

**PROGRAM DIVISION
BULLETIN**

2004-13

April 21, 2004

State: **Colorado**

Applicability: **Commercial Automobile**

Effective Date: **Immediately**

Re: **Colorado Mandatory Insurance Reporting System –
Colorado Motorist Insurance Identification
Database Program (MIIDB) - DMV Reporting**

SUMMARY

The Colorado Department of Revenue - Motor Vehicle Division (MVD) verifies insurance on vehicles registered in the Colorado. The CO MVD now requires insurance verification on all vehicles registered in the state. While insurance was always mandatory, the MVD relied on ID cards to prove the existence of insurance. The reports that are now required to be filed by the insurer verify the reliability of the ID card. Both private passenger and commercial policies must be reported. AIG's initial report to CO MVD was completed in 1998. Colorado MIIDB uses a vendor (Explore) to maintain it's database. Monthly reporting remains an ongoing requirement. There are 2 reporting options - they are listed below.

REPORTING REQUIREMENTS

- Report new business, renewals and cancellations (final cancellations only) to the CO MVD;
- New business must be reported by the 7th of the month after issuance of the policy or binder;
- Cancellations must be reported by the 7th of the month after final cancellation;

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- Report additions and deletions of vehicles on scheduled vehicle policies by the 7th of the month after the effective date of transaction;
- Include complete vehicle information including valid 17 digit VIN's when reporting under the vehicle-specific option;
- Include the Colorado DMV customer identification number of the insured and the Colorado ID Number Jurisdiction if the insured is a person (DL or PIN);
- The registrant must match the named insured;
- Renewal reporting is required in Colorado. If a policy number changes, a cancellation must be processed on the old number, and the new policy information must be submitted;
- Non-Renewals need to be reported as Cancellations.

(Refer to the individual State Templates for a complete list of required data elements for reporting)

REPORTING OPTIONS

1. Non-Vehicle Specific Reporting Option

The insurer may opt for non-vehicle specific reporting by only reporting policy level data such as; name and address of the registrant, the carrier company NAIC code, coverage effective date, etc. This method requires the reporting of the name of the insured registrant, address of the registrant, among the other required data elements. This option eliminates the need to report vehicle-specific data such as vehicle model year, vehicle make, and vehicle identification number (VIN), and should be utilized any time the policy has been issued on a composite rated basis.

HOWEVER, THIS OPTION, IF CHOSEN BY THE INSURER, COULD BE CONSTRUED AS AN INDICATION TO THE DMV THAT ALL VEHICLES REGISTERED IN THAT PARTICULAR STATE THAT ARE OWNED BY THE REPORTED REGISTRANT(S) ARE COVERED BY THE POLICY, AND COULD RESULT IN THE COMPANY BEING LIABLE FOR CLAIMS THAT IT HAD NOT ANTICIPATED AND FOR WHICH IT HAD NOT COLLECTED A PREMIUM. This may not be the underwriter's intent, especially regarding leased vehicles and vehicles registered to individuals covered on the policy. AIG should not be verifying coverage on these types of exposures on a blanket basis.

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2. Vehicle-Specific Reporting Option

The insurer may opt for vehicle-specific reporting. Under this option, only those specific vehicles reported by the insurer are considered covered under the reported policy. The vehicle-specific reporting option eliminates the challenges that may be presented with leased vehicles and vehicles registered to individuals covered on the policy, and should be utilized in those instances where the policy has been written on a schedule rated basis.

NOTE: Vehicle specific reporting must always be utilized in the following cases:

- Reporting vehicles registered to a leasing companies;
- Reporting vehicles registered to an individual, when only certain vehicles registered to that individual are to be covered under the Commercial Auto Policy.

Any additions or deletions to a policy reported to the DMV in this manner would have to be reported on an ongoing basis.

For additional information, review the following Colorado websites for full details of their program.

<http://www.mv.state.co.us/mv.html>

<http://www.driveinsured.com/publish/colorado.htm>

The program administrator will forward the template to the following e-mail address: dmvreporting@aig.com.

UNDERWRITER ACTION

Data must be completed by the Program Administrator on the corresponding “*Standardized DMV Reporting Template*” (see attached file). The Program Administrator must make sure that ALL data elements requested are supplied on the template. Incomplete templates will be returned for correction. The Standardized templates are also available at AccessAIG.com for Program Administrators. Also included in the template is a list of AIG Company NAIC codes and NCIC vehicle make codes to assist the Program Administrator with the proper completion of the templates for those data elements.

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Failure to comply with the procedures described herein will result in one or more of the following:

- The insured may be prevented from registering their vehicle(s).
- Suspension, and/or revocation of the insureds existing vehicle registration.
- Impoundment of the insured's vehicle(s) and civil penalties incurred by the insured.
- Fines imposed on AIG.



"CO DMV
Template.xls"

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