

Insurance Verification Programs

STATE	UMR PRE-EMPLEMENTATION	UMR POST IMPLEMENTATION	SYSTEM	ERROR RATE	ANNUAL COST	FUNDING SOURCE
California	Not reported	Not reported	Mandatory reporting	NA	Not complying *1	
Colorado	32.40%	12.40%	Database	2%	\$1.2 M annually	\$0.50 registration surcharge
Florida	NA	6.18%	Database	6-8%	\$3M annually *2	Appropriation
Georgia *3	15.00%	7.00%	Database	10%	\$240,000 +	Unfunded mandate
Louisiana	Not reported	11.00%	Mandatory reporting	Not calculated	Not provided	Reinstatement fees
Missouri	*4	*4	Sampling	*4	\$425,000 annually	Appropriation
New Mexico	33.00%	18.90%	Database	3-9%	\$1.2 M annually	\$2 per registration
New York		3.00%	Database		\$472,500 annually *5	Paid by insurance carriers
Ohio *6	Not reported	8.00%	Sampling	Not calculated	\$469,281.00	Not reported
Oregon	Not reported	9.50%	Database/Sampling *7	20%	Not reported	Not reported
Utah	23.00%	7.00%	Database	3%	\$1.2 M annually *8	\$1 registration fee & \$100 refee

*1 While California requires mandatory reporting there is little compliance by the insurance industry. Their system cannot be considered functional in reducing the UMR

*2 Florida does not fund their database separately from their Safety Responsibility Bureau. Cost for database inclusive of other SR related functions.

*3 Georgia's system is relatively new. Put into production in January, 2004. Error rate indicated was during initial load.

*4 Missouri uses a variation of random sampling by identifying a focused sampling of suspect vehicles, of these approximately 6% are sent notices. The UMR cannot be determined on a statewide basis due to sampling method.

*5 New York operating cost limited to database only, does not include support.

*6 Ohio - less than 10% of responses to provide insurance are verified. UMR is calculated on responses. 5% of registered vehicles sampled annually.

*7 Oregon samples 10% of registered vehicles annually. All responses are verified with insurance company via mail.

*8 Utah pays \$0.05833 per vehicle for this service. Cost also includes safety responsibility personnel and infrastructure for the state.

Average Pre Implementation 25.85% **Average Post Implementation** 9.22%

Average Reduction In UMR 16.63%