

# Chapter 1: Overview of IPM Program

## Insurance Policy Management (IPM) Program Manual

## Table of Contents

Overview of the Insurance policy Management (IPM) Program .....	3
New Business/Policy Creation .....	3
Different Information .....	3
Timing.....	3
Add/Delete Vehicles .....	4
Summer/Winter SWAPS .....	5
Leased Vehicles .....	5
Bind Transactions.....	5
Policy Term.....	6
Policy Maintenance .....	6
Trailer Reporting .....	7
Section 5 Reporting .....	7
Municipal and Authority Registrations .....	8
Intervention Form.....	8
Moped Registrations.....	8
References .....	12

## Change Log

Change	Description	Date Updated/Version Number
Revocation Guidelines	Clarifications made to the revocation and cancellation rules.	10/12/2021 – V4.0
References Section	Updated hyperlinks in document and References section to new Business Partner website on Mass.gov.	04/29/2024 – V5.0

## Overview of the Insurance Policy Management (IPM) Program

### New Business/Policy Creation

The process for registering a new (or new to that owner) vehicle is for the vehicle owner (or their representative) to contact the insurance carrier. The carrier or insurance agent either stamps an already completed RTA Form ([Registration and Title Application \(RTA Form\)](#)) or generates one on the behalf of the insured. The transaction is then completed at either a remote location, a dealer or insurance agent, known as the Electronic Vehicle Registration (EVR) Program, or at a Registry of Motor Vehicles (RMV) Service Center. When a vehicle is initially registered, the RMV records the insurance carrier of record based on the three (3) character [CAR code](#) provided on the Registration and Title Application. Once registered, the insurance carrier has twenty-three (23) calendar days after the registration is issued to post the electronic insurance Policy Record. Conceptually, this is a matter of matching the carrier's insurance policyholder and insured vehicle information with the RMV's registration/owner/vehicle information.

In practice, this match has two (2) challenges:

- **Different Information**
- **Timing**

**Different Information:** The RMV records vehicles in the name of the owner, who may or may not be the policyholder. A common case where the owner is typically not the policyholder is a leased vehicle. Another piece of information the carrier does not know is the registration number as it is generally an artifact of the registration process. In addition, the 17-character Vehicle Identification Number (VIN) is not always recorded the same on both systems. It seems the RMV is a little more particular regarding this than some of the carriers. Thus, the matching of the vehicle information, the owner/policyholder information and the registration information can be challenging for the carrier.

**Timing:** A carrier cannot post a Policy Record and associate it with the registration/owner/vehicle information prior to the vehicle being registered. However, the printed [Registration and Title Application \(RTA Form\)](#) is valid for thirty (30) calendar days from the date it is stamped. Since the carrier currently does not know when the vehicle is registered, it is common for a carrier to try to post a policy for a vehicle that has not yet been registered. Effective with the implementation of **Release 2**, the RMV implemented a daily **Notice to Carrier (NTC) Transaction** that provides the carrier with the particulars of the vehicle registration anytime a vehicle is registered with the carrier listed as the insurer. Reporting of this information directly to carriers should reduce the number of policy posting rejections (due to a lack of a vehicle registration record).

If the RMV does not receive this Policy Record within the twenty-three (23) calendar days of the registration being issued, currently, the RMV takes no action. This is a deficiency that the RMV tentatively intends to correct at a future date to be determined (TBD). Prior to implementing this policy and process change, the RMV will notify the carriers and provide an opportunity for comment on the proposed change. The policy change will be effective for vehicles registered on

or after the effective date of this change. For example, if the policy becomes effective October 1, 2020, vehicles registered prior to 10/1/2020 will not be subject to the enforcement of the reporting standard. For vehicles registered on and after 10/1, the RMV would need to receive a policy within 21 days of the Registration Effective Date. If a Policy Record is not received **within 23 days, the RMV will begin the Revocation Process by sending the registrant a Revocation Notice that indicates the registration will be revoked in ten (10) calendar days, unless the registrant provides proof of insurance.**

The registrant can provide proof of insurance using the same methods that are currently available:

- Contact the carrier and have them post the Policy Record on the RMV's **ATLAS** system, or
- Contact the insurance carrier or agent and have them provide a [Registration and Title Application \(RTA Form\)](#), which is brought to the RMV Service Center for processing.

