Chapter 2: New Business

Insurance Policy Management (IPM) Program Manual

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Change	Description	Date Updated/Version Number
References Section	Updated hyperlinks in document and References section to new Business Partner website on Mass.gov.	04/29/2024 – V3.0

Introduction – New Business Transactions

A **New Business Transaction** adds policy and policyholder information to the Registry of Motor Vehicles (RMV) **ATLAS** system and associates that policy information with specific registrations. This transaction can be undertaken via **Batch Processing**, **Web Services**, or via the **eServices Insurance Portal**. This manual covers the **Batch** and **Web Service Transactions**. The **Insurance Portal Transactions** are addressed in a separate manual, the **eServices Reference Manual for Insurance Industry Users**, and also via the **ATLAS Training - Computer Based Training (CBT) Videos**.. All **New Business Transactions** must be reported within 23 calendar days of the Registration Effective Date.

Batch Transactions

A **New Business Transaction** is Transaction Type 1. Below is a matrix of the **Action Code** options for the **New Business Transaction.**

Transaction Type	Action Code	Description
1	0	New Business – Add Policy only
1	1	New Business – Add Vehicle
1	4	New Business – Section 5

For **Batch** processing of a **New Business Transaction**, there are two options:
- **Option 1:** Submit Transaction Type 1, Action Code 1 (**New Business** – Add Vehicle) for all vehicles that are being added to that policy.
  - o If a single record results in an error, all vehicles associated with that policy will be rejected.
- **Option 2:** Submit Transaction Type 1, Action Code 0 (**New Business** – Add Policy only). Submit Transaction Type 4, Action Code 1 (**Amend Policy** – Add Vehicle) for all vehicles
  - o Assuming the **New Business Transaction** processes successfully, the policy posts to the RMV database.
  - o Each **Amend Policy** (Transaction Type 4), **Add Vehicle Transaction** Action Code 1, is processed separately:
    - ▪ One record in error does not result in other records being in error.
    - ▪ The **Add Policy** and **Amend Policy Transactions** can be submitted in the same file.

The primary goal with this approach is to limit the number of errors. If an error occurs when adding vehicles with an **Add New Policy Transaction** (1, 1), a single error rejects the entire transaction (along with all other vehicles on the policy). **Add Policy Only** posts the policy first and, from there, each **Amend Policy/Add Vehicle Transaction** processes separately. That way an error on one vehicle record does not affect other vehicle records.

For instructions regarding handling Section 5 **Batch Processing**, view **Chapter 9: Section 5 Registrations**.

Policy Information

The submitting Service Provider or carrier and the insurer Company Codes are checked for validity and for security to ensure the Service Provider/carrier is allowed to submit for the insurer.

IPM Policy Identification consists of the following:
- Insurer's Insurance Company Code
- Unique and previously unknown Policy Number
- Policy Type (P=Private Passenger, C=Commercial)
- Policy Effective Date

Policyholder Edits

For a **New Business Transaction**, the RMV attempts to match the policyholder information supplied with the records on the RMV file. If the policyholder information does not match any record on the RMV file, the RMV posts the policy record with the policyholder information as supplied by the carrier. See the discussion below for the specific edits. The result is the policy has been posted, but the carrier cannot post an unpaid premium against this policy record.

The RMV performs no edits to determine if the policyholder is also a registrant, the only edit is to determine if the Individual or Company already exists on the RMV's **ATLAS** file. In Massachusetts, the registrant and owner are always the same and the vehicle must be registered in the name of the owner. Thus, for a leased vehicle, the owner is the leasing Company. In this case, the policyholder might be lessee, the lessor or someone else as determined by the Individual carrier's rules. None of the IPM edits attempt to determine if the policyholder and owner/lessee are related. The only reason the RMV has any interest in the policyholder is if they have a known identity to the RMV where, should the need arise, to record unpaid premium.

There are two types of policyholders: Individual and Company. The processing for each is outlined in the sections below.

Policyholder Edits – Individual

Driver's License Numbers: There are three different license number scenarios outlined below:
- **Massachusetts License Information:** When the policyholder's license state is Massachusetts, **ATLAS** compares the submitted license number to the license information on our license file. The transaction is rejected if there is no matching record for an RMV licensed driver.
- **Out of State (OOS) License Information:** When the policyholder's license state is a valid state code other than MA, the license number is compared to out-of-state license information residing on **ATLAS**. If there is a match, the policy is posted with the matched **ATLAS** record as the policyholder. If there is no match, the policyholder record is posted with the policyholder information as provided. Note, in this instance and in the No License Number case below, the reporting of unpaid premium is not allowed. If, at some future date the carrier wanted to post unpaid premium, they would have to process an **Amend Transaction** to change the policyholder to a record that already exists on **ATLAS**.

