South Carolina Automobile Liability Insurance Reporting (SC ALIR) System

Draft Supplemental Information Guide for Agencies -Agency Reporting

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1. Introduction

The South Carolina (SC) Department of Motor Vehicles (DMV) implemented the South Carolina Automobile Liability Insurance Reporting (ALIR) System on March 15, 2004. This system is used to collect automobile liability insurance information from insurers that are licensed to provide automobile liability insurance in the state. This reporting functionality was limited to insurance companies only and not insurance agents. In order to expand the functional capabilities of the ALIR system, the Working Group and the DMV have determined that the current reporting model should be modified to support agency reporting through the ALIR website. Agency reporting will be limited to the transmission of insurance information sent in response to a regular insurance cancellation. This is known as an FR4a Compliance transaction.

Currently, insurance companies are utilizing the ALIR system to report regular insurance cancellations to DMV. This transaction is known as an FR4 Cancellation. Once the FR4 Cancellation is processed by the DMV system, a pending FR4 Suspension is applied to the registration of the vehicle and an FR4 Suspension letter is sent to the registered owner. The FR4 Suspension letter informs the customer that they must verify their insurance with the DMV within 45 days or their vehicle registration will become suspended. The customer is required to notify the insurance company/agent about the letter and to have their insurance information reported to DMV. Through this new reporting model, agencies will have the ability to transmit the customer's insurance information to DMV using the ALIR website in order to clear the customer's suspension. Using the agency's web account, agency members will have the ability to submit FR4a Compliance transactions directly to DMV. A detailed flowchart of this reporting process is provided in Appendix A.

Agencies will have to register with the ALIR website before they can submit FR4 Compliance transactions. One web account will be created for each agency and the login information can be shared with agents and other agency personnel. Because this account will be shared within the agency, multiple users can access the ALIR website simultaneously using the same web account. In addition to electronic reporting, agencies can also continue to utilize the manual FR4a Compliance process by completing the FR4a portion of the FR4 Suspension letter. This letter must be completed and signed by an agent and mailed to the DMV.

This guide was published to provide agencies with detailed information on how to register their agency, report FR4a compliance transactions, view transaction reports, access help and perform various account maintenance functions using the ALIR website.

2. Agency Registration

Before an agency can begin reporting FR4a Compliance transactions using the ALIR system, a web account must be established for the agency. A web account can be created by registering on the SC ALIR website at <u>www.sc-alir.com</u>. Once the registration is submitted, the agency account will be activated the next day. Upon activation, the agency may begin submitting FR4a Compliance transactions immediately.

The agency will be responsible for registering and maintaining the agency web account, and will be held accountable for all transactions submitted using the agency user ID. One web account will be created for each agency and the user name and password can be shared with multiple users/agents in the agency. Multiple users will be able to access the ALIR website simultaneously using the same user name and password. To register an agency the user must select the <u>Registration</u> link on the ALIR website.



After the <u>Registration</u> link is selected, the Registration Homepage will appear. To register an agency the user must select the <u>Insurance Agency Registration</u> link.

S₩	ALTR South Carolina Department of Motor Vehicles Automobile Liability Insurance Reporting
ALIR Home Registration	Registration Home >>
Help	Insurance Company Registration Follow this link if your organisation is an Insurance Company licensed to provide private passenger automobile liability insurance in the state of South Carolina.
	Insurance Agency Registration Follow this link if your organisation is an Insurance Agency licensed in the state of South Carolina.

The Insurance Agency Registration form will appear after the <u>Insurance Agency Registration</u> link is selected. This form will be used to capture agency information such as company name, functional contact, insurance companies that the agency will be reporting for as well as web login information.

General Information – The user must provide the agency name, SC agency code and address information. The agency code is a unique number that is assigned to each agency by the SC Department of Insurance (DOI). The agency code is located on the agency license. If you have any questions about the agency code or wish to obtain an agency code please contact the DOI.

Functional Contact Details – Each agency must provide the DMV with a functional contact. The functional contact will be used as the primary contact for the DMV and the ALIR team. Please be sure to provide adequate telephone and email contact information.

Associated Insurance Companies – Agencies must determine which insurance companies they will be reporting for. An agency may select one or multiple insurance companies. There is no limit to the number of insurance companies that can be added. Only those insurance companies added during the registration process will appear in a dropdown box for the agency during the FR4a Compliance transaction. Insurance companies can be removed or added after the registration is complete. To add an insurance company, select the insurance company from the dropdown box and select <u>Add</u>. The insurance company will appear in the field below the dropdown box. To remove an insurance company select the insurance company for the dropdown box and select <u>Remove</u>.

