



## Michigan Automobile Insurance Placement Facility Fall 2015 Newsletter

<b>MAIL:</b> P.O. Box 532318, Livonia, MI 48153-2318 17456 Laurel Park Drive North, Suite 130E, Livonia, MI 48152-3981 ( <i>Drop off Apps</i> )	Phone: 734-464-1100 8:00 a.m. to 4:20 p.m. Fax: 734-464-0009
<a href="http://www.maipf.org">www.maipf.org</a>	Email: <a href="mailto:info@maipf.org">info@maipf.org</a>

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### Proposed Private Passenger and Commercial Auto Rate Change – January 1, 2016

The MAIPF has filed the following rate change proposals with the Department of Insurance and Financial Services, to be effective for new and renewal policies on January 1, 2016:

#### Private Passenger Auto

Coverage	% Change
Bodily Injury	-33.2%
Property Damage	-15.5%
Personal Injury Protection	19.1%
Property Protection Ins.	-14.1%
<b>Mandatory Coverages</b>	<b>8.5%</b>
<b>Optional Coverages</b>	<b>-1.7%</b>
<b>Overall Change</b>	<b>7.6%</b>

Per statute, MAIPF private passenger rates are the weighted average of the base rates of the top five writers of private passenger auto in Michigan.

#### Commercial Auto

Subline	% Change
Trucks, Tractors and Trailers	4.6%
Public Automobile Excluding Taxicab	18.4%
Taxicab	11.7%
Private Passenger Types and Related Lines	8.8%
Zone Rated Risks	19.3%
Employer's Non-Ownership Liability	10.8%
<b>Liability Coverages</b>	<b>15.3%</b>
<b>Physical Damage</b>	<b>8.9%</b>
<b>Overall Change</b>	<b>15.1%</b>

## Postage Alert!!!

It seems like postal rates keep going up – and the amount of information you need to submit with applications keeps growing as well. Those two things combine to cause an unfortunate circumstance – envelopes returned to you for insufficient postage. Our rules are simple and consistent; applications must be mailed with sufficient postage. The original effective date will not be honored if an application is returned to you, even if a loss has occurred. We urge you to weigh each envelope or have postage determined by the post office. Forever stamps protect against price increases, but one stamp does not guarantee delivery of an envelope weighing over one ounce. When in doubt, add another stamp to ensure proper delivery.

## Personal Auto Policy Change Requests and the Pro Rata Calculator

One of most common areas of concern from producers is how to handle a policy change for a customer once an application has been placed with a carrier. All policy changes should be made using the MAIPF Policy Change Form, MAIPF-36. You do not need to start over with a new application. We are seeing cases where producers are submitting a new application to add a car. By submitting multiple applications, it is possible that your customer will have different servicing carriers, different effective dates and different billing cycles. Here are some general rules when submitting a policy change.

**Policy Changes Which Result in No Additional Premium** – Policy changes that do not require additional premium, such as a reduction in coverage, an address change or lienholder change, should be completed using the MAIPF-36 policy change form (login required to complete on our website).

**Policy Changes Which Result in Additional Premium** – Follow these steps:

1. Login to EASi and click on “Create New Quote or Application”. Complete the EASi quick quote, which consists of the first four tabs. When you reach the Summary tab, print it off for reference.
2. Click on the “Pro Rata Calculator” link located along the left margin of any EASi webpage. This tool helps determine the deposit for the mid-term change.
3. Complete the MAIPF-36 form (login required), which is a fillable PDF.
  - a. Make sure that both you and the insured sign the form.
  - b. If adding or changing a vehicle, proof of vehicle ownership is required with the change form.
4. Make sure you enclose the proper deposit for the additional coverage with your change request.

### Mailing Instructions:

- If the application has been assigned to a servicing carrier, mail the MAIPF-36, deposit (if any) and any appropriate documentation directly to the assigned servicing carrier by your next business day.
- If the application has not been assigned, apply sufficient postage and mail the MAIPF-36, deposit (if any) and any applicable documentation to the MAIPF office by your next business day.

## Application Trends

Through July 2015, we have received 7,651 private passenger applications and 401 commercial applications, an overall decrease of 34.9% from the same period in 2014.

## EASi Transition is Complete

The MAIPF is proud to announce the successful transition to the **Electronic Application Submission Interface, EASi**, which is the new electronic rating application for private passenger vehicles. This was the result of months of intense planning, coordination and product testing. This large-scale project would not have been possible without the support from the MAIPF Board and the active collaboration with our partners at AIPSO. Special thanks to our test producers, David Samhat, Jacqueline Davis, Alicia Shepard and Ryan Schlicht.