- **No License Number:** Unlicensed policyholders are reported to **IPM** by indicating N in the Policyholder License Indicator field. (This alternative should only be employed for truly unlicensed drivers.) In these cases, the RMV *will* record the policyholder information, but, because it does not match any record on **ATLAS**, the RMV *will not* allow the recording of unpaid premium.

Policyholder Surname and Date of Birth (DOB)
For policyholders licensed in Massachusetts, the surname and date of birth (DOB) recorded on our license file are compared to that supplied by the insurance companies in the **New Business Transaction**.

Edits include:
- At least three of the first five characters must match the last name associated with the license number on **ATLAS**, and at least two of the three component data elements comprising the date of birth (MM/DD/YYYY) are required for acceptance. For records processed in **Batch**, **ATLAS** returns the appropriate error message indicating the field in error for records which fail the policyholder edits (1302, POLICYHOLDER SURNAME DOES NOT MATCH).

Transactions that pass the IPM Policyholder Edits return relevant license information as recorded in **ATLAS**. Given the matching algorithm, it is possible that the name/DOB information is different than what is being maintained by the carrier. There is no requirement for the carrier to adopt the information as maintained by the RMV.

Policyholder Edits – Company
ATLAS maintains a hierarchical structure for companies where it is possible and common for one FID to have several different Company names For example, municipalities may be noted as Town of X or City of X (which is referred to as the Customer Record) but they have a variety of subdivisions they need to track (referred to as the Account Record). The account records normally have the municipal name present in them (X Public Works Department or X Water Department) but not in any predictable order (Trustees of X Cemetery or Long Island Hospital). The RMV tries to maintain a semblance of order with these names, but carriers are advised to always request a copy of a registration and/or to look the Company up to see how it is recorded on **ATLAS**. For Company policyholders, the FID number is the primary key and is recorded in the Business FID field. The Company name is entered in the policyholder business name field. The RMV finds all of the records associated with the provided FID and matches the first eight characters of the supplied owner name with the Company name on **ATLAS**. For this match, spaces and any special characters are removed. A match on five of the eight characters is considered a match. In cases where they do not resolve to a single record, the RMV chooses the first record in the string of duplicates. In the case where no matching record is found, the policy posts with the information as supplied by the carrier.

Vehicle Registration Edits

The **New Business**, **Policy Renewal**, and **Add/Delete Vehicle Transactions** require a unique Vehicle Identification Number (VIN). The VIN must already exist on the RMV database.

VIN Edits

For **Batch Transactions**: The VIN supplied is verified against the information on the **ATLAS** registration file. IPM requires that all vehicles reported on a New Business, Renewal, or Vehicle **Amend Policy Transaction** must already be recorded on **ATLAS** and be associated with the proposed registrant/owner. If the VIN does not exist on **ATLAS**, the transaction is rejected. In this circumstance If the RMV finds more than one occurrence of that VIN on **ATLAS** (which should be a rare occurrence), it uses the provided registration number and/or owner information to determine the correct record to associate to the transaction.

NOTE: For specifics regarding Trailer registrations, review **Chapter 10: Trailer Reporting**.

Registration/Owner Edits

Once a VIN is determined to be valid, IPM compares the plate type and registration and/or the vehicle owner information stored on **ATLAS** to the information supplied by the insurance Company. IPM requires that either the supplied registration or vehicle owner information matches the information recorded on **ATLAS** for the vehicle.

Registration Edits

IPM checks the plate type and registration number supplied by the insurance Company and compares it to the current plate type and registration recorded on **ATLAS** for that vehicle. If the plate type and registration number match, the record is accepted. When the plate type and registration number do not match, the vehicle owner information is verified against the information residing in **ATLAS**.

Vehicle Owner Information

The vehicle owner information is only edited if the vehicle registration information is missing or invalid. The supplied vehicle owner type (Individual or Company) is examined and the appropriate vehicle owner edits are applied.

Individual Vehicle Owners

The vehicle owner's license number supplied is compared to the vehicle owner license number stored on the registration record. A match on license number results in the acceptance of the record. Mismatches on license number initiate the owner surname and date of birth (DOB) edits. These edits are identical to those used for verifying policyholder information. The surname and date of birth supplied are compared to the information stored for all owners recorded on **ATLAS**. Matches result in acceptance of the record, an error results in error 2105.