Web Login Information – The user must provide login information including the account password, secret question and secret answer. The account user name will default to the agency code entered in the general information field during registration and cannot be changed. The secret question and answer will be required to update the account password and should not be shared with any user who is not allowed to change the password. The agency will be responsible for any transactions submitted by unauthorized users.

 ALIR Home Registration Help 	Insurance Agency Registration Form Please fill out this form only if your Insurance Agency is licensed in the state of South Carolina.					
	General Information Agency Name:					
	Middle Initial: Phone Number: Fax Number: Email Address: Associated Insurance Companies Select Insurance Company(s) for whom this Insurance Agency will submit transactions. Select an Insurancy Company Add Remove You have chosen to submit for the following Insurance Companies:					
	Web Login Information User Name: Password: Secret Select a Secret Question Question: Secret Question Register					

Once the required information has been entered and the registration submitted to DMV, the agency account will get activated within 24 hours. If the agency account is not activated, then an email will be sent to the functional contact explaining the reasons for denial of registration. The agency can contact the SC ALIR Helpdesk if the account is not activated within 24 hours. Once the account has been activated, the agency may begin reporting FR4a Compliance transactions using the ALIR website. Reporting for agencies will be limited to FR4a Compliance reporting only.

Agency reporting using the ALIR system will **not** include the following transactions:

- FR4 Cancellations (Cancellation of a regular insurance policy)
- SR22 Filings
- SR26 Cancellations



3. Login for Registered and Approved Users

Agencies must be registered with ALIR website and the account must be activated before a user can login to submit transactions. To login as an agency, the user must enter the user name (same as the SC Agency Code) and password on the SC ALIR website homepage, and then click on the Login button. If the correct user name and password is provided the agency's homepage will appear.



4. FR4a Compliance Reporting

Agencies can report FR4a Compliance transactions using the ALIR website. An FR4a Compliance transaction is the transmission of insurance information from the agent to DMV that is sent in response to an FR4 Suspension letter. An FR4 suspension letter is produced by DMV after an FR4 Cancellation is received from the insurer. The letter will be mailed to the registered owner of the vehicle. The owner has

45 days from the date the letter was generated to respond to the FR4 suspension letter before the vehicle's registration becomes suspended.

4.1 Customer Action Upon Receiving the FR4 Suspension Letter

When the customer receives the FR4 suspension letter, he/she must take the letter to their agent for processing, or complete the bottom portion of the letter and return it to DMV. It is the customer's responsibility to inform their agent that they have received an FR4 suspension letter and need their insurance information transmitted to DMV.

The customer does not need to verify insurance coverage if one of the following requirements is met:

- If the vehicle has been sold or traded, the customer must complete the bottom portion of the FR4 suspension letter and mail or take it to DMV for processing.
- If the vehicle has been junked, the customer must take the FR4 suspension letter and title to DMV and junk the title.
- If the customer has a completed FR4k form (for military or illness), the form must be mailed or taken to DMV with the FR4 suspension letter for processing.
- If the customer would like to surrender his/her tag instead of obtaining insurance, the customer must take the FR4 suspension letter and tag to DMV for processing.
- If the customer has lost or had their tag stolen, he/she must take the FR4 suspension letter to DMV and complete an affidavit of lost or stolen tag.
- If the customer's vehicle has been stolen, the customer must take the FR4 suspension letter and a copy of the incident report to DMV for processing.
- If the customer would like to enrol in the uninsured motorist program, he/she must take the suspension letter to DMV and enrol.

4.2 Agent Reporting After Notification of FR4 Suspension Letter

The FR4a Compliance transaction should only be submitted when a customer has notified their insurance agency that they have received an FR4 suspension letter and has provided the agent with the suspension letter or the FR4 Reference number. The FR4 Reference number is a unique number generated by DMV that is used to identify the customer's FR4 Suspension (DMV suspension generated by the FR4 Cancellation received from the insurance company). The FR4 Reference number is located in the upper, right-hand corner of the FR4 suspension letter and is required to transmit an FR4a Compliance transaction using the ALIR system.

The FR4 Reference number is a unique number that is generated once an FR4 cancellation is successfully added to the DMV system. If one cancellation is processed for a policy that includes four vehicles, a different FR4 Reference number will be issued to each of the four vehicles. If the same vehicle receives multiple FR4 cancellations, a different FR4 Reference number will be generated for each incident.

If one policy covers multiple vehicles with FR4 Reference numbers, the insurance agency must report a separate FR4a Compliance transaction for each vehicle. If the incorrect policy information has been submitted for a vehicle, the agency must contact the ALIR helpdesk.