Early feedback from producers give EASi high marks for its flow and intuitiveness. This article explores some tips for first time users:

- The first question in EASi is whether the applicant would like “Drive Other Car Coverage”. If you select drive other car coverage, you are selecting liability coverage for the named individual, not a specific vehicle. Vehicle information will therefore not be collected and will not populate the application. Normally, drive other car coverage is requested for an individual in need of a financial responsibility filing and there will not be a vehicle to insure.
- The screens in EASi are formatted in a tab-based environment. The first four tabs are referred to as the “quick quote”, which requires basic risk information. The calculation for the applicant’s six month premium will be found on the Summary tab. Once you proceed beyond the Summary tab, you will begin the next set of tabs, which is the application. The information gathered during the quick quote will be carried over into the application. You will not be able to revisit the quick quote.
- When quoting a full coverage classic, historical or special type auto in the quick quote, change the vehicle type default on the vehicle tab from “Private Passenger” to the appropriate vehicle type (see image below).
- When in quick quote, if the comprehensive and/or collision symbols do not validate using the “Validate VIN” button, click on the link underneath the button (see image below). Additional fields should become available. If the additional fields do not appear, you or your company IT department will need to adjust your compatibility settings for EASi. Here is how to do that:
  - Open the Internet.
  - Go to the Tools menu and choose Compatibility View Settings.
  - Add aipso.com to the list of “Compatibility View” websites.

### Servicing Carrier Request For EASi Users

- All individuals and/or registered owners in the household need to be listed in EASi – either as an operator or a non-driver. Operators include those with a valid driver’s license as well as any household members with an expired, restricted, suspended or revoked driver’s license. A non-driver is someone in the household that has never been licensed, has surrendered their license (and can provide proof) or has never had a ticket/accident or a claim that has shown up on a loss history report. An example of a non-driver would be children in the household that are not of driving age.

Operators
Vehicles
Add Info
Summary

### Quick Quote - Vehicle

[Add Another Vehicle](#)

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VIN (Optional)  [Validate VIN](#)  
 Model Year  [Click here to find symbol](#) ←  
→ Vehicle Type   
 Territory

Comprehensive Symbol   
 Collision Symbol   
 Cost New   
 Actual Cash Value

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**Coverages**

Bodily Injury   
 Property Damage   
 Property Protection   
 Uninsured Motorist   
 Limited Property Damage Liability   
 Personal Injury Protection - Medical Coverage    
 Medical Carrier   
 Personal Injury Protection - Work Loss Coverage    
 Comprehensive   
 Regular Collision Deductible   
 Broad Collision Deductible   
 Limited Collision Deductible

[Add Another Vehicle](#)

## FAQ

**Q** - Is healthcare coverage obtained in the Health Insurance Marketplace (also known as Obamacare), an acceptable plan to coordinate medical coverage for an MAIPF applicant?

**A** – Yes, it is acceptable to coordinate an applicant’s medical coverage if you are presented with a health card from the Insurance Marketplace. As always, auto insurers are unable to coordinate with health coverage under Medicare or Medicaid.

We are still dealing with very high application volumes. Through April 2014, we have received 8,195 private passenger applications and 188 commercial applications, an overall decrease of 6.2% from the same period in 2013.

## Producer Violations

The MAIPF monitors every application that comes through our door to ensure that the documentation received is complete and has been submitted to us in a timely manner. The Producer Performance Program was instituted in 1998, both as a loss control initiative and a way to ensure that servicing carriers had all of the required information to promptly issue a policy. The program has been revised over the years to align with changing policy and coverage requirements. If a violation is detected on an application, notification is given on the applicant's notice of placement which is emailed to the producer. If a producer receives three violations of the same type in a twelve month period, the producer will receive a letter from our office. We continue to monitor the producer's applications and if additional violations occur, we increase our level of contact with the producer which could include anything from a letter, a hearing in our office, notice to the Department of Insurance and Financial Services (DIFS) and/or disqualification from writing business with the MAIPF.

We are pleased to report that applications received in 2015 have fewer violations (overall) when compared to applications in 2014. The most notable improvement is the cooperation with the requirement for a copy of the applicant's driver's license with the application and with producers properly signing the application.