After the Policy Record requirement is implemented for newly registered vehicles, either option, if processed prior to the Revocation Date, rescinds the revocation. If the second option is chosen, the amended registration terminates and resets the revocation clock to provide the registrant and carrier another ten (10) day period to post the electronic Policy Record. If, at the end of this 10-calendar day period the policy has not been posted, another Revocation Notice is issued indicating the registration will be revoked in 10 days. In theory, this process could repeat itself forever. However, it does not. If, within the 10 days, either the carrier does not post a Policy Record or the registrant does not provide proof via a stamped form, the registration will become revoked at 12:01a.m. on the 11<sup>th</sup> calendar day. Upon revocation, the registrant must stop operating the motor vehicle. In order to reinstate, the registrant must provide proof of insurance and pay a \$50 reinstatement fee.

**Add/Delete Vehicles:** A registrant can transfer their current registration from one vehicle to another newly purchased vehicle. This contrasts with the previous case where the registrant is obtaining both a new vehicle and a new registration. While it is possible that the new registration and vehicle transaction discussed above could lead to the **Add Vehicle Transaction** (specifically where the policyholder has an existing policy covering one or more vehicles and registers another vehicle which is added to the same policy); it is always the case when a registration is transferred. In the case of a transfer, the same registration number is going to be used to register a vehicle that is new to the registrant. In this case, the same general transaction flow is followed; the registrant will have the carrier or agent stamp or produce the [Registration and Title Application \(RTA Form\)](#) and then process it at an EVR location or an RMV Service Center. In the transfer case, the registration and its association to the insurance carrier's Policy Record already exists. The carrier must, within twenty-three (23) calendar days of the registration being processed, send a **Delete/Add Vehicle Transaction** to verify and acknowledge the new vehicle on the policy. Effective on a future date to be determined (TBD), if this **Delete/Add Vehicle Transaction** is not received within the 23 days, the RMV will issue a Revocation Notice, providing the registrant 10 days to obtain proof of insurance.

Proof of Insurance is processed as follows:

## Insurance Policy Management (IPM) Program Manual – Chapter 1

- The insurance carrier processes a **Delete/Add Vehicle Transaction**, or
- The registrant contacts the insurance carrier or agent to obtain an amended Registration and [Registration and Title Application \(RTA Form\)](#), which is brought to an RMV Service Center for processing.

**Leased Vehicles:** In Massachusetts, the registration plate (the registration/license plate number) follows the registrant. This creates some unique situations for leased vehicles that have Vanity (personalized), Special (Veteran, Cape and Islands, etc.), or Reserved (low number) Plates. In all cases, the plate is associated to the vehicle owner, in this case the Leasing Company. However, it is the lessee that ultimately retains the “right” to these plates. This results in the following situations: (1) at the beginning of the first lease, it is a new Registration and Title Transaction with the lessor as the registrant; (2) at the end of the lease when the lessee buys out the lease (purchases the leased vehicle), a new Registration and Title Transaction where the lessee becomes the registrant; (3) at the end of a lease where the customer leases another vehicle with the same lessor, a transfer to the new vehicle; (4) at the end of a lease where the lessee leases a vehicle from a new Leasing Company, a new Registration and Title Transaction in the name of the new lessor; and (5) at the end of a lease where the lessee purchases a vehicle, a new Registration and Title Transaction where the lessee becomes the registrant. Insurers need to take into account which of these scenarios occurred in order to determine if they need to process a new business or an Add/Delete Vehicle transaction.

**Summer/Winter SWAPS:** The RMV supports a transaction that is internally referred to as a Summer/Winter SWAP. It reflects the case where a registrant owns and has titled two (or more) vehicles and moves a single registration between these vehicles. This transaction takes its name from the instance where one has a *summer* vehicle and a *winter* vehicle and moves the plate from one to the other in the spring and fall. Practically, it is simply transferring an active registration to another vehicle that is already titled to the registrant. From an IPM perspective, this is a **Delete/Add Vehicle Transaction** and would work exactly as noted above.