To submit an FR4a Compliance Transaction using the ALIR website the user must log onto the ALIR website and select the <u>New Transaction</u> link on the Agency's Homepage.

The New Transaction page will appear. The user must select the Insurance Company dropdown box and select the insurance company that he/she will be submitting the insurance information for. All insurance companies for which the agency had registered for will appear in the Insurance Company dropdown box. Next, the user must enter the FR4 Reference number. The FR4 Reference number is located in the upper, right-hand corner of the FR4 Suspension letter that was sent to the customer. If the FR4 Reference number is not available, an FR4 Reference number lookup can be performed by selecting the <u>Search FR4 Reference No</u> link. If the FR4 Reference number cannot be found using the VIN, the

customer may obtain a copy of the original FR4 Suspension letter at any local DMV field office at no charge.

Once the insurance company has been selected and the FR4 Reference number entered, the user must select the <u>Next</u> button. If the user wishes to cancel the transaction the <u>Cancel</u> button must be selected.

S ₩	ALT R South Carolina Department of Motor Vehicles Automobile Liability Insurance Reporting
Agency Home	New Transaction
Reports Account Information	▼ Please Select
 Logout 	
🕑 Help	FR4 Reference No: Or Search FR4 Reference No
	Next Cancel
 Account Information Logout Help 	Insurance Company: Product Select FR4 Reference No: Or Search FR4 Reference No Next Cancel

4.2.1 FR4 Reference Number Search

The following screen will appear if the <u>Search FR4 Reference No</u> link is selected. The user can search for the FR4 Reference number by entering the VIN and clicking on the <u>Search Ref No</u> button.

South Carolina Department of Motor Vehicles Automobile Liability Insurance Reporting
FR4 Reference Number Search
Vehicle Identification No (VIN):
Search Ref No Cancel

Once a valid FR4 reference number is provided, the system will return the vehicle and customer information associated with the suspension. If this information is correct, the user must select <u>Continue</u>. Otherwise the user must select <u>Cancel</u>.

South Carolina Department of Motor Vehicles Automobile Liability Insurance Reporting								
 Agency Home New Transaction Reports Account Information 	Vehicle and Customer Details The information you provided matched with the following vehicle and customer information. Click on 'Continue' if this is correct. Otherwise, click on 'Cancel'.							
 Logout Help 	FR4 Reference No: 1920947 VIN Make Model Year Name SC JT4RN93P1M5037671 TOYT HTPELD 1991 ERNEST ZIMMERMAN	City N CHARLESTON	Zip 29418					
	<u>Continue</u> <u>Cancel</u>							

After Continue is selected the Transaction Details page will appear. The user must enter the policy information by selecting the <u>Enter/Edit Policy</u> link. The user must provide the policy number, effective begin date and effective end date. A binder number may be submitted if the policy number is not available. Also, the effective begin date of the policy cannot be in the future, the effective end date of the policy cannot be in the past.

After the policy information has been captured, the user can submit the transaction by selecting <u>Submit</u> <u>Transaction</u>, or save the transaction by selecting <u>Save Transaction</u>. If the transaction is saved it will appear on the agency's homepage on the ALIR website. Saved transactions will not be automatically purged.



4.3 DMV Processing of Compliance Information

FR4a Compliance transactions submitted using the ALIR website will be added to the DMV database the following business day. As depicted in the scenarios below, the DMV action will depend on how the policy effective date compares to the cancellation and suspension dates.

a) The FR4 Suspension will be cleared if,

 the customer provided proof of current insurance with an effective date on or before the cancellation date

Or,

 one of the additional compliance requirement listed in section 4.1 with an effective date before the cancellation date

Note:

• A clearance letter will be sent to the customer.

b) The FR4 Suspension will be cleared and a registration stop will be added if,

 the customer provided proof of current insurance with an effective date after the cancellation date, but on or before the suspension date (lapse in coverage)

Or,

• one of the additional compliance requirements listed in section 4.1 was provided with an effective date after the cancellation date, but before the suspension start date (lapse in coverage)

Note:

- \circ $\;$ The compliance will clear the suspension.
- The per diem fine will be calculated by DMV and a registration stop added to the vehicle.
- A letter will be sent to the customer informing him/her of the registration stop.
- The registration stop will prevent the customer from renewing his/her vehicle and can be cleared by paying the per diem fine. This fine can be mailed to DMV or paid at any branch office before or during the registration renewal process.
- The per diem fine will be calculated from the cancellation date.

c) The customer will remain suspended if,

- the customer provided current proof of insurance with an effective date after the suspension start date
- Or,
- one of the additional compliance requirements listed in section 4.1 was provided with an effective date on or after the suspension start date

Note:

- The appropriate compliance requirement will be removed from the FR4 suspension and the vehicle will remain suspended until both the per diem fine and the reinstatement fees are paid. These fees can be mailed to DMV or paid at any branch office.
- The per diem fine will be calculated from the cancellation date.
- A letter will be sent to the customer informing him/her of the additional compliance requirements.