We still need your assistance with these problem areas:

- **V74 –Missing/Incomplete Ownership Documentation with Application** – We require documentation that identifies the owner of the vehicle. When presented with a vehicle registration, the document must not be expired more than 90 days from the application date. On documents presented for a new or used vehicle purchase such as an RD108, check the purchase date to make certain that it is not older than 90 days from the application date. A copy of the title is best since it never expires.
- **V75 – Late Application Received According to Certification Procedures** – Applications must be mailed or hand delivered to us in a timely manner; our manual defines this period as “the next working day” after the application is written. Before your applications are mailed, check the envelopes to make sure that they are addressed properly with the correct amount of postage. Applications that are delayed have consequences regarding the effective date of coverage. If late, the effective date will be changed to the day the application arrives in our office. This is a risk to you and your client if a claim occurs and the effective date is changed.
- **V84 – Missing Copy of the Health Card** – When writing a customer with excess medical coverage, a copy of the health insurance card must accompany the application.

Code	Description of Violation	2014 % of Applications With Violations	2015 % of Applications With Violations
V70	Missing/Incomplete Vehicle Inspection Form With Application.	0.44%	0.04%
V72	No Deposit/Insufficient Deposit.	0.07%	0.02%
V74	Missing/Incomplete Ownership Documentation With Application.	5.77%	5.81%
V75	Late Application Received According to Certificate Procedures.	4.09%	5.20%
V76	Applicant's Signature Missing.	0.23%	0.16%
V77	Multiple Applicatins Received With One Check.	0.02%	0.00%
V78	Producer's Signature Missing.	1.94%	0.61%
V80	Other Serious & Flagrant.	0.66%	0.00%
V82	Missing/Incomplete Finance Agreement With Application. *	0.03%	0.00%
V83	Missing Copy of Driver's License With Application.	5.03%	1.84%
V84	Missing Copy of Health Card.	3.12%	4.71%
	Percentage of Applications Received With Violations	21.40%	18.40%
* Not Applicable in 2015			

## New Landing Page for Producers

Effective September 1<sup>st</sup>, the MAIPF Site for Registered Producers will have an updated landing page. The new page includes all of the current options, but the layout will be more visually appealing and clear.

Producer Tools		
Application Tools	Producer Account Tools	
<a href="#">Application Checklist</a>	<a href="#">Change Address</a>	<a href="#">Add/Remove Producers</a>
<a href="#">Verify Outstanding Premium</a>	<a href="#">Agency Management</a>	<a href="#">Change Password</a>
<a href="#">File Check</a>	<a href="#">Sell/Transfer Business</a>	
MAIPF Rating Tools		
<a href="#">EASI</a> Private Passenger Electronic Application & Rating System	<a href="#">Quick Quote</a> Quick Quote for Private Passenger & Corporately Owned PPNF	<a href="#">CARS</a> Commercial Application & Rating System
Both EASI & CARS allow producers to submit MAIPF applications via the Internet. Both have the ability to quote, save and reprint applications. EASI has VIN validation.		
<a href="#">EASI Instruction Brochure</a> <a href="#">How to Use CARS?</a>		
MAIPF Forms	ORDER SUPPLIES	
<a href="#">MAIPF-03</a> Private Passenger Application	<a href="#">MAIPF-04</a> Commercial Application *	<a href="#">MAIPF-04a</a> Commercial Vehicle Schedule
<a href="#">MAIPF-04b</a> Change in Ownership - Commercial Risks	<a href="#">MAIPF-05</a> Vehicle Inspection Form for <b>Taxicabs</b>	<a href="#">MAIPF-06</a> Passenger Vehicle Questionnaire
<a href="#">MAIPF-36</a> Policy Change Form	<a href="#">MAIPF-40</a> Vehicle Inspection Form for PP	<a href="#">MAIPF-60</a> Declaration of Intention to Reside
<a href="#">ACORD 139 MI</a> MAIPF Supplement	* Producers may submit ACORD forms 125 (Commercial Application) and 139MI (MAIPF Supplement)	

## Self-Service Lookup

Did you know that the most frequent request we get from producers is to help locate an assignment on an application that has been recently submitted? While we're more than happy to assist producers with this request, an application locator is available on our website for producers to check on their submitted applications without making a phone call. When you login to [www.maipf.org](http://www.maipf.org), look for the link labeled "File Check". The link will send you to a date-driven query. Once you enter a start date (date of submission) and an end date (current date), submit the query. The results will return a list of your assigned applications along with any applicable violation postings.

