California

Department of Motor Vehicles

Auto Liability Notification
January 2006

External Processing Procedures

The Great Seal

Document # ALN.IP.V2.0

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1. REVISIONS TO 4-14-2003 DOCUMENT:

The 4-14-2003 implementation guide has been revised to reflect changes required to implement mandatory electronic insurance reporting by private passenger automobile liability carriers.

There are changes to the process to improve the accuracy and integrity of the insurance database information. Changes include such things as receipt of the "Check Digit error in VIN" error (R204 for X12 companies) is no longer optional and insurance companies will always receive an email notification with each update file that is returned after processing.

2. AUTO LIABILITY NOTIFICATION (ALN)

2.1. Introduction

Under SB 652 (CH 880, 1999) an insurance verification system was created based on voluntary reporting of policy information. The Auto Liability Notification (ALN) was one of many programs that the California Department of Motor Vehicles (DMV) designed to support our ongoing commitment of continuously improving the quality of our services to the public. This program specifically focused on the insurance industry and the registration renewal process. To support this program DMV designed an insurance database to store liability insurance information for vehicles registered in the State of California.

The goal of ALN was to replace the paper evidence of liability insurance provided by vehicle owners renewing vehicles with an electronic file that identifies insured vehicles. Participating insurance companies provided the policy information, which was stored in the insurance database.

DMV used the database in its vehicle registration renewal process to determine:

- whether or not to request evidence of insurance when billing for vehicle renewal.
- when a customer is eligible to participate in the Vehicle Registration Internet Renewal process.
- when insurance is in effect while processing a vehicle renewal application.

As a result of this cooperative partnership, of the approximately 28.3[1] million vehicles registered in California on which owners are required to provide evidence of financial responsibility, more than 23 million of these vehicles currently have this information electronically reported to the DMV by insurance companies.

Recent legislation re-characterizes the ALN program, requiring mandatory electronic reporting of all private passenger automobile liability policies and coverage, including those issued by an automobile assigned risk plan. This updated manual addresses the changes to the program, as a result of the legislation.

[1] Represents the number of motor vehicles registered in California subject to the financial responsibility requirements for registration. Based on the number of automobiles, motorcycles, trucks, and miscellaneous vehicles identified in the 2005 DMV Statistics for Publication.

2.2. Background

Under Section 4000.37 of the California Vehicle Code, vehicle owners are required to submit evidence of financial responsibility to DMV when renewing their vehicle registration. Trailers, off-highway vehicles, and vessels are excluded from this requirement.

The evidence of financial responsibility requirement affects approximately 28.3 million vehicles in California. DMV processes approximately 60,000 paper insurance documents each day at headquarters. Nearly twenty percent of the renewals received do not contain any form of evidence of financial responsibility. Many of these renewals are for insured vehicles.

SB 1500 (Chapter [CH] 920, 2004) becomes effective January 1, 2006. This bill requires the mandatory electronic insurance reporting of all private passenger automobile liability (PPAL) policies. On or after January 1, 2006, each insurer shall electronically report all issued private passenger automobile liability policies or coverage within 30 days of the effective date of the coverage; and all terminations of a reported policy or any change of information previously reported within 45 days of the termination or change.

SB 1500 establishes a Vehicle Registration (VR) suspension program for impacted vehicle owners who:

- Fail to maintain liability insurance coverage;
- Fail to provide evidence of financial responsibility within 30 days after the issuance of the registration certificate upon initial registration or transfer of ownership; or
- Provide fraudulent evidence of financial responsibility.

The Budget Act of 2005 extends the implementation of the suspension portion of SB 1500 until October 1, 2006.

Assembly Bill (AB) 2709 (CH 948, 2004) becomes effective July 1, 2006. This bill requires the DMV to establish a method through which law enforcement agencies may electronically verify that minimum financial responsibility requirements are satisfied.

2.3. Processing

To enable insurance companies to participate in the State of California's ALN Program, DMV has established an insurance company Implementation Process. This process includes steps for initial contact with the DMV and all of the testing and implementation procedures that must be successfully completed in order for an insurance company to participate in the program. This document contains the rules and processing procedures related to the Implementation Process.

2.4. Establish Contact

An insurance company must contact the department's ALN Business Manager (see 2.5) to begin the Implementation Process. This guide should be thoroughly reviewed prior to initiating that contact.

The insurance company will need to provide:

1. Business and technical contact names, phone numbers and e-mail addresses.
2. Processing preferences:
    - The desired data record format: ANSI ASC X12.811 or California (CALI) Format.
    - The option for DMV to provide functional acknowledgement for those companies choosing to use the X12 data record format.
    - For companies choosing to use the X12 data record format, the option to receive specific error types.
    - The desired method of file transport: VAN, FTP VIA VPN or Cartridge tape (for testing only and initial load of the Book of Business).
    - The desired frequency the insurance company will send their files to meet the legislatively mandated timeframes (e.g. daily, weekly, monthly). Companies must report no less frequently than monthly unless there is no business to report.

Once companies are established as participants in the program, the ALN Business Manager will also serve as a liaison to resolve issues regarding policyholders, statistical analysis, ongoing program changes, etc.

2.5. DMV Initial Contact

Department	Contact	E-MAIL	Phone
Registration Operations Division (ROD)	LynneMarie Lema	llema@dmv.ca.gov	916-657-7537

3. BUSINESS RULES

3.1. Insurance Companies

Insurance companies will be required to submit information for each motor vehicle covered by a private passenger automobile liability policy.

The following are the business rules for submitting information to DMV:

1. All insurance companies must send insurance information electronically within 30 days after an insurance policy is issued.
2. All insurance companies must send insurance information electronically within 45 days after termination or non-renewal of insurance coverage. These should only be sent after policy coverage is no longer in force.
3. All insurance companies must report no less frequently than every 30 days unless there is no information to report.
4. When an insurance company changes policy information, the insurance company will delete the original record and submit a new policy record. This requires two separate records to be sent to DMV, a delete (XLC) transaction followed by a new business (NBS) transaction.
5. All electronic transmissions shall be sent and received using a transport method approved by the DMV.
6. The insurance company shall transmit insurance information to DMV using one of two formats:
    - ANSI ASC X12 standards, Transaction set 811.
    - California (CALI) Format.
7. Characters other than “A-Z” and “0-9” will not be accepted by DMV. The VIN must have at least 3 distinct characters and must not contain imbedded spaces.
8. The necessary information will be submitted within 30 days of the origination of new business, and within 45 days following termination or non-renewal of liability coverage.
9. The required fields for ANSI ASC X12.811 or CALI format processing are as follows:

    - File Creation Date
    - Sender Name
    - Sender Identification (ID)
    - Receiver Name
    - Version Identification (ID)
    - Insurance Name
    - Insurance Identification (ID) Number
    - Insurance Submitted Date
    - State Name

3.2. DMV Processing

DMV has established a set of rules by which it will setup a processing schedule and administer the use of the ALN process to benefit insurance companies and their customers.

1. DMV will accept transaction sets (X12.811 and CALI Format) whenever received.
2. Transaction sets, errors and acknowledgement transactions will be retained for a minimum of 120 days.
3. DMV will provide prompt notification of processing delays and will notify the insurance company of acknowledgment and error management. Email notification will be sent after the update file has been processed.
4. Insurance data will be stored only in the California insurance database and accessed by vehicle registration programs as specified.