* These business rules apply to FR4 Suspension added after the implementation of the SC ALIR System (March 14, 2004)

5. Transaction History

After a user has logged into the ALIR website, the agency's homepage will appear. Displayed on the page will be all pending transactions for the agency that where saved, but not submitted. Pending transactions can be viewed by insurance company and/or sorted by data type such as NAIC number, policy number or create date. To view pending transactions submitted by the agency for a particular insurance company the user must select the insurance company from the dropdown box. All pending transactions will appear in the list view for the insurance company selected. To sort transactions by data type the user must select the column header for the data type. A pending transaction can be permanently deleted by selecting the <u>Remove</u> link to the right of the saved transaction.

A user can also view transactions that have been submitted by the agency by selecting the <u>Submitted</u> <u>Transactions</u> link at the bottom of the agency home page. When selected all FR4a Compliance transactions submitted by the agency will appear beginning with the most recent. Submitted transactions can also be sorted by insurance company and data type. In addition to the data types that appear for pending transactions, a Status data type will appear for submitted transactions.

Status Types

- Submitted The transaction has been submitted through the ALIR website, but has not been completely processed by the DMV system.
- Completed The transaction has been submitted through the ALIR website and has been successfully processed by the DMV system.

New Transaction	on Agency Home >>			Test Agency			
Reports Account Information Logout	Pending 4 pendin	Pending Web Transactions for: All Insurance Companies 4 pending web transactions.				<u>.</u>	·
Help	NAIC NO	<u>Trans.</u> <u>ID</u>	Transaction T	уре	Policy / Binder No	<u>Date</u> <u>Created</u>	
	42781	266382	Policy Compliance Rep	orting-FR4A	2324324	08/02/2004	Remove
	13242	266370	Policy Compliance Rep	orting-FR4A	test2	07/30/2004	Remove
	20109	266369	Policy Compliance Rep	orting-FR4A	test	07/30/2004	Remove
	The second se	100000 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0					1

6. Web Account Maintenance

An account maintenance function is also available for agencies to update their web account information. The account maintenance function is available through the <u>Account Information</u> link on the agency's homepage. Through this function the user can modify agency and contact information, add or remove insurance companies for which the agency is reporting and update the account password. The agency code, agency name, user ID, secret question and secret answer cannot be changed through this function. Requests for changes to these fields must be submitted to the ALIR Helpdesk by the functional contact for the agency.

Agency Home	Update Account Information					
 New Transaction Reports 	General Information					
 Account Information 	Agency Name: Test Agency Co	ncy Code:	654321			
Logout	Street 123 Main St	City:	Columbia			
	State: South Carolina 💌	Zip Code:	23343			
	Functional Contact Details					
	First Name: Lilly L	ast Name:	Benet			
	Middle y Phone	e Number:	234242343245			
	Fax 77777789 Emai	Address:	lbenet@agen.com			
	Associated Insurance Companies					
	Select Insurance Company(s) for whom this Insurance Agency will submit transactions.					
	Select an Insurancy Company		Add Remove			
	You have chosen to submit for the following In	surance C	ompanies:			
	• AAA Insurance Company (42781)	 ACE F COMPAN 	IRE UNDERWRITERS INSURANCE Y (20702)			
	 ALLMERICA FINANCIAL BENEFIT INSURANCE COMPANY (41840) 	CA FINANCIAL BENEFIT INSURANCE AMCOMP ASSURANCE CORPO (21840) (25402)				
	 BITUMINOUS FIRE AND MARINE INSURANCE COMPANY (20109) 	• Titan Insurance Co (13242)				
	ZC INSURANCE COMPANY (22730)					
	Do you want to update your Password? 🛛 🗌					

6.1 Modify Agency Information

The user will have the ability to update the street address, state, city and zip code of the agency. If any change must be made to the Agency name or code, the ALIR helpdesk should be contacted. The secret question and answer is not required to update the agency information, but Account maintenance should only be performed by the functional contact.