## CARS Update

The worksheets in the **Commercial Application and Rating System (CARS)** have been revised to include two new advances:

**Automatic Updating** – Producers should experience a notable improvement with the commercial worksheets, which now update premiums automatically when risk or coverage characteristics are changed.

**Class Code Field** – Many of the commercial worksheets ask, “Do you know the class code?” If you answer “yes” to that question and select a class code, the worksheet has been updated so you will not be able to change the individual risk characteristics, which make up the class code. By disabling the individual risk characteristics, you are guaranteed to have the rate calculated with the intended class code.

## MAIPF Holiday Schedule

Sept. 4	Friday	Company Meeting	Closed at 11:30 AM
Sept. 7	Monday	Labor Day	Closed All Day
Nov. 26	Thursday	Thanksgiving Holiday	Closed All Day
Nov. 27	Friday		Closed All Day
Dec. 11	Friday	Company Meeting	Closed at 11:30 AM
Dec. 24	Thursday	Christmas Eve	Closed All Day
Dec. 25	Friday	Christmas Day	Closed All Day
Dec. 31	Thursday	New Year’s Eve	Closed All Day
Jan. 1	Friday	New Year’s Day	Closed All Day

## Servicing Carrier Directory

CARRIER	ADDRESS	CONTACT INFORMATION	
<b>Auto Club</b>	JUA Processing 1 Auto Club Drive Dearborn MI 48126-2694	<b>Billing /Commission</b> (313) 336-1145	<b>Underwriting</b> (313) 583-2361
<b>Auto Owners</b>	JUA Operations 6101 Anacapri Blvd. PO Box 30660 Lansing MI 48909-8160	(800) 346-0346 Ext. 1038, 6366 or 2532	
<b>Citizens</b>	Auto Plan Department PO Box 930 Howell MI 48844-0930	(800) 243-8921	
<b>State Farm</b>	JUA Operations 2550 Northwestern Ave. West Lafayette IN 47906-1394	(855) 342-4066 Email: <a href="mailto:gtilk.auto-aip-jua.184o18@statefarm.com">gtilk.auto-aip-jua.184o18@statefarm.com</a>	
<b>Amerisure (Commercial)</b>	26777 Halsted Rd PO Box 9201 Farmington Hills MI 48333-9201	(800) 789-9594	

For a complete listing of servicing carrier claim offices in Michigan, go to  
<http://www.maipf.org/SC/SC-Directory.pdf>

## HEAT®(Help Eliminate Auto Thefts) Update

HEAT® is celebrating its 30<sup>th</sup> anniversary and continues to serve as a valuable tool for fighting crime. Our program has aided law enforcement in the recovery of nearly \$60 million in stolen vehicles and related property. Rewards paid to tipsters for information now total over \$4.1 million.

HEAT® is a confidential, toll-free tip line to allow citizens to report information about auto theft, auto theft-related insurance fraud or identity theft, carjacking, theft rings and chop shops. If the suspects are arrested and bound over for trial, rewards can range up to \$10,000! Funding is provided by Michigan auto insurers. Live operators are ready to take calls 24/7.

We can also be found on social media. “Like” our page on Facebook and “follow” us on Twitter to receive updates on program successes and activities as well as breaking auto theft news.

To obtain free materials for display in your agency or to include in mailings to your clients, contact Nina Hier at ext. 227 or via email at [info@miheat.org](mailto:info@miheat.org). Program information and theft prevention tips are also available on our web site, [www.1800242HEAT.com](http://www.1800242HEAT.com).

 <p><a href="http://www.1800242HEAT.com">www.1800242HEAT.com</a></p>	<b>Help Eliminate Auto Thefts</b> by reporting Auto Theft & Auto Related Crimes	
	Call the 24/7 HEAT® Confidential Tip Line <b>1-800-242-HEAT</b> OR <a href="#">Report Tips Online!</a>	<a href="#">Contact us</a> for HEAT® Info and to Order Supplies

## How To Contact Us

MAIPF Applications & General Correspondence	Drop off applications at our office Monday through Friday, 8:00 A.M. to 4:20 P.M.
MAIPF P.O. Box 532318 Livonia, MI 48153-2318	17456 Laurel Park Drive N., Suite 130 E, Livonia MI 48152-3981. Our office is near 6 Mile Road & I-275. Our parking lot is adjacent to Laurel Park Mall.

## We Want To Hear From You

Your feedback is especially important to us and we want to hear from you. Please share with us your experience, good or bad with any Facility related item; our website, rating programs and employee support. Send us your comments at [info@maipf.org](mailto:info@maipf.org)