3.3. Vehicle Reporting

Because motor vehicle departments and insurance companies often use different terminology in describing the vehicles they register or insure, the lists below are provided as a guideline. Specific examples of more 'unusual' vehicle types should be addressed by contacting DMV.

3.3.1. Reported

- Passenger Vehicles
- Automobiles
- Trucks
- Motorcycles
- Amphibious Vehicles
- Golf Carts
- Motorhomes

3.3.2. Not Reported

- Trailer Coaches
- Trailers
- Boats and other Vessels

3.4. Transmission and Receipt of Insurance Company Data

The following business rules apply to the transmission of the initial insurance company data and subsequent updates to that data.

1. All VINs must be sent through a check digit validation program prior to being sent to the DMV. This process can identify VINs that have obvious errors and which should not be forwarded to the DMV. VINs that do not successfully pass check digit validation should be verified with your customer to ensure that it was reported correctly to you.

2. For the initial load of an insurance company's data, companies may be required to report their business records via cartridge tape. This will be determined by the book size and the transport method. Updates will be provided by the insurance company's transport mechanism of choice as outlined in the Transport Mechanisms section of this document. DMV must approve any exceptions to the methods outlined.

3. The file information submitted must meet the mapping standards established for California reporting, ANSI ASC X12.811 or CALI format.

4. Insurance information will be installed as a one-time initial load (LOD) in the Implementation Process, and as new business (NBS) or termination (XLC) in the ongoing process. Suspended policies and reinstatements should be handled by sending an XLC when the policy is suspended and a NBS when the policy is reinstated.

5. DMV will verify all transmissions against a table of authorized senders and insurance companies (with associated NAIC/Sender ID numbers). Each name and number must be unique. Each company can only be reported through one entity (sole source reporting). This table will be used to validate authorized users.

   The data elements of the table are:

   - NAIC Number
   - Sender ID
   - Name of Company

6. When a termination (XLC) transaction is received, it will be matched to an existing record by NAIC number, policy number and VIN. Terminations that do not match an existing record by NAIC number, policy number, and VIN are returned as hard errors. The associated record file with DMV will not be deleted. This means that the record will remain on the insurance database and be reported as insured until a corrected XLC transaction is sent.

7. If the termination (XLC) transaction matches an existing record, the existing record will be removed from DMV's database.

8. If an LOD or new business (NBS) transaction is received and an existing NBS or LOD record matches the NAIC number, policy number, and VIN submitted, the new record will not be loaded and will be returned as a hard error. The existing information for the associated record file will be retained on DMV's database.

9. An activity report will be emailed to notify the insurance company that the update file has been processed. This activity report summarizes the errors resulting from the file processing and should be reviewed to ensure that the entire file sent was processed.

10. X12 segments not required by the DMV should be omitted from X12 transactions sent to the DMV via VAN.

3.5. Error Processing

The following business rules apply to the processing of errors in the insurance company data.

1. For detailed element descriptions for each error code:

    - ANSI ASC X12.811 Users
    - CALI users

2. When a record is returned as a hard or soft error, the entire record will be returned with error explanations.

3. There are two types of errors:

    a) HARD errors are those records rejected by DMV. They will **not** be placed in the insurance database and will be returned to the insurance company. Hard errors that are returned to insurance companies must be corrected and returned to DMV to have the insurance information present on the insurance database. **IMPORTANT NOTE**: Customers whose insurance records are not on the insurance database are not be eligible to participate in the Vehicle Registration Internet Renewal (VRIR) process and must provide paper proof of financial responsibility at time of renewal. Moreover, in October 2006, the DMV will begin the vehicle registration suspension program. Vehicles that are being registered in California for the first time or that have been transferred to a new owner, must provide proof of financial responsibility to the DMV within specified timeframes. Additionally, replacement financial responsibility must be provided when the DMV has been notified by an insurance company that financial responsibility has been canceled. If financial responsibility is not present within the timeframe allowed, these customers are subject to notification of vehicle registration suspension.

    b) SOFT errors appear on those records accepted by DMV, but there is one or more discrepancy, such as a VIN discrepancy. Records with soft errors will be placed on the insurance database. The receipt of these errors by the insurance company is optional. Companies can also select to receive certain types of soft errors, while not receiving others. Note: Receipt of the "Check Digit error in VIN" error (R204 for X12 companies) is no longer optional. This soft error should be treated with the same level of attention as a hard error, since there is a high likelihood the VIN provided is incorrect.

    VINs returned to an insurance company as soft errors should be verified with the vehicle owner, perhaps at the next policy renewal date.

    When a driver license number is used to match a record, DMV's associated VIN will be returned to the insurance company with a soft error. This will aid the insurance company in identifying the proper VIN for the vehicle. It is important that this soft error be verified with the vehicle owner to ensure that the VIN on insurance company records and the VIN on DMV records are the same.

    If the insurance company record was incorrect, the record can be corrected by sending a termination (XLC) of the original record followed by a new business transaction (NBS). If the original report was correct, the customer should be advised to contact DMV to have the vehicle registration and title corrected.

3.6. Record Matching Process

The following rules will be applied when matching the insurance company VIN against California DMV data.

1. All initial load and new business transactions will be checked for a match against DMV's Vehicle Registration database.

2. Each transaction with a VIN that has 10 or more positions will be checked for a matching VIN on the DMV's registration database. If a matching VIN is found, the DMV will load the appropriate matching code in the matching code field of the insurance record.

3. Each VIN that is less than 10 positions will be checked against the vehicle driver file, if a California driver record file is provided.

4. If a matching VIN record is not present or the VIN has less than 10 positions, and a California driver license number(s) has been received from the insurance company, the California driver license number(s) along with the last three positions of the VIN will be used to access the vehicle driver file with the potentiality of finding a matching VIN record. During the DL match process, if a record is found in which the last three positions of a full VIN match the last three positions of the reported VIN, the full VIN found in the matching process, as well as the VIN submitted by the insurance company, will be loaded onto the database with the appropriate matching code. This will result in a soft error that DMV will return to the insurance company with a message containing the full VIN found.

5. The DL match process will be performed using each California driver license number.

6. If a VIN is not matched to a DMV record through the VIN search and the VIN is 17 positions, a check digit calculation will be performed.

    - If the VIN does not pass the check digit calculation, DMV will load the record but create a soft error to the insurance company with a message that the VIN failed to pass the calculation and there was no match on the VIN. **IMPORTANT NOTE**: This soft error (R204 for X12 companies) cannot be suppressed by the insurance company and should be treated with the same level of attention as a hard error, as either the VIN provided by the insurance company or the VIN residing on the VR database is incorrect and should be corrected to avoid problems for the customer.

    - If the VIN passes the check digit calculation, DMV will load the record and create a soft error to the insurance company indicating that there was no match on the VIN. Insurance companies may wish to suppress this soft error (R203 for X12 companies).

7. When a record is matched by the DL match process, both reported and retrieved VINs will be stored in DMV's database.

8. Each record will contain an identifier indicating the record was matched by the VIN or driver license. An indicator will also identify a record that was not matched.