**Bind Transactions:** **Bind Transactions** are for carriers who do not issue Policy Numbers in a manner that would allow them to report those Policy Numbers to the RMV in a timely manner, e.g., within the twenty-three (23) day calendar day window.

Insurance carriers can, via the **eServices Insurance Portal**, submit a **New Business Transaction** where only the Policy Number is left blank, and the Bind option has been checked. The RMV posts a Policy Record to **ATLAS** with an internally generated binder Policy Number. (This binder Policy Number must be recorded and retained by the insurance carrier.) The carrier can then use the **Bind Verification Transaction** to change the RMV issued binder Policy Number to the actual issued Policy Number.

**Policy Term:** Currently, the insurance statute limits Massachusetts Automobile Policies to a term of 24 months. As a result, effective with the implementation of **Release 2**, the RMV supports a policy term of 1 day to 24 months. In addition, the RMV will only allow **New Business Transactions** where the Policy Effective Date is no more than 2 years prior to the Transaction Effective Date.

**Policy Maintenance:** Once an Insurance Policy has been posted, the carrier can add/delete registered vehicles and amend some of the Policy particulars (e.g., Renewals, Cancellations, Reinstatements). The maintenance changes are reviewed individually below.

- **Policy Expiration Date:** Insurance Carriers can amend the Policy Expiration Date, provided the Policy Term is a minimum of one day, and no more than 24 months after the Policy Effective Date. In addition, the new expiration cannot be extended to overlap with another term on the same policy.
- **Cancellation Date:** Today, the RMV will generally accept a Cancellation Date that is anywhere within the Policy Effective and Expiration Dates, without regard to the Transaction Processing Date. However, Massachusetts General Law, Chapter 175 Section 113a(2) states, in part: *... that said cancellation shall not become effective unless the company ... immediately upon the intended effective date of the cancellation of the policy, whether proposed by the company or by the insured, forwarded to the registrar of motor vehicles a notice, in such form as he may prescribe, containing such information to apprise the registrar of the particular motor vehicle registration on which the insurance is intended to be cancelled.* The practical effect of this language is that the insurer's policy cancellation does not become effective until the RMV has received the electronic notice of cancellation.
- **Cancellation Date Rules:** The Cancellation Date rules are as follows:
  - For **Active Policies**, the Cancellation Effective Date may be any date between and including the Policy Effective Date and Policy Expiration Date.
  - For **Expired Policies**, the Cancellation Effective Date must be equal to the Policy Expiration Date.
  - See [Chapter 6: Policy Cancellations](#) for complete details.
- **Amendment Date:** The Amendment Date rules are as follows:
  - For **Active Policies**, the policy term must be between one (1) day and two (2) years in length, and the new Policy Expiration Date cannot be extended to overlap with another term on the same policy.
  - For **Expired Policies**, the Amendment Effective Date must be equal to the Policy Expiration Date.

**Policy Expiration:** Currently, when an insurance policy expires, the RMV does not take any action. Effective on a future date to be determined (TBD), when an insurance policy expires, the RMV waits ten (10) days for either a Renewal or for a new Policy Record to be processed. If a Renewal or new policy is not received within the 10 calendar days, the RMV issues a Revocation Notice providing the registrant 10-days to obtain proof of insurance.

This Policy Renewal (or posting of a new policy) can be accomplished in one of three (3) ways:

## Insurance Policy Management (IPM) Program Manual – Chapter 1

- Insurance carrier posts a **Renewal Transaction**, or
- Insurance carrier posts a **New Business Transaction**, or
- Registrant contacts the (presumably) new carrier or agent to obtain an amendment registration and [Registration and Title Application \(RTA Form\)](#), which the registrant takes to the RMV Service Center.