Company Vehicle Owners

Transactions received with a Company/Business owner type are matched by comparing the vehicle owner's provided Federal Identification (FID) number with the FID recorded on **ATLAS**

registration record. If the FID matches, the record is accepted; if it does not match, the record is rejected with error 2105. Refer to **Chapter 12: Technical Specifications** for further information regarding input records.

Response Record

For each **New Business Record** received, there is a corresponding response record that contains:

- A mirror image of the record as sent by the insurer, and
- The record as it appears on **ATLAS**. The specific details for the response record are noted in **Chapter 12: Technical Specifications**.

Web Services Transactions

The **Web Services New Business Transaction Add Policy** function works in a similar manner as the **Batch** version with a couple of important differences. First is that **Web Services** supports the use of unique keys to identify certain combinations of data as noted below. By using these keys, many of the edits and resulting errors can be avoided. However, this also means that one has to inquire and obtain the key(s) for the data in question prior to processing the **New Business Transaction**. The unique keys are noted below and change anytime one of the components of the key changes.

Key Name	Description/Key Components
ATLAS Ownership Key	Combination of registration (number, type), vehicle, and registrant(s) owner(s). This key value persists between registration periods (renewals), but changes if the ownership structure of a vehicle changes, e.g., previously registered vehicle sold to a new owner who registers the vehicle.
ATLAS Vehicle Key	Vehicle (VIN). Each vehicle in the **ATLAS** is assigned a unique vehicle key. This value never changes once assigned to a vehicle.
ATLAS Entity Key	Individual (DLN and State) or Business (FID). Each entity in **ATLAS** is assigned a unique entity key. This value never changes once assigned to an entity.
ATLAS Policy Term Key	An **ATLAS** assigned unique key that is a combination of: the Insurance Company Code, policy type, Policy Number, policy Effective Date, and Policy Expiration Date. This value differs for each policy term.
ATLAS Registration Key	An **ATLAS** assigned unique key is the combination of: the registrants (owners), registration number, registration type, registration Effective Date, and Registration Expiration Date. This value changes with each renewal.

The second difference is that the **Web Services** is much more conversational, thus processing on a one-up basis makes much more sense. For example, there are the same two options for posting a policy record, but with a couple of differences:

- **Option 1:** Submit the **Add Policy Transaction** (there are no Transaction Types) for all vehicles that are being added to that policy. The maximum number supported in this mode is 10 vehicles.
  - **NOTE:** If a single record results in an error, all vehicles associated with that policy reject.
- **Option 2:** Submit the **Add Policy Transaction** without any vehicles. The response will contain both the **ATLAS** Policy Term Key and the **ATLAS** Entity Key. Inquire on the vehicle/registration by VIN and obtaining the **ATLAS** Ownership, Registration and Vehicle keys. Enter **Add Vehicle to Policy Transaction** to add each vehicle to the policy record using the **Policy Term Key** to uniquely identify the policy and the **Ownership Key** to uniquely identify each vehicle/registration that is being insured.

The primary goal with this approach is to limit the number of errors. If an error occurs when adding vehicles using Option 1, a single error rejects the entire transaction (along with all other vehicles on the policy). Using Option 2 posts the policy first and each vehicle is an add transaction. In this manner, an error on one vehicle record does not impact other vehicle records.

In order to post a policy insuring Section 5 Registrations, there are two options. In either option, one must inquire on the Section 5 Registration using **GetRegistrationRecordByRegistration** to obtain the **ATLAS Ownership Key**.

- **Option 1:** Submit the **Add Section 5 Policy Transaction** including the **ATLAS Ownership Key** for the Section 5 Registration and the number of plates that are being insured.
- **Option 2:** Submit the **Add Section 5 to Policy Transaction** for the case where the Policy Record already exists and the insurer wants to add the Section 5 to this record. This transaction also requires the **ATLAS Ownership Key** for the Section 5 Registration and the number of insured plates. From an RMV perspective, both Section 5 and normal registrations can be insured by the same policy.

In either case, the number of plates the insurer is reporting is compared to the number of plates the RMV has, if the number matches, the transaction processes. If the insurer's plate count is less, the transaction fails with error code ERROR_NUMBEROFPLATES_TOOLOW and if the insurer's plate count is greater, the transaction processes but informational error code INFOONLY_NUMBEROFPLATES_TOOHIGH is set. In the cases of a plate count mismatch, the insurer processes a **GetRegistrationRecordByRegistration** transaction to obtain the correct plate count.

Ownership Keys

The following sections document the **Ownership Key** edits outlined in the **Batch** section. They are presented in the same order. Proceed to the appropriate section below.

Policy Information

The submitting Service Provider or carrier and the insurer Company Codes are checked for validity and for security to ensure the Service Provider/carrier is allowed to submit for the insurer.