9. VIN numbers of five positions or less in length will not be used in DMV's renewal process due to the likelihood that multiple vehicles share the reported VIN.

3.7. California VIN Re-Matching Process

The Department strongly advises that companies participate in the VIN Re-Matching Process. The majority of unmatched vehicles are new vehicles where there is a delay in getting the information from the dealer to the DMV, and the electronic insurance information has been reported by the insurance company. As a result, the DMV developed a re-match process. This process runs as a weekly update to the entire insurance database. The process finds all unmatched VINs (R206 for the X12 companies) that are 45 to 52 days older than the original match date and attempts to rematch these to a registration record. If there is no match on the second attempt, the errors are returned to the insurance company. Insurance companies may want to filter the original "NM" warnings from their error and warning file, if they participate in the rematch process. The following is the flat file format. Refer to the VIN Rematch 811 Implementation Guide for the X12 file format.

FILE NAME:
CALI REMATCH

FORMAT - Fixed

R = REQUIRED
O = OPTIONAL

ITEM #	ITEM DESCRIPTION	OPTIONAL/REQ. FIELD	CLASS	LENGTH
1.	TRANSACTION CODE (EID02)	R	AN	5
2.	INSURER IDENTIFICATION NUMBER (5 POS NAIC# AND 4 ZEROS, OR, 5 POS NAIC# AND 4 POS GROUP#)	R	AN	9
3.	POLICY NUMBER	R	AN	30
4.	INSURED VIN	R	AN	25
5.	INSURED LAST NAME OR ORGANIZATION FULL NAME	R	AN	35
6.	POLICY SUBMISSION DATE (CCYYMMDD)	R	D	8
7.	POLICY ORIGINAL PROCESS DATE (CCYYMMDD)	R	D	8
8.	POLICY REMATCH DATE (CCYYMMDD)	R	D	8
9.	VEHICLE MODEL YEAR (CCYY)	O	AN	4
10.	VEHICLE MAKE	O	AN	5
11.	POLICY EFFECTIVE DATE (CCYYMMDD)	R	D	8
12.	POLICY TRANSACTION CODE (LOD or NBS)	R	AN	3
13.	FILLER	O	AN	2
	TOTAL RECORD SIZE			150

3.8. Department Use of the Insurance Database for Renewal Processing

As mentioned earlier, DMV will use the database in its business of vehicle registration renewal. This includes Registration Billing Notices and Incoming Registration Renewal Notices. The following information is provided to illustrate how that process is affected and will impact the insurance database.

3.8.1. Registration Billing Notices

Prior to generating a registration billing notice, the insurance database will be checked for a matching VIN. Only VINs with 6 or more positions are checked.

- If a matching insurance record exists, no request for evidence of insurance is generated on the billing notice. An invitation to renew through DMV's Internet website, along with an access code, will be printed on the billing notice. The customer will also receive additional information in the billing envelope regarding DMV's Vehicle Registration Internet Renewal program.
- A message on the reverse side of all billing notices indicates that if evidence of insurance is not requested, it has been received from the insurance company and is not required.
- If no matching insurance record exists, a message is generated on the billing notice requesting evidence of insurance.

3.8.2. Incoming Registration Renewal Notices

3.8.2.1. Mail Items

If an incoming renewal notice is accompanied by paper evidence of insurance, the insurance database is not accessed. If an incoming renewal notice is not accompanied by evidence of insurance, the insurance database will be checked for an NBS or LOD record with a matching VIN. This is true even for those renewals for which evidence of insurance was not originally requested, so that customers obtaining insurance shortly before renewal of their registration can benefit from the program.

3.8.2.2. Over-The-Counter Items

Approximately forty percent of Californians choose to renew their vehicle registration in person at a local DMV office. When these customers present their application, an automatic inquiry will be made to DMV's insurance database. If the vehicle is not present on the database, the customer will be asked to present acceptable evidence to the technician assisting them.

3.8.2.3. Internet Renewal

As mentioned earlier, billing records are compared to the insurance database for Internet renewal eligibility; only vehicles present on the database may be renewed through DMV's Internet website. Eligible vehicles will receive a Renewal Identification Number (RIN) that is used to access DMV's renewal website. At that time of Internet renewal, the insurance status is checked once again against the database before a renewal is processed. If the renewal does not have evidence of liability coverage on the insurance database, then the customer is asked to provide evidence of liability via mail.

3.9. Department Use of the Insurance Database for Non-Renewal Transactions

3.9.1. Original and Transfer Transactions

To comply with the SB 1500 mandate, the DMV will check for the presence of insurance on the database after issuance of registration when a vehicle is being registered in California for the first time or when a vehicle is transferred. If no insurance information is present at the time the database is checked, a notice will instruct the customer on how to resolve the matter.

Following a period of time for the customer to respond, a second check will be made against the database. If insurance information still has not been received, these customers will receive a Letter of Suspension. This Letter of Suspension will require the customer to pay a reinstatement fee and provide proof of insurance coverage, prior to the vehicle registration being reinstated.

3.9.2. Cancellation of Insurance Reported by Insurance Company

DMV will check for the presence of insurance on the database 45 days after being notified by an insurance carrier that insurance has been canceled. If no insurance information is present at the time the database is checked, a notice will instruct the customer on how to resolve the matter.

Following a period of time for the customer to respond, a second check will be made against the database. If insurance information still has not been received, these customers will receive a Letter of Suspension. This Letter of Suspension will require the customer to pay a reinstatement fee and provide proof of insurance coverage, prior to the vehicle registration being reinstated.

4. IMPLEMENTATION PROCESS

An insurance company must contact the department's ALN Business Manager (see 2.5) to begin the Implementation Process. This guide should be thoroughly reviewed prior to initiating that contact.

Insurance companies wishing to participate in California DMV's ALN Program will be required to successfully complete the DMV Implementation Process.

The steps of this process, include:

- Establish a Technical Contact
- Complete Processing and Validation
- Select Processing Options
- Select Transport Mechanisms
- Provide the required Information on the Notice of Intent

5. ESTABLISH TECHNICAL CONTACT

During this step, DMV will address any technical questions that the insurance company might have, finalize any of the remaining processing preferences and develop an initial processing and validation schedule. In addition, the insurance company will be expected to provide detailed technical information related to the processing of insurance company data. This will be accomplished during one or more calls between DMV and the insurance company.

The boarding schedule is predicated upon the number of companies currently participating in the Implementation Process. Companies should be prepared for the potential of delays during this period.

6. PROCESSING AND VALIDATION PROCESS

Once a company enters the processing and validation schedule, they should be prepared to proceed through the following phases leading to production:

- Phase 1 - Format Validation (25-50 LOD records)
- Phase 2 - Data Validation (2,000 LOD records)
- Phase 3 - Volume Testing (50,000 LOD records)
- Phase 4 - XLC/NBS Testing (Beginning with 250,000 records, followed by XLC / NBS Testing)
- Tier One Pre-Production Phase (Book of Business)
- Operational Production Phase (Data is available for the Registration Renewal Process)

7. PHASE 1 - FORMAT VALIDATION

The purpose of Phase 1 is two-fold:

1. The insurance company must send a test file, of LOD transactions only, to DMV to determine how closely the data being sent meets the requirements of the CALI database. The emphasis will be on the following:

    - Identification of LOD Data
    - Structure of LOD File
    - Inbound Transport

2. An inbound communications test to DMV will be conducted to prove that data can be successfully transmitted. DMV will also verify the required data and structure of the file.