**NOTE:** Regarding Insurance policy Expirations, Massachusetts General Law, Chapter 175 Section 113a(6) states, in part: *The insured shall have the option to purchase and the insurer shall not refuse to issue an annual motor vehicle policy or bond providing coverages in accordance with this chapter and chapter ninety containing any expiration date as the insured may elect.*

As a result of this provision, when a carrier has decided not to renew a policy, most insurers send an **Insurance Non-Renewal Notice** to the insured, and also send an **Insurance Cancellation Notice** effective on the Policy Expiration Date to the RMV. In this circumstance, the same sequence of events outlined for a cancellation transpire. This results in the same action on the part of the RMV but leaves a Transaction History that demonstrates the policy was cancelled. If the carrier does not send the **Cancellation Notice**, once the policy expires, the effected registrations appear on the carrier's **Notice to Carrier (NTC) Report** until the registration(s) is either revoked or a policy is posted that covers the effected registration.

### Trailer Reporting

In Massachusetts, all personal use trailers (trailers that are not used commercially) are insured by the Private Passenger Policy of the vehicle that is towing the trailer. As a result, the following reporting rules apply to trailers:

- The reporting of Policy Records for commercially insured trailers is mandatory.
- The reporting of Policy Records for trailers that are insured via the towing vehicle's Private Passenger Policy is optional.
- If a carrier wants to disassociate themselves with a Trailer that is insured by the towing vehicle's Private Passenger Policy, it adds the Trailer to the Policy Record and then either deletes the trailer from the policy or cancels the policy. If the policy is cancelled, this cancellation becomes effective for every vehicle listed on that policy.
- If a travel trailer is registered with an Auto Home (Camper) plate and is not self-propelled, has zero cylinders and doors; this is considered a trailer and is insured via the towing vehicle's Private Passenger Policy and reporting is optional.

For a complete description of the Trailer requirements, see [Chapter 10: Trailer Reporting](#).

**Section 5 Reporting:** Section 5, or General Registrations, are for certain commercial businesses who have the need to move a registration plate from one vehicle to another. These include Dealers, Owner Contractors, Repairmen, Farmers, and Transporters. For a complete description of Section 5 requirements, review [Chapter 9: Section 5 Registrations](#).

All Section 5 Registrations and related plates are available to carriers and agents for inquiry and insurance updating. The RMV requires carriers to report policy information for these registrations using the same processes that are available for every other registration type. At a future date to be determined (TBD), the RMV will begin the formal enforcement of requiring a policy to be reported within twenty-three (23) days of a new Section 5 Registration being issued. The rules for Section 5 will follow the same insurance reporting rules for all registrations. For additional details, review [Chapter 9: Section 5 Registrations](#).

Effective at a future date to be determined (TBD):

- Section 5 Registrations that expire will result in a Revocation Notice.
- The twenty-three (23) calendar day wait on an insurance cancellation associated with Section 5 Registrations will be reduced to ten (10) calendar days.

**Municipal and Authority Registrations:** All municipal and authority registrations are, by statute, allowed to be self-insured. This determination is entirely up to the municipality or authority and can be on a registration-by-registration basis. The sequence for processing these registrations if they are insured by a carrier is the same as described above in the [New Business/Policy Creation Section](#). If the municipality or authority chooses to self-insure, they would complete the insurance section of the [Registration and Title Application \(RTA Form\)](#) indicating self-insured. Since municipal and authority plates never expire, and since municipalities can decide on a registration-by-registration basis at any time to move from carrier insured to self-insured and vice versa, keeping track of this can be a challenge.

As a result of these challenges, combined with the ability to be self-insured, insurance reporting is optional for vehicles owned or leased by municipalities and authorities. If a carrier is insuring a municipal or authority registration and wants to formally record a policy cancellation with the RMV, it would need to post the policy and then cancel it. In this situation, the RMV would record the cancellation but would not issue a Revocation Notice because the municipality or authority could have chosen to self-insure the registration(s) in question.

**Intervention:** If a carrier encounters a problem they cannot resolve and needs the RMV to intervene, they should either call 1-857-368-9770 or send an e-mail to [atlas.ipm@dot.state.ma.us](mailto:atlas.ipm@dot.state.ma.us). In addition, carriers have access to **ATLAS** via the **eServices Insurance Portal** and are able to directly add, delete, amend, and generally maintain Policy Records. The RMV will continue to support the carriers in these efforts, but only via the phone or mailbox noted above. Note that the same logic where if the Policy Effective or Reinstatement Date pre-dates the Revocation Date, the revocation will be reinstated or the pending revocation rescinded will remain in place.

