Chapter 4: Policy Renewals

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

Policy Renewal Transactions

A **Policy Renewal (Renew) Transaction** is available as a **Batch Transaction** and a **Web Services Transaction** and they function differently. The **Batch Policy Renewal Transaction** adds policy and policyholder information to the Registry of Motor Vehicles (RMV) **ATLAS** System and associates that policy information with specific registrations. It does not renew an existing policy in the traditional sense of a renewal, it is essentially a **New Business Transaction** with different Policy Effective and Expiration Dates. ATLAS does maintain an association between policy terms when the same company code/policy type/policy number are used between terms.

The **Web Services Policy Renewal Transaction** functions differently than the batch version and provides the ability to renew the policy by updating the Policy Effective and Expiration Dates only. The **eServices Insurance Portal** also supports the **Policy Renewal Transaction** in a manner that is similar to the **Web Service.** This manual covers the **Batch** and **Web Service Transactions**. The **eServices Insurance Portal Transactions** are addressed in a separate manual, the **eServices Reference Manual for Insurance Industry Users**, and also in the **ATLAS Training - Computer Based Training (CBT) Videos**.

A **Policy Renewal Transaction** can be processed up to 90 calendar days prior to the new Policy Effective Date and, as of Q3-Q4 2020, must be performed within 10 calendar days of the old policy's Expiration Date. After this new timeframe requirement is implemented, transactions that are not processed within 10 days of the old policy's Expiration Date will result in the affected registrations being sent a Revocation Notice. In these cases, a subsequent **Policy Renewal Transaction** that is dated prior to the revocation will, depending on the point in time, either stop the pending revocation or reinstate the revoked registration(s).

Batch Transactions

The **Batch Policy Renewal Transactions** follow the same basic process, edits and business rules as **New Business Transactions.** For a **Policy Renewal**, the policy number can be the same as the policy that is being renewed, as long as the Policy Effective Date and Expiration Date are different. A **Policy Renewal Transaction** is Transaction Type 3. Below is a matrix of the **Action Code** options for the **Policy Renewal Transaction.**

Transaction Type	Action Code	Description
3	0	Policy Renewal – Add Policy only
3	1	Policy Renewal – Add Vehicle
3	4	Policy Renewal – Section 5

For **Batch** processing of a **Policy Renewal Transaction**, there are two options:
- **Option 1:** Submit Transaction Type 3, Action Code 1 (**Policy Renewal** – Add Vehicle) for all vehicles that are being added to that policy.
    - If a single record results in an error, all vehicles associated with that policy will be rejected.

- **Option 2:** Submit Transaction Type 3, Action Code 0 (**Policy Renewal** – Add Policy only). Submit Transaction Type 4, Action Code 1 (**Amend Policy** – Add Vehicle) for all vehicles
  - Assuming the **Policy Renewal Transaction** processes successfully, the Policy posts to the RMV database.
  - 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 a **Policy Renewal Transaction** (3, 1), a single error rejects the entire transaction (along with all other vehicles on the Policy). **Policy Renewal 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.

Section 5 Renewals
For the **Batch Processing** of **Section 5 Policy Renewal Transactions**, the Transaction Code is 3 and the Action Code is 4. Since Section 5 Registrations do not have any vehicles associated with them, the match is by owner/business name and Plate Type/Registration. The number of plates the insurer is reporting is compared to the number of plates the RMV has on record. If the number matches, the transaction processes, if the insurer's plate count is less, the transaction fails with error code 6102 and if the insurer's plate count is greater, the transaction processes but informational error code 6103 will be set. In the last case, the RMV plate count is returned in the response record.

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 authorized 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 **Policy Renewal 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 **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 amendment 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 **Policy Renewal 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 (Federal Identification 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. Mismatches result in error code 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 the **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 **Policy Renewal 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 Policy Renewal Transaction** functions differently than the **Batch** version of this transaction. First is that the **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 users must inquire and obtain the key(s) for the data in question prior to processing the **Policy Renewal 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 registrant's (owner's), Registration Number, Registration Type, Registration Effective Date, and Registration Expiration Date. This value changes with each renewal.

The second difference is that **Web Services** is much more conversational, thus processing on a one-up basis, which makes much more sense. The third is that the **Web Services Transaction** defines a renewal differently than the **Batch** process. A Renewal using this **Web Services Transaction** only allows for updating the Policy Effective and Expiration Dates. If there are any other changes, (specifically if the policy number is changing), then the transaction must be processed as a **New Business Transaction**. In order to process a **Renewal Transaction**, the submitter needs only to supply the existing **ATLAS Policy Term Key** and the new Policy Effective and Expiration Dates.

Section 5 Renewals: In order to renew a policy insuring Section 5 Registrations the submitter would send the existing **ATLAS Policy Term Key**, the new Policy Effective and Expiration Dates, the **ATLAS Ownership Key** for the Section 5 Registration, and the number of plates that are being insured. If any other policy data is changing, the renewal would have to be processed as **New Business Transaction**.

As part of processing the **Renewal Transaction**, the number of plates the insurer is reporting is compared to the number of plates the RMV has recorded for the Section 5 Registration, if the

number matches, the transaction processes. If the insurer's plate count is less, the transaction fails with error code ERROR_NUMBEROFPLATES_TOOLOW. 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.

Response Record
For each **Policy Renewal 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
Policy Renewal Transactions must, as of Q3-Q4 2020, be submitted within 10 calendar days of the old policy's Expiration Date. A **Policy Renewal Transaction** can be submitted up to 90 days prior to the new policy's Effective Date.

If 10 calendar days passes from the prior policy's Expiration Date without the insurance carrier reporting a Policy Renewal, the RMV will issue a Revocation Notice (these always have a 10 calendar day grace period). Once the notice is issued, the status of the registration record states **VRGVAL** (or active) with an insurance status of "pending revocation due to unreported insurance" or (**INSPEN**). If insurance is not reported within the next 10 calendar days, on 12:01a.m. on the 11th day the status changes to **VRGREV**. The insurance status will also change to **INSREV**.

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 registration will remain revoked until the customer remits a $50 reinstatement fee, per registration.

References
RMV Business Partners Website
IPM Program
IPM Program Documents