    This test can be run as many times as necessary and must be completed successfully to prove the inbound transport method works and before proceeding to the next step.

It is difficult to predict how long the format validation process will take. It is possible, based on the transport mechanism, record format and number of other companies being validated, etc., for this phase to be completed in less than two weeks.

If repeated problems occur that defy resolution or depart greatly from DMV's specified processing criteria, the processing and validation schedule could be postponed indefinitely.

It will take approval from the DMV staff to proceed to the next phase.

7.1. Identification of LOD Data

As stated in the business rules, certain insurance company information is required, for example Sender, NAIC and State. If this data is missing or incorrect the process will not complete successfully. This first test file determines that the necessary fields are populated before larger and more costly files are transmitted to the DMV.

7.2. Structure of LOD File

If X12 was selected as the preferred data record format, a structure defined by the Automotive Liability Insurance Reporting (ALIR) committee, must be adhered to for the mapping to work properly. This first test file provides the ability to determine that the proper structure has been used before larger and more costly files are transmitted to DMV.

7.3. Inbound Transaction File

The insurance company will send at least 25-50 LOD vehicle transactions using the transport mechanism of choice. These records will be loaded into DMV's test database and will allow DMV to verify that the selected transport mechanism is functioning and that the information is correctly defined.

This process will be repeated until the inbound transport process and format validation are successfully configured. When both DMV and the insurance company are satisfied with the results, testing will move to the next phase.

7.4. Outbound Transaction File

A return error file is created and sent back to the VAN mailbox for insurance companies using the VAN file transport method. Insurance companies using VPN will pick up their error file.

This process will be repeated until the data validation is successful. When both DMV and the insurance company are satisfied with the results, testing will move to the next phase.

8. PHASE 2 - DATA VALIDATION

When DMV successfully returns a file to the insurance company, it can establish that the data validation of the transport method was satisfactorily completed.

This is a critical step in fulfilling the implementation schedule and the emphasis will be on:

- Data Validation
- Error Handling
- Outbound Transport

It will take approval from the DMV staff to proceed to the next phase.

8.1. Data Validation

The data sent is processed using the DMV validation routines. Records are flagged with HARD and SOFT error codes to inform the insurance company as to why the transaction is being returned.

8.2. Error Handling

The error handling will be the same for all phases. We will return an error file with each file we test.

8.3. Inbound Transaction File

The insurance company will send at least 2,000 LOD vehicle transactions using the transport mechanism of choice. These records will be loaded into DMV's test database and will allow DMV to verify that the selected transport mechanism is functioning and that the information is correctly defined.

This process will be repeated until the inbound transport process and format validation are successful. When both DMV and the insurance company are satisfied with the results, testing will move to the next phase.

8.4. Outbound Transaction File

A return error file is created and sent back to the VAN mailbox for insurance companies using the VAN file transport method. Insurance companies using VPN will pick up their error file.

This process will be repeated until the data validation is successful. When both DMV and the insurance company are satisfied with the results, testing will move to the next phase.

9. PHASE 3 – VOLUME TESTING

Depending on the error rate, volume testing can be as little as a single step (one pass through the phase) or as many as needed. In this phase, the insurance company will transport 50,000 LOD vehicle records to be processed. For cost saving purposes, cartridge tapes will be accepted for processing during this phase if desired, however, the return file will go out using the mode of transport selected for production. It will take approval from DMV staff to proceed to the next phase.

During Phase 3, the emphasis will be on:

- Return Functional Acknowledgment (X12 Users)
- Business Review of Errors

9.1. Return Functional Acknowledgment

For X12 users this will be the first time a functional acknowledgment will be returned if that option was selected as a preference by the insurance company.

9.2. Business Review of Errors

DMV will generate error records to be returned to the customer. DMV staff will review these errors to determine if they are valid. Corrections to our process will be implemented if the generated errors are the fault of DMV and a new return file will be created.

A high error record count could indicate a number of possible problems and DMV staff will work closely with staff from the insurance company to resolve the problems. Inability to resolve the problem could affect the implementation schedule for a particular company.

Once the error count is determined to be acceptable by DMV and the insurance company, the emphasis on this phase will be to return errors from the database validation process to the insurance company.

10. PHASE 4 - XLC / NBS TESTING

The purpose of this phase is to test a large volume (250,000 vehicles) of LOD transactions and test the XLC and NBS transactions. If the insurance company has less than 500,000 vehicles, the 50,000 LOD transactions from Phase 3 may be used in this phase. For cost saving purposes, cartridge tapes will be accepted for processing during this phase. If desired however, the return file will go out using the mode of transport selected for production. It will take approval from the DMV staff to proceed to the next phase.

During Phase 4, the emphasis will be on:

- Volume Testing
- XLC / NBS Testing
- Review of Errors

10.1. Volume Testing

The emphasis during this test will be to verify that a large load performs as anticipated, to resolve any space issues and to prepare to process the Book of Business for the Production Phase.

10.2. XLC / NBS Testing

If it is possible for the insurance company to send NBS transactions and isolate the XLC transactions for only the vehicles sent in the 50,000 LOD file, those transactions should be tested here. If this is not possible, the first place to test the XLC and NBS transactions will be in the Production Phase.

10.3. Review of Errors

DMV staff will review the errors and determine if the error rate is acceptable.

Once any issues that might arise over the number of error records generated are resolved, this phase will be as close to a production environment as can be obtained in a test environment. Insurance companies will be expected to send DMV corrected errors and any modifications (XLC and NBS transactions) to the insurance database. DMV will process these updates as they are received, closely monitoring the impact on the database and the proportion of errors generated.

This phase prepares an insurance company for loading their Book of Business. DMV will process as many adds (NBS) and deletes (XLC) as necessary to assure DMV's Information Systems Division and Registration Operations Division that the insurance company is prepared to load their Book of Business. Both DMV and the participating insurance company have to agree that both the information and the transport mechanism are truly production ready before moving to the Production Phase.

The insurance companies can expect the testing and review of errors to take from one to three weeks based on the number of error records generated and at the frequency DMV receives updates.

11. TIER 1 PRODUCTION PHASE (PRE PRODUCTION PHASE)

During the Tier 1 Production Phase, the Book of Business will be loaded on the insurance database but will not be available for registration billing, registration renewal, suspension programs under SB 1500, or law enforcement inquiry. The data will be made available at the Operational Production Phase.

During the Tier 1 Production Phase, the emphasis will be on:

- Loading the Book of Business
- XLC / NBS Processing
- Review of Errors

For cost saving purposes, cartridge tapes will be accepted, and is desired by the DMV, for processing during this phase, however, the return file will go out using the mode of transport selected for production. It will take approval from DMV's business staff to proceed to the Operational Production Phase

All processes and procedures will continue unchanged when moved from Tier 1 Production to Operational Production phases and will not require another load of the insurance company's Book of Business.