**Moped Registrations:** The vehicle commonly known as a Moped is referred to as a Motorized Bicycle in Chapter 90 § 1 and by this statute is not considered a Motor Vehicle. This means these vehicles are not subject to the motor vehicle insurance requirements or the motor vehicle title law.

Mopeds are registered for \$40 for a two (2) year registration that expires in March. Existing Mopeds are being added to ATLAS as they expire which means it will take until December of 2021 before all Mopeds are recorded on ATLAS. As Mopeds renew, they will be issued a **registration plate** that is the same size as a motorcycle plate (plate type MPN) along with an expiration decal and will be issued a Registration Certificate. As Moped registrations are added to **ATLAS**, they will be available for inquiry the same as any other registration.

There is no requirement for proof of insurance in order to register or renew a Moped. The reporting of insurance for Moped registrations is optional and entirely up to the carrier. Since, by statute, insurance is not required, none of the insurance and associated Revocation Processes that are outlined in this manual will be enforced for Moped registrations.

### IPM Reporting Stages

The Registry of Motor Vehicles' (RMV) IPM Program was designed to remove uninsured motorists from the roads of the Commonwealth. Massachusetts statute (Chapter 175 Section 113A of the General Laws) requires that all registered vehicles be insured. The RMV must affirm insurance coverage prior to issuing or renewing a registration. This affirmation is done electronically via a direct interface to the RMV, or manually via a company-specific insurance stamp. In either case, the insurer is obligated to report their private and commercial automobile insurance policies electronically to the RMV within twenty-three (23) days of the Policy Effective Date.

[Stages A-D](#) of the Cancellation/Revocation Process are described in the next section. At any stage during this process, the customer may choose to stop the Cancellation/Revocation Process by requesting cancellation of their registration from RMV. The customer will be issued a Plate Return Receipt, a copy of which should be forwarded to the insurance company.

### The Start of the Cancellation/Revocation Process

The insurance cancellation process is initiated when one of the following situations occurs:

- Non-Payment of Premium
- Underwriting Reasons
- Voluntary Cancellation
- Fraud by Insured
- Failure to Pay Surcharges
- License or Registration Revoked
- Void Policy
- Dissatisfaction
- Vehicle Sold
- Transfer
- Financed Account
- Cancel/Rewrite
- All Other

The insurance company has the right to cancel the customer's automobile liability policy and inform the customer of their decision under Chapter 175 Section 113A:

"That . . . no cancellation of the policy, whether by the company or by the insured, shall be valid unless written notice thereof is given by the party proposing cancellation to the other party giving specific reason or reasons for such cancellation at least twenty days in each case before the intended effective date thereof, which date shall be expressed in said notice."

Once the insurance company issues a Statutory Cancellation Notice and electronically so notifies the Registrar, the cancellation process is initiated.

### STAGE A

The insurance company sends a statutory cancellation of insurance notice to the customer. Upon receipt of the Statutory Insurance Cancellation Notice, the customer has twenty (20) days in which to satisfy their current insurance company or obtain new insurance from a different carrier. The customer may choose not to reinsure the motor vehicle(s).

The customer may do any one of the following:

1. Take corrective action with the current insurance company, to satisfy the reason for which the original Cancellation Notice was sent.
2. Obtain a new automobile liability insurance policy from a new insurance carrier.
3. If the customer chooses not to operate the motor vehicle(s), the customer must request cancellation of the registration from RMV and receive a Plate Return Receipt, a copy of which should be forwarded to the insurance company.

If the customer does not take action as described above, the insurance company, according to Chapter 175, section 113A, will proceed with [Stage B](#) of the Cancellation/Revocation Process.

### STAGE B

If the customer has failed to satisfy the requirements of [Stage A](#) of this process, the insurance company will notify the RMV of the customer's liability insurance cancellation. The company will send a Cancellation Notice to RMV's IPM Program, as outlined in Chapter 175 Section 113A:

"Immediately upon the intended effective date of the cancellation of the policy, whether proposed by the company or by the insured, forward to the Registrar of Motor Vehicles a notice, in such form as he may prescribe, containing such information to inform the Registrar of the particular motor vehicle registration on which the insurance is intended to be cancelled."