6.2 Modify Contact Information

The user will have the ability to update the first name, last name, middle initial, phone number, fax number and email address of the functional contact. The secret question and answer is not required to modify the contact information, but account maintenance should only be performed by the functional contact.

6.3 Add/Remove Associated Insurance Companies

Insurance companies that appear in the Associated Insurance Companies field will be available to agency users during the FR4a Compliance transaction. While submitting an FR4a Compliance transaction the agency user will be required to select one of the Insurance companies for which they will be reporting from a dropdown box containing the insurance companies that the agency has registered for.

To add or remove an associated insurance company, select the insurance company for the dropdown box and select Add or Remove. There is no limit to the number of insurance companies that can be added. Any insurance company for which the agency has registered will have the ability to view their FR4a Compliance transactions submitted by the agency.

6.4 Modify Password

To modify the account password the user must check the "Do you want to update your password?" checkbox at the bottom of the screen. When checked the update password textboxes will appear. The secret answer and the old password will be required to modify the password.

If the secret answer has been lost or the functional contact would like to modify the secret question and answer the ALIR helpdesk must be contacted.

6.5 Forgot Password

A password reset feature is available on the ALIR website if the web account password has been forgotten or lost. This feature can be used by selecting the <u>Forgot Password</u> link located on the ALIR homepage. By selecting this link and providing the secret answer the user can reset their account password. A temporary password will be immediately generated and sent to the email address of the functional contact of the agency account. Once the temporary password has been received it may be updated through the <u>Account Maintenance</u> link on the ALIR website.



7. Help

A <u>Help</u> link is available on the homepage of the ALIR website and can be accessed without logging in. Through this link the agency can access the Supplemental Guide for Agency Reporting, the Frequently Asked Questions list and the <u>Contact SC ALIR</u> link for support. The Supplemental Guide for Agency Reporting was developed as a users' manual for agencies and covers an array of topics ranging from business processes to website functionality. The Frequently Asked Question list was composed from frequent questions received from insurers on basic processes such as FR4a Compliance reporting, registration, and website functionality. The <u>Contact SC ALIR</u> link can be used to submit questions and comments to the SC ALIR Helpdesk. Selecting this link will automatically create an email populating the ALIR helpdesk email account in the TO field as well as the agency contact information in the body of the email. In addition to the <u>Contact SC ALIR</u> link, an email can be sent directly to the ALIR Helpdesk at the following address: <u>sc-alir-help@scdmv.net</u>



8. Reports

A transactions report is available for agencies to view all FR4a Compliance transactions submitted by the agency. Search functionalities such as reporting period and insurance company are also available.

For the reporting period the user must select either the period or the To and From dates. The Period criterion is used to view transactions submitted in a specified number of months going back from the current date. For example, if today is 08/03/04 and a period of 2 months is selected, the date range for this inquiry will be from 06/03/04 to 08/03/04. The user can also identify a specific date range by selecting the buttons located to the right of the To and From text boxes and choosing the appropriate dates.

The insurance company criterion is also available for users to view transactions submitted for certain insurance companies. This search function will default to "All" which will return transactions submitted for

all insurance companies for which the agency has reported during a specified period. This search can be narrowed to a specific insurance company by selecting the company from the dropdown box.

Once the search criteria have been identified the user must select the Create Report button.

S₩	ALT R South Carolina Department of Motor Vehicles Automobile Liability Insurance Reporting
 Agency Home New Transaction Reports Account Information Logout Help 	Transactions Report: Report Period Please select number of months OR specific dates for the report. Period: Select Months From Date: Image: I

The report results will appear after the Create Report button has been selected. The report will display all transactions submitted by the agency using the ALIR system for the search criteria selected. To view specific transaction details the Transaction ID must be selected.

Agency Home	AL Report Re	IR sults:	South Carolina Department of Automobile Liability Insurance	Motor Vehicles Reporting	
 New Transaction Reports Account Information Logout 	From: 4/5 To: 8/5 Total: 11	5/2004 5/2004 Transactior	15		Spreadsheet Version
 Help 	Trans ID	NAIC NO	Policy No	Created On	Status
	<u>266368</u>	13242	12321312	07/30/2004	Submitted Not Processed
	<u>266365</u>	42781	1	07/30/2004	Submitted Not Processed
	<u>266364</u>	41840	2342342342	07/30/2004	Submitted Not Processed

9. Reporting Frequency

FR4a compliance transactions must be reported daily, on an as-needed basis. On "an as-needed basis" means that the agency should report every business day unless the agency has no transactions to submit. This frequent reporting will help avoid unnecessary action against customers because of delays in data reporting.



Appendix A FR4 Cancellation and Compliance Process