There is no anticipated time frame for this phase. DMV will accept a new insurance company into the Operational Production Phase only when DMV's Information Systems Division and Registration Operations Division approve such a move.

11.1. Loading the Book of Business

Once an insurance company supplies DMV with their Book of Business (LOD Transactions) the data is loaded into the production insurance database, but the data will remain unavailable for registration billing, registration renewal, suspension programs under SB 1500, or law enforcement inquiry. DMV will not use this data until all phases of testing are complete.

11.2. XLC / NBS Processing

After sending the LOD transactions the insurance company should be prepared to send DMV all transactions that affect the Book of Business from that moment on and proceed with the ongoing XLC and NBS transactions. This will keep the database current when going to the Operational Production Phase.

If Phase 4 was not performed, this is the first place where the XLC and NBS transactions will be tested and that could affect the length of time this phase must span before both parties are satisfied with the results.

11.3. Review of Errors

DMV staff will closely monitor any errors produced during this phase to assure that the error rate does not reach undesirable levels.

12. OPERATIONAL PRODUCTION PHASE

Operational Production is the final stage. A new Book of Business is not required for Operational Production. The Book of Business loaded in the Pre Production Phase, along with the NBS and XLC transactions applied to the book will be used for Operational Production. These records are made available to customers when renewing their vehicle registration via the Internet (Vehicle Registration Internet Renewal process), to customers sending in their vehicle registration renewal through the mail, over-the-counter registration and for billing notices. These records will be accessed by law enforcement and by the DMV to determine the presence of financial responsibility for the SB 1500 program.

12.1. Review of Errors

Insurance Companies will receive an email notification with each update file that is returned after processing. This notification explains the quantity of each type of error being encountered. It should be carefully examined and analyzed, as it is vital to keeping the insurance information accurate and reliable. Insurance companies can spot error trends and identify if a file was not processed in its entirety.

13. INSURANCE COMPANY PROCESSING OPTIONS

Insurance companies will be provided a number of processing options. These options may or may not be employed in all implementation phases, but need to be established and implemented prior to moving to Phase 3.

DMV wishes to allow each insurance company as much flexibility as possible and yet assure process reliability and data integrity. DMV understands that each participating company may have processing requirements unique to their operation.

DMV presently offers the following options:

- Record Format Selection (X12 or CALI)
- Functional Acknowledgements (X12 Users)
- Processing Acknowledgements (CALI Users)
- Error Selection
- Transport method
- Frequency

13.1. Record Format Selection

Insurance companies will send information to DMV using one of two formats: ANSI ASC X12.811 or the proprietary CALI format developed by the California DMV. Please see the **811** Implementation Guideline sections of this document for complete X12 requirements and the CALI Format User Guide section of this document for a complete listing of CALI requirements.

13.2. Functional Acknowledgements (X12 Users)

If X12 is the selected record format, DMV is set up to provide a functional acknowledgement (997 transaction) upon receipt of X12 data if requested by the insurance company.

13.3. Processing Acknowledgements (CALI Users)

DMV currently does not have the ability to provide an acknowledgement of receipt of CALI data. However, a return file will be created for every file sent to DMV. If there are no errors in the file sent to DMV, the insurance company would receive a file with only an EID99 record in the file. The return file for CALI users can act as both the acknowledgment of receipt and that the file was processed.

13.4. Error Selection

DMV has validation processes that provide participating insurance companies with the assurance that every possible step will be taken to add their customers to our database.

As a natural byproduct of the process, messages are generated based on the action taken. These messages are divided into HARD and SOFT errors. Hard errors are those that result in failure to add a customer to the database or to delete a customer from the database. Soft errors are those in which discrepancies occurred, but the customer was added to the database.

Hard errors must be corrected by the insurance company since the records associated with the transaction are not added to (LOD or NBS) or deleted from (XLC) the database. This will allow the insurance company to make the necessary corrections so that customers can be properly loaded into DMV's database. Incorrect records can cause your customer's vehicle registration to be delayed or suspended. At a minimum your customer will receive notification from the DMV, requiring them to interact with the DMV to correct the problem. Renewal customers will not be able to use alternative service methods such as the Internet website.

An NBS transaction that results in a hard error that is not corrected by the insurance company will automatically result with another hard error if a subsequent XLC transaction is transmitted. Hard error rates are monitored by the DMV technical staff. If an insurance company's hard error rate reaches a consistently unacceptable level, DMV reserves the right to require a new book of business.

Some insurance companies will not want to receive the soft errors informing them that their customers were added although discrepancies occurred. DMV has filters in place that are NAIC specific and will determine which soft errors will be returned. Insurance companies will be provided the option of choosing error suppression for each NAIC they intend to send with the exception of the "Check Digit Error in VIN Number" error (R204 for X12 users). (See section California DMV Application Error Messages in this document.)

14. TRANSPORT MECHANISMS

Participating companies will be expected to select one of DMV's accepted methods and be prepared to transfer test and production records to DMV via this method.

Currently DMV will accept the following transport mechanisms:

- VAN
- FTP VIA VPN

Cartridge Tape, 3480 or 3490, may be used for testing only and loading the Book of Business.

14.1. VALUE ADDED NETWORK (VAN)

A Value Added Network (VAN) provides a type of mailbox that allows data to be sent and received between trading partners (i.e. between the DMV and the insurance company). A VAN provider will store and forward EDI and non-EDI documents to and from Trading Partners. They can also setup accounts, userids, trading partner rules, sender/receiver payment agreements and additional services, such as audit reporting and translation.

Insurance companies who decide to use the VAN option should research and select a VAN provider that will accommodate their company needs. Insurance companies may want to select a VAN provider that is currently being used by their key trading partners. Most of the major VAN providers have agreements to "interconnect" with their competitors. There are costs associated with using a VAN and the costs varies with each VAN provider. DMV does not recommend any specific VAN providers.

Once an insurance company selects a VAN provider, the insurance company and DMV will exchange account/userid information so that trading partner profiles can be setup that will allow for the exchange of data between VAN providers.

DMV uses Global Exchange Services (GXS) for an Information Exchange account and multiple user IDs. Insurance companies who choose the VAN transport mechanism should be prepared to provide a 'mutually agreed' account and ID for testing and for production. In turn, DMV will provide each participating insurance company with its account and user ID.

	ISA Qualifier	**ISA Receiver ID**		**GS Receiver ID**	
DMV X12 and CALI Testing ID:	ZZ	DMVX	DMVTS01	DMVX	DMVTS01
DMV X12 and CALI Production ID:	ZZ	DMVX	DMVTS02	DMVX	DMVTS02

DMV will work closely with insurance companies using other VANs (e.g., GEIS, IVANS, etc.) to establish the necessary profiles.

14.2. FTP VIA VPN

DMV's Virtual Private Network (VPN) software for File Transfer Protocol (FTP) will operate on a variety of platforms (e.g., Windows, NT, UNIX, etc.) but insurance companies considering VPN as a transport option should verify the compatibility of their system to avoid delays in their implementation.

When insurance companies request VPN as their transport mechanism, DMV will provide the necessary forms to receive the software and access authority to DMV's mainframe. Insurance companies choosing this transport mechanism must agree to abide by DMV's security policies and procedures.