The Registry will allow 23 days for (1) a notice of reinstatement, (2) the issuance of a new insurance policy or (3) a request to cancel the vehicle registration(s) and plate(s).

The **insurance company** must comply with the following procedures:

1. The insurance company must submit a cancellation to IPM via batch file transfer, IPM Web Services, or the eServices Insurance Portal. The date provided on the cancellation must be equal to the intended Cancellation Effective Date on the statutory Cancellation Notice to the customer.
2. If the customer has rectified the problem with the insurance company, the company should submit a New Business or Reinstatement transaction with the Effective Date equal to the original insurance Cancellation Date (e.g., they have had continuous coverage).

The **customer may** do any one of the following:

1. Take corrective action with the current insurance company to satisfy the reason for which the original Cancellation Notice was sent. This will result in reinstatement of the policy on the effective date of cancellation.
2. If the customer obtains new insurance from a new carrier, that new carrier must report the New Business to the Registry within twenty-three (23) days. This will prevent a Revocation Letter from being issued.
3. If the customer chooses not to operate the motor vehicle(s), the customer must request cancellation of the registration from RMV and receive a Plate Return Receipt, a copy of which should be forwarded to the insurance company.

**NOTE:** When submitting batch transactions, it is critical that a New Business or Reinstatement be submitted to the Registry within twenty-three (23) days of the effective date of the cancellation. This stops the letter of intent to revoke the customer's registration and plate(s).

**IMPORTANT:** Once a customer's motor vehicle liability policy has been cancelled (stage B), **the customer is considered uninsured and may no longer operate the motor vehicle on the roads of the Commonwealth, unless a new policy is obtained.**

If the Registry does not receive within 23 days of the policy cancellation (1) a policy reinstatement transaction, (2) a new business transaction, or (3) a request for cancellation of the registration(s), the Registry will proceed with [Stage C](#) of the Cancellation/Revocation Process.

### STAGE C

If, after 23 days, the customer has failed to satisfy the requirements of [Stage B](#) of this process, the Registry will issue a letter of intent to revoke the customer's plate(s) and registration(s). The customer has ten (10) days to notify the Registry of reinsurance or cancellation.

The **customer may** do any one of the following:

1. Obtain a new Automobile Liability Insurance Policy with either the old company or a new ~~same~~ carrier. If the insurance company does not notify the Registry immediately of the new policy, then it is recommended that the insured submit an RTA Form from their insurance company. The customer will then need to bring the RTA Form to an RMV Service Center and pay a \$25 amendment fee. It is recommended that the carrier process the transaction through either IPM Web Services or the eServices Insurance Portal.
2. If the customer chooses not to operate the motor vehicle(s), the customer must request cancellation of the registration from RMV and receive a Plate Return Receipt, a copy of

which should be forwarded to the insurance company.

If, after the ten (10) days, the customer does not take any corrective action in the manner prescribed above, the Registry will initiate [Stage D](#) of the Cancellation/Revocation Process.

### STAGE D

If the 10-day period has elapsed, and neither the customer nor the company has notified the RMV in the manner prescribed, then the customer's registration(s) and plate(s) are revoked. On the 10th day at **12:01 a.m.**, the status on the customer's registration becomes Revoked. The **customer may** do any one of the following:

1. If the customer obtains new coverage after the Revocation Date, the carrier can report that coverage. The customer can pay a \$50 reinstatement fee to return the registration to Active Status.
2. If the customer chooses not to operate the motor vehicle(s), the customer must request cancellation of the registration from RMV and receive a Plate Return Receipt, a copy of which should be forwarded to the insurance company. The customer is obligated to pay a \$50 reinstatement fee to cancel the registration.

At this point, the Revocation Process is complete. If the customer fails to obtain proper insurance, the customer is operating the motor vehicle(s) in violation of the law. In doing so, the customer is subject to fines and possible imprisonment.

### References

[RMV Business Partners Website](#)

[IPM Program](#)

[IPM Program Documents](#)