IPM Policy Identification consists of the following:
- Insurer's insurance Company Code
- Unique and previously unknown Policy Number
- Policy Type (P=Private passenger or C=Commercial)
- Policy Effective Date, or
- **ATLAS Policy Term Key**

Policyholder Edits

For an **Add Policy Transaction**, the RMV will use the supplied **ATLAS Entity Key** to match to an individual or company policyholder. If the **ATLAS Entity Key** is not supplied, **ATLAS** will post the policy recorded the policyholder information as supplied. No attempt will be made to match the supplied information with any data on **ATLAS**. In these cases, the policy will post. However, the carrier cannot post unpaid premium against this Policy Record.

Vehicle Identification Number (VIN) Registration Information

The **Add Policy Transaction** does not have any VIN edits as the submitter either sends:
- The **Vehicle Key** and the **Entity Key**, or
- The **Ownership Key**.

Registration Owner Edits
- **Registration Edit:** The **Add Policy Transaction** does not use vehicle registration for any validation.
- **Vehicle Owner Information:** The **Add Policy Transaction** requires the submitter to supply the **Entity Key** to identify the vehicle owner/registrant information. If this key is incorrect, ERROR_OWNERENTITY_NOMATCH error is returned.

Response Record

For each **New Business Record** received, there is a corresponding response record that contains:
- A time stamp,
- A unique **ATLAS Transaction Key**, and
- An indicator for whether or not the transaction was accepted.

If the transaction was accepted. The RMV will also return:
- The **ATLAS Policy Term Key**, and
- The policyholder **ATLAS Entity Key** (if applicable).

In the last case, if the indicator is set to **NO**, an additional error response record is sent that contains all of the error codes and their description.

Timing Issues

New Business Transactions must be submitted within 23 calendar days of the Registration Effective Date. However, a **New Business Transaction** cannot be submitted until the vehicle is actually registered. Since the business process for registering a new vehicle requires the registrant to obtain insurance and proof thereof prior to registering the vehicle, it is not uncommon for the carrier to attempt to process a **New Business Transaction** prior to the registrant processing the registration transaction. The proof or stamp on the **[Registration and Title Application (RTA) Form](#)** is valid for 30 calendar days. While the RMV does not have specific statistics on the differential between when a Registration and Title Application is stamped and the vehicle is actually registered, it is estimated that 50% of transactions come through the Electronic Vehicle Registration (EVR) system. For these customers (typically dealer transactions), the differential is likely to be 5 business days or less. Thus, one option might be to choose to wait for X days to send the **New Business Transaction** (X being 10 days or less, allowing enough time for any RMV generated errors to be resolved). Another approach is to identify all of the transactions that fail for specific error codes and simply re-process 5 business days later.

Another approach would be to wait until the new registration appears on the **Notice to Carrier (NTC)** report. In this case, set a wait timer of 10-15 calendar days.

The RMV currently does not take any action when a carrier fails to report a policy in a timely manner. However, in Q3-Q4 2020, the RMV will implement the Revocation logic that will result in the generation of a Revocation Notice on the evening of the 23rd calendar day after the Registration Date.

If 23 calendar days passes without the insurance carrier reporting a policy and the RMV issues a Revocation Notice (these always have a 10 calendar day grace period), the status of the registration record states **VRGVAL** (or active). (Process to determine how to Pend an unreported insurance revocation for the next 10 calendar days to be described later.) On 12:01a.m. on the 11th day the status changes to **VRGREV**.

If, at any time during this process and even after the revocation, the carrier files a policy with a Policy Effective Date prior to the revocation Effective Date; the RMV immediately and automatically reinstates the effected registration(s) at no fee to the customer. If the policy Effective Date is on or after the revocation Effective Date, the customer owes a $50 reinstatement fee per registration.

Insurance carriers should be advised that the RMV monitors **New Business Transactions**. In particular, we will be focused on the case where a disproportional number of **New Business** Policy postings that postdate the Revocation Notice with Policy Effective Dates that predate this notice. The RMV has seen many instances where a policy is cancelled and either the new business or the policy reinstatement is not posted in a timely manner and the registrant/customer ends up with a revoked registration. While the RMV does not track these occurrences, there are more than a few instances where the customer/registrant believes the Pending Revocation has

been resolved by the carrier, continues to operate the vehicles, is then stopped, cited, and the vehicle is towed. Then the insurance carrier posts a policy record with an Effective Date that predates the Revocation. In these cases, the carrier generally ends up reimbursing the customer for their inconvenience.

References
RMV Business Partners Website
IPM Program
IPM Program Documents