When using the FTP via VPN option, the insurance company will be responsible for doing a 'put' to DMV's system when sending data and doing a 'get' to retrieve the returned transactions. Sending and retrieving data needs to be a coordinated effort. Otherwise, it is possible that if the data has not been processed and the insurance company does a second 'put', the original data will be written over.

The DMV will provide:

- IP address of the FTP server
- Userid and password for VPN concentrator.
- Userid and **expiring** password to the FTP server. You will be required to change the FTP server password at least every 35 days.
- Test and production file names to be used for the 'put' and 'get' FTP commands. (These will be for the UPDATE, ERROR, and ACKNOWLEDGEMENT files.)

For more information on Customer Requirements, including PC to Router and Router to LAN requirements you may reference the **VPN Service Offerings** manual.

14.3. Cartridge Tape Processing

This option is available for testing and initial loads only. Verify with the DMV technical contact to determine if a cartridge tape is required for your testing and production phases. DMV has facilities to accept 3480 and 3490 cartridge tape formats. For insurance companies with very large Books of Business, this will be the preferred transport mechanism for the initial load.

For situations where cartridge tape processing is required, the device must be one of the two listed above and the information must be stored using Standard Labels. For complete information as to record formats, etc., X12 users refer to the ANSI ASC X12.811 section and CALI users refer to the CALI Format Users section .

Cartridge tapes should be sent to:

DEPARTMENT OF MOTOR VEHICLES
INFORMATION SYSTEMS DIVISION
P.O. BOX 932336
SACRAMENTO, CA 94232-3360
Attention PST, MS T172

Cartridge tapes will be returned to the sending address.

15. CALI FORMAT USERS

To allow for cleaner transport functionality and reduced expenses, DMV requires that CALI records must be fixed block with a logical record length of 1135.

For a full description of the CALI file layout, field definitions, and error descriptions please refer to the CALI Format User Guide.

Variations from DMV's preferred formats prevent insurance companies from participating.

16. ANSI ASC X12.811 USERS

To allow for cleaner transport functionality and reduced expenses, DMV requires that ANSI X12.811 records be fixed block and the logical record length be 80 bytes wrapped.

For a full description of the ANSI ASC X12.811 structure, segment and element definitions and error descriptions please refer to the 811 IMPLEMENTATION GUIDELINE - TO DMV and THE 811 IMPLEMENTATION GUIDELINE-FROM DMV.

17. CALIFORNIA DMV APPLICATION ERROR MESSAGES

The following table represents the error indicator value being returned by the California DMV application program and its associated meaning to the insurance company in the CALI Format or Outbound 811 Format depending on your choice of formats. Refer to the User Guides for further explanation.

- CALI Users: CALI Item # refers to the field number in CALI that will contain the CALI Value shown.
- X12 Users: X12 Location refers to the HL loop where the X12 Value can be found.

CALI Item #	CALI Value	X12 Location	X12 Value	DMV Meaning
12	E	HL1 LX Loop	E005	File Submit Date Error (X12 Users). Hard Error. None of the records in this submission were processed.
		HL1 LX Loop	E060	Invalid State (X12 Users). Hard Error. None of the records in this submission were processed.
15	E	HL4 IT1 Loop	E075	Invalid Trans Code (Not LOD, NBS or XLC) Hard Error. The information for the policy with the bad trans code was not processed.
15	N	HL5 IT1 Loop	E286	XLC and policy not found. Hard Error. The record sent was not processed.
15	M	HL5 IT1 Loop	E202	NBS or LOD and policy is already on file (Duplicate Policy). Hard Error. The record sent was not processed.
17	E	HL4 IT1 Loop	E085	Invalid lookup on policy number. Hard Error. The information for the policy was not processed.
19	E	No corresponding code.	N/A	Policy Type Code Error. Hard Error. The record sent was not processed.
21	C	HL5 LX Loop	R204	Check Digit error in VIN. A no match (R206) or DL match (R500) 17-byte VIN failed check digit validation. This Soft Error cannot be suppressed. The vehicle will be added to the database.
21	E	HL5 LX Loop	E200	Invalid characters in VIN. Hard Error. The vehicle with invalid VIN was not added to the database. If the policy had additional vehicles with valid VINs, these vehicles will be processed.
21	R**	HL5 LX Loop	R203*	Passed Check Digit validation but VIN was not found. Soft Error. The vehicle will be added to the database.

CALI Item #	CALI Value	X12 Location	X12 Value	DMV Meaning
25	E	HL4 NM1 Loop	E235	Last name was missing. Hard Error. All records associated with the policy will not be added to the database.
33	NM**	HL5 LX Loop	R206*	No match on VIN or Drivers License #. Soft Error. The vehicle will be added to the database. If the VIN has 17 bytes then the check digit calculation will be done resulting in R203 or R204 soft errors.
33	D0-D6**	HL5 LX Loop	R500*	Matched on Driver #0 - #6 and last three characters of the VIN. Soft Error. The record submitted and the VIN that DMV returned will be placed on the DMV database. The correct VIN will be returned to aid in the correction of the data. If the VIN is 17 bytes, then the check digit validation will be done.
34	E	HL4 IT1 Loop	E115	Policy (coverage) effective date error (LOD or NBS). Hard Error. The information associated with the policy with the invalid date will not be processed.
36	E	HL4 IT1 Loop	E125	Policy (coverage) Expiration Date error (XLC). Hard Error. The information associated with the policy with the invalid date will not be processed.

Note: * next to a 'DMV Value' or 'X12 Value' denotes errors that can be suppressed.

17.1. Reload of Book of Business

After an insurance company goes into Operational Production, a hard error rate of less than 10% must be maintained. If during the course of business, the hard error rate exceeds this rate, the DMV maintains the right to ask for a reload of a company's book of business.

18. MAGNETIC CARTRIDGE TAPE SPECIFICATIONS

18.1. Filing via Cartridge tape

18.2. SHIPPING AND HANDLING

Insurance companies submitting cartridge tapes to the Department of Motor Vehicles (DMV) shall adhere to the following procedures:

1. **MAILING ADDRESS**
   Input cartridge tapes being shipped to the Department will be addressed:

   DEPARTMENT OF MOTOR VEHICLES

   HEADQUARTERS, PRODUCTION SUPPORT GROUP

   2415 FIRST AVENUE, M/S T172

   SACRAMENTO, CA 95818

2. **CARTRIDGE TAPE IDENTIFICATION**
   Each cartridge tape must be clearly identified with an external label to include the following information:

   - Name of Insurance Company
   - National Automobile Insurance Commissioners number
     (4-digit number assigned by NAIC)
   - Creation Date
   - Record Count (number of vehicles)
   - Cartridge tape Serial Number
     (Should match the number on the cartridge tape and the internal Volume Label, bytes 5-10)
   - Logical Record Length (RECL)
   - Record format should be Fixed Block (FB)
   - Disposition
     (Identifies the program processing the cartridge tape - ALN LOD cartridge tape)
   - **DO NOT REUSE EXTERNAL LABELS** (Please create a new label for each cartridge tape submission.)

