarterly conference call and for all their efforts and hard work in recent months.

Ray informed the group that Pat Porter, Program Manager, will be retiring soon and introduced her replacement, Heather Cunningham.

Ray also announced that we have an external webpage where they can view the uninsured motorist rate. The uninsured motorist rate measures the total number of non-commercial vehicles registered but not insured in Florida with at least the minimum coverage of PIP/PDL insurance. This will be updated monthly, and the link was emailed to everyone after the conference call.

<https://www.flhsmv.gov/insurance/uninsured-motorist-rate/>

Pat Porter thanked everyone for their assistance over the years and expressed her appreciation for having the opportunity to work with the industry and especially all the support provided by folks through the modernization process.

She introduced the FL Insurance Liaison group, Sebastian Miller, Robin Whittle, and Chris Bartels who were in attendance as well along with Heather Cunningham.

Pat and Sebastian Miller went over the following items which were both questions presented by the industry prior to the call and issues the Liaison group wanted to address with everyone to assist in reducing errors.

- How long are cancelled policies retained on the database?
The department maintains cancelled policies for 3 years from the cancellation date. After 3 years the policy can be recycled.
- When a transaction 32 (delete vehicle) is received, we look for an exact VIN match on the policy. If an 044 error is returned, this error will only be for the VIN indicated. If there are multiple VIN's submitted with the transaction 32 the remaining VIN's that did not error in the transaction report will be deleted from the policy. The department is currently working with our IT group to make an internal change so the transaction report will return a "Y"

instead of a “N” on the import tag to indicate the transaction did import and it returned a 044 error for a specific VIN, and we will update the procedures manual accordingly.

- FLHSMV sent an email to the insurance industry on October 5, 2022, advising insurance companies due to the impact of Hurricane Ian, if a vehicle is declared a total loss, please submit a transaction 13 in lieu of a transaction 32. A transaction 13 will prevent a financial responsibility sanction from generating and possibly having a negative impact on our mutual customers. A transaction 13 is used when a vehicle is declared a total loss or sold, whereas a transaction 32 just indicates the vehicle was removed from the policy but the customer could still own the vehicle which requires FLHSMV to look for current insurance and registration and the possibility of a FR7 notice being generated to the customer. There was discussion from a few members regarding the timing involved with reporting a vehicle being declared a total loss. In some instances, when the vehicle is removed from the policy, they are not aware it's been declared a total loss at that point. Ray reiterated we understand that these situations may occur, but, if possible, please send a transaction 13 in lieu of just requesting the vehicle be deleted via a transaction 32 to prevent a suspension notice from being generated.
- When a transaction 31 (add vehicle) is submitted and a 034 error is returned, it's because we look for a partial 15-digit VIN match. The VIN submitted is compared to the existing VIN's found on the policy. There is no remedy for the 034 error. The department must provide this error to avoid duplicating VINs on policies and ensuring the department has clean data regarding insurance policies. If this is the only error that occurs with the transaction and the VIN's are correct, please email the Florida insurance liaison group to request we manually add the VIN to the policy. However, VINs that return both the 034 error and 043 error is a true error and do not need to be sent to the liaison group to be updated manually. There may be times a policy has a substantial amount of VIN's. If this occurs, we will submit a request to our IT department to add the VIN to the policy.
- Florida statute requires initiations and cancellations be submitted within 10 days. We have noticed a recent increase with the current average reporting time for initiations at 10 days and for cancellations the average reporting

time is 8 days. It's extremely important to submit the initiations and cancellations timely and within 10 days to prevent our mutual customers from being impacted with a FR suspension. We will be reviewing averages for each company.

- Please do not backdate or submit a policy effective date prior to the effective date that was originally reported. If there has been an error with the effective date, please cancel the policy and reissue a new policy number with the correct effective date.
- When a policy is renewed, and the policy number changes you need to submit a transaction 10 cancelling the previous policy and a transaction 20 initiation with the new policy number and VINs. Otherwise, you will receive an error in the transaction for the same VIN's being active on both policies in the database. If the policy number does not change and the customer renews their policy, there is no need to submit a transaction 20 for the renewal. The policy must be reported when originally initiated and when cancelled. If you failed to submit the original initiation and are just now reporting the policy which has been in effect for quite a while, please provide the most recent effective date for the policy.
- Please be sure and work your transaction error report. Otherwise, you may think a transaction was successful, but it errored out. If you don't work the error report our mutual customers can be impacted and suspended because insurance was not on file for their vehicle. All carriers should be keeping record of the transactions submitted to our department.
- If a customer provides an insurance policy or paper certificate (SR22 or FR44) to clear a suspension, we send a verification request to the insurance company for confirmation or denial within 30 days. If denied or unconfirmed within 30 days, the customer is suspended and must contact the insurance company. The only verification that you will receive more than one time is the Pre8. To prevent receiving the Pre8 verification multiple times, respond to the request within 30 days. A policy number submitted in a verification request is exactly what the customer provided to our department to clear the FR suspension. The department is sending the verification because we cannot locate insurance on the database. Keep in mind the customer could have made an error when entering the policy

number or the insurance company. If you can verify that customer/VIN is covered, please confirm the coverage to prevent a FR suspension generating.

Please continue to contact the FL Insurance Liaison group when you have questions regarding insurance filings and be sure to check out the link for the “uninsured motorist” report.

Meeting was adjourned.