LABEL SAMPLE:

XYZ INSURANCE COMPANY ID 1234

CREATION DATE: 02/15/00

RECORD COUNT: 987

CARTRIDGE TAPE SERIAL #: 13579 DISP: ALNP LOD

3. **TRANSMITTAL LETTER**

A Transmittal Letter must accompany each cartridge tape. After the cartridge tape is processed by the Department, the Transmittal Letter will be returned with the cartridge tape to the address shown in the "FROM" box on the Transmittal Letter. Please make sure that the transmittal letter date and the date on the external cartridge tape label match.

4. **BACKUP CAPABILITY**

Insurance Companies submitting cartridge tapes should be capable of recreating any cartridge tape lost in transit or found to be unreadable. That capability should exist until the original cartridge tape has been processed and returned and the originator is satisfied that all records have been properly handled.

18.3. INPUT CARTRIDGE TAPE SPECIFICATIONS

Input cartridge tapes submitted to DMV must conform to the following general criteria:

- 18 track or 36 track
- 3480 or 3490 cartridge tapes
- Standard EBCDIC coded characters

CARTRIDGE TAPE DATA SPECIFICATIONS

Cartridge tape data must conform to the following general specifications:

- The following character codes must be used:

(space)	= hex '40'
alpha 'O'	= hex 'D6'
numeric '0'	= hex 'F0'
tape mark	= hex '13'

- Cartridge tapes shall contain standard volume and header labels.
  E.g. each volume (cartridge) will contain a volume label and a header label; each label shall be 80 characters in length and be contained in an 80 byte block.

- A tape mark shall follow the volume and header label.

- A tape mark will follow the last data record on the cartridge tape.

- Cartridge tapes will contain standard trailer labels.
  The trailer label is 80 bytes in length, and will be contained in an 80-byte block.

- A double tape mark must follow the end-of-volume or end-of-file trailer label.

CARTRIDGE TAPE FORMAT AND DESCRIPTIONS

VOLUME LABEL	HEADER LABEL	TAPE MARK	RECORD 1	RECORD 2	RECORD 12	RECORD 13	TAPE MARK	TRAILER LABEL	TAPE MARK	TAPE MARK

*Depending on the system being used, an additional HEADER LABEL and/or TRAILER LABEL may be generated. Because this is a system-generated condition, the format is not described in this manual. Although it is not defined, it is permissible and accepted by the Department.

VOLUME LABEL

VOLUME LABEL

The Volume Label should be included on the cartridge tape. If this portion of the cartridge tape is inadvertently damaged, the user may create a new label or the tape may be returned to DMV for correction. The Volume Label is an 80-byte area consisting of the following fields:

BYTES	**FIELD**	**DATA**
1-3	Label Identifier	VOL
4	Label Number	1
5-10	Reel Number	nnnnnn where nnnnnn must match the DMV external cartridge tape label
11	Security	0 (zero)
12-41	(not used)	fill with hexadecimal ‘40’s
42-51	Owners Reel Number	This field identifies internally to whom the data belongs. Any combination of letters and nyumbers is acceptable.
Cartridge tapes received from users may be any combination of alpha numerics in this 10 position field. However the last six positions must match the six position ID on the external cartridge tape label.		
52-80	not used	Fill with hexadecimal ‘40’s

VOL1nnnnnn0$^{4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4}_{0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0}$XXXXXXXXXX$^{4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4\,4}_{0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0\,0}$

HEADER
LABEL

HEADER LABEL

The Header Label is an 80 byte area consisting of the following fields:

BYTES	FIELD	DATA
1-3	Label Identifier	HDR
4	Label Number	1
5-21	Cartridge tape ID	MV.CALI.MVCnnn.IN where nnn is the insurance company number assigned by DMV
22-27	Reel Number	nnnnnn where nnnnnn must match the cartridge tape # on the Volume Label
28-31	Reel Sequence	0001
32-35	File Sequence	0001
36-39	Generation Number	0001
40-41	Version	01
42	0 (zero)	'0' = year 2000, blank =year 1900
43-47	Creation Date	YYDDD Julian format - YY = year - DDD = day of year eg. If the cartridge tape was created on May 1, 1989, this field is entered as 89121
48	0 (zero)	'0' = year 2000, blank = year 1900
49-53	Expiration Date	YYDDD Julian format It is anticipated that the cartridge tapes will be returned to pla of origin within 48 hours of receipt by DMV. The user may enter any date beyond the 48 hours to indicate when the cartridge tape may be written on again or the curre year and '999' may be stored. EXAMPLE: 89999
54	Security	0 (zero)
55-60	Block Count	000000 (zeros)
61-80	(not used)	Hexadecimal '40's

HDR1MV.CALI.MVCnnn.INnnnnnn000100010001010YYDDD0YYDDD0000000 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4
0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0

TAPE MARK

TAPE MARK

The Tape Mark is a 1-byte field of hexadecimal ‘13’.

13

RECORD 1	RECORD 2	- - -	RECORD 12	RECORD 13

DATA BLOCK

If you are using the CALI Format, the fixed length of the record is 1135 bytes. If an insurance company is using the X12 Format, the fixed length of the record is 80 bytes. Refer to both of these sections to get detailed information about the record length and format.

RECORD 1	RECORD 2	- - -	RECORD 8	RECORD 9	TAPE MARK

FINAL DATA BLOCK

TAPE MARK	TRAILER LABEL	TAPE MARK	TAPE MARK

TRAILER LABEL

The end of the cartridge tape consists of a single tape mark followed by a Trailer Label and a double tape mark. The Trailer Label is an 80-byte area consisting of the following fields:

BYTES	FIELD	DATA
1-3	Label Identifier	EOF
4-54	SAME AS HEADER LABEL	
55-60	Block Count	nnnnnn where nnnnnn = number of Data Blocks written on the cartridge tape. Do not include volume, header and trailer labels in this count. Precede with zeros when applicable. Example: 250 blocks would be shown as 000250
61-80	(not used)	Fill with hexadecimal '40's

EOF1MV.CALI.MVCnnn.INnnnnnn000100010001010YYDDD0YYDDD0nnnnnn$^{4}_{0}$ $^{4}_{0}$

19. TRANSMITTAL LETTER

T R A N S M I T T A L L E T T E R

TO: Department of Motor Vehicles
ISD - M/S T172
2415 - 1st Avenue
Sacramento, CA 95818

INSURANCE COMPANY COMPLETE ALL BOXES

FROM:

CARTRIDGE TAPE SERIAL No(s).

NAIC ID

CREATION DATE

NUMBER OF FILES ON CARTRIDGE TAPE

NUMBER OF RECORDS IN EA. FILE

RECORD FORMAT (Fixed Block or Variable block (FB OR VB)

TOTAL NUMBER OF RECORDS ON CARTRIDGE TAPE

LRECL **BLOCKSIZE**

CONTACT PERSON

TELEPHONE No.

DEPARTMENT OF MOTOR VEHICLES USE ONLY

OUTPUT RECORD COUNT:_____ ERROR COUNT:_____

COMPLETED BY:_____ DATE: _____

COMMENTS:

20. GLOSSARY

AAMVA	American Association of Motor Vehicle Administrators. AAMVA is a voluntary, non-profit, tax-exempt, educational organization of state and provincial officials in the United States and Canada responsible for the administration and enforcement of laws pertaining to the motor vehicle and its use.
AAMVANet	A network established by AAMVA to provide cost-effective communication network.
Amphibious Vehicle	A device, which may be propelled, moved, or drawn upon both water and a highway on land.
ANSI ASC X12.811	The American National Standards Institute (ANSI), Accredited Standards Committee (ASC) X12.
CALI	California Automobile Liability Insurance format
EDI	Electronic Data Interchange is inter-company, computer-to-computer transmission of business data in a standard format.
Effective Date	The date on which the insurance coverage becomes valid.
Errors	**Hard Error** - This is an error that rejected the insurance company record or transaction set. The error must be corrected and the document or transaction resubmitted. **Soft Error** - This is an error that indicates a resolved, no hit exception. The information is filed in the insurance database.
IE	Information Exchange Mailbox. A unique "address" that provides an insurance company with an ability to receive and send information from DMV.
Insured	The person or organization covered by the insurance policy.
Insurer	A person or organization providing insurance coverage. Generally an insurance company.
LOD	Load transaction. During the initial loading of the Book-of-Business all transactions must be sent as LOD transactions
NAIC	National Association of Insurance Commissioners. The NAIC code is the national insurance company number.
NBS	New Business Transaction. An NBS transaction adds a record to the insurance database. After the initial load of data (LOD transactions), all new policy/VIN combinations must be added to the database using the NBS transaction.
No Match	A no-match condition exists when a registration record cannot be found in the Vehicle Registration Database.

Non-Vehicle Specific	A transaction type that contains only the "insured" information and does not contain the VIN, make, and year of the vehicle(s) insured.
Policy	Motor vehicle liability coverage issued by an insurer. Identified as a specific vehicle policy, non-owner policy or a non-vehicle specific policy.
Primary Insured	The principal person or entity for whom the insurance coverage is written.
Primary Match	This refers to an insurance company record received, which has a registration record of the same VIN on file with the DMV.
Secondary Match	Insurance company record received by DMV but could not be matched by VIN, but matched by other than VIN.
Termination of policy	Liability coverage is no longer in effect. This includes situations where insurance is voluntarily canceled by the insured or terminated by the insurance company.
Termination Date	The date a policy or vehicle coverage is no longer valid.
Transaction Type	Identifies the three types of transactions the insurer may process: Initial load (LOD) New business (NBS) Termination (XLC)
Valid Insurance	The most current transaction on the insurance file that is not a termination.
Vehicle Specific	A transaction that identifies the vehicle(s) being insured.
Vessel	Vessel (boat) that is required to be documented by the U.S. Coast Guard and is issued a valid marine certificate. (VC) This includes: A commercial vessel five net tons or more. Any commercial vessel 30 feet or more in length (unless exemption is granted by the U.S. Coast Guard).
VIN	Vehicle Identification Number - This number is unique, generally 17 positions and usually generated by the manufacturer and permanently affixed to the vehicle.
XLC	Cancellation Transaction. An XLC transaction deletes a record from the insurance database. To cancel a policy/VIN after the initial load (LOD transaction) or new business (NBS transaction) has been received, an XLC transaction is used.

21. FORMS

Examples of the required forms are shown on the following pages. Contact the ALN Business Manager (Section 2.5) for a complete package.

21.1. Notice of Intent (Business Section)

NOTICE OF INTENT
(Business Section)

All insurance companies requesting to do business with the Department of Motor Vehicles by electronic medium must fill out a Notice of Intent form.

Return this form to: LynneMarie Lema at e-mail address: LLEMA@DMV.CA.GOV
Department of Motor Vehicles
Registration Operations Division

Name of Insurance Company:			
Address:			
City:		State:	Zip:
Mode of Transport:	Data Format Selection:	Data Format Selection: ☐ X12	
VAN Account:	VAN Userid:		

Insurance Company Contacts	
Business Contact 1:	Business Contact 2:
E-mail Address:	E-mail Address:
Phone Number:	Phone Number:
Time Zone:	Time Zone:
Business Contact 3:	Business Contact 4:
E-mail Address:	E-mail address
Phone Number:	Phone Number:
Time Zone:	Time Zone:
Technical Contact 1:	Technical Contact 2:
E-mail Address:	E-mail Address:
Phone Number:	Phone Number:
Time Zone:	Time Zone:

Technical Contact 3:	Technical Contact 4:
E-mail Address:	E-mail Address:
Phone Number:	Phone Number:
Time Zone:	Time Zone:
Technical Contact 5:	Technical Contact 6:
E-mail Address:	E-mail Address:
Phone Number:	Phone Number:
Time Zone:	Time Zone:

Completed by (Name and Title)	Date:

21.2. Notice of Intent (Technical Section)

NOTICE OF INTENT
(Technical Section)

Complete items 1, 2 and 5 for X12 format users only and whether you are a VAN or VPN user.
Complete item 5 for CALI format users only.
Informational items are 3 and 4.

1. Complete the X12 Identifiers of your Insurance Company for Test and Production	**ISA Qualifier**	**ISA ID**	**GS ID**
Test			
Production			

2. For companies using the X12 format: Does your insurance company require Functional Acknowledgments?
(Check 'x' one): Yes ( ) No ( )

3. For your information, companies using the X12 format: <u>YES,</u> California DMV does require Functional Acknowledgments.

4. For your information we have listed DMV's identifiers.	**ISA Qualifier**	**ISA ID**	**GS ID**
Test	**ZZ**	**DMVX DMVTS01**	**DMVX DMVTS01**
Production	**ZZ**	**DMVX DMVTS02**	**DMVX DMVTS02**

5. ERROR FILE: ERROR SUPPRESSION OF SOFT (WARNING) ERRORS RETURNED TO THE INSURANCE COMPANY

Place an 'X' next to "YES" if you want the following error suppressed. This indicates you do <u>not</u> want the error returned in the error file. Otherwise place an 'X' next to "NO". This indicates "do not suppress error", return it in the error file.

"Yes" - Suppress Error or "No" - Do Not Suppress Error	**Code**	**Soft Errors/Warnings**
YES ( ) NO ( )	R203	VIN passed check digit validation
THIS ERROR WILL NO LONGER BE SUPPRESSED	R204	VIN failed check digit validation
YES ( ) NO ( )	R206	No match after extended VIN search
YES ( ) NO ( )	R500	Matched after extended VIN search

21.3. NAIC List for Insurance Company

NAIC List for Insurance Company

THIS BOX TO BE COMPLETED BY DMV ONLY
DMV Company Number: **MVC???** **Format Type:**

Please list all of the NAIC's that will be sent to the DMV in the header section of the 811 transaction using the N1 segment with the IN or SQ qualifier.

22. NAIC NUMBERS		

Please list all of the NAIC's that will be sent to the DMV in the HL1 loop of the 811 transaction using the NM1 segment with the IN qualifier.

NAIC #(s)	**Size of Book of Business** **(Number of vehicles)**	**Update Volume:** **Please indicate Daily or Weekly** **(Example: Daily M-F or Weekly on Tuesdays.)** **Update files will be processed** **Monday thru Saturday.**