

TAIPA NEWSLINE

A PUBLICATION OF THE TEXAS AUTOMOBILE INSURANCE PLAN ASSOCIATION



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The TAIPA NEWSLINE is a bi-annual publication. TAIPA is a non-profit organization. An electronic version of this publication can be obtained by submitting a request to newsline@taipa.org

TAIPA RATE CHANGE

On September 8, 2000, the Commissioner of Insurance, in accordance with the statutory requirements of Article 21.81, Texas Insurance Code, ordered changes in the rates for private passenger and commercial automobile insurance obtained through Texas Automobile Insurance Plan Association. The change in rates was effective December 1, 2000.

Commissioner Montemayor reduced TAIPA private passenger rates for bodily injury by 10.3%. Property damage liability was increased by 1.2%. The optional coverages provided through TAIPA were reduced by an average of 23.0%. The combined decrease for all coverages was a 6.1% reduction.

These rate changes are the statewide averages. The rates for different classes of drivers and rating territories vary.

Commercial rates are the same as the voluntary benchmark rates, which were effective November 1, 2000. However, since the TAIPA rate change was effective December 1, 2000, during the month of November the commercial rates effective March 1, 1999 still applied to commercial risks.

IMPORTANT JANUARY 2001 CHANGES

The 8 payment installment plan has been expanded to include Business Automobile Policies for new business and renewals effective on or after January 1, 2001.

Both the TAIPA 1000 and TAIPA 1001 application forms have been revised to include several important changes.

Both applications have new provisions. The producer information item allows for use of the Texas Department of Insurance I.D. or license number to comply with the recent

TDI licensing database changes. The coverages and applicant signature items now include additional space for initial and signature for joint applicants. If joint applicants, both applicants must sign and initial the application. A field for the Anti-Theft fee is included in the payment section of the application form.

An important change to the Private Passenger application (TAIPA 1000) is the rewording of the Named Non Owner section 5 to provide for more complete rating information. This application revision is to be effective January 1, 2001; however, the form will not be mandatory until March 1, 2001.

The important change to the Commercial application (TAIPA 1001) is the inclusion of the 8 payment installment plan for commercial and public vehicles. Due to the importance of this addition, the revised commercial application is *mandatory* effective January 1, 2001. After this date, if an obsolete TAIPA 1001 application is received by TAIPA the application will be returned to the producer with a cover letter explaining the reason. A copy of this letter will be sent to the applicant also.

A late payment charge for membership fees and assessments will be applied if amounts due are not postmarked on or before the due date shown on the invoice. Billings to insurers were mailed the first week of January. Refer to Section 15 of the Plan of Operation.

TAIPA ANNUAL MEETING OF MEMBERS

The Governing Committee has called the Annual Meeting of Members to be held in Austin, Texas at the Omni Austin Hotel Downtown on March 1, 2001 at 8:30 a.m.

Membership in Texas Automobile Insurance Plan Association (TAIPA) is required of all insurers authorized by the

Texas Department of Insurance to write motor vehicle liability coverage under the provisions of Chapter 5 of the Insurance Code. TAIPA is administered by the Governing Committee pursuant to the Plan of Operation.

At the meeting, three at-large members of TAIPA will be elected to serve for a term of one year or until their successors are elected.

Immediately following the Annual Meeting of Members, the TAIPA Governing Committee will meet to elect officers and address agenda items.

For additional information please contact Dianna Brooks at 512-444-5999 or admnddb@taipa.org.

GOVERNING COMMITTEE MEETING DATES

The TAIPA Governing Committee selected the following meeting dates for 2001.

Omni Austin Hotel Downtown: Thursday, March 1, 2001

Plaza San Antonio Hotel: Thursday, May 17, 2001

Omni Austin Hotel Southpark: Thursday, July 19, 2001;
Thursday, September 13, 2001; Thursday, November 15, 2001.

AGENTS LICENSE RENEWALS

Producers certified with TAIPA are required to provide current copies of agent license renewals from the Texas Department of Insurance in order to maintain certification with the Association. TDI has recently implemented a new licensing database; as a result there has been a delay in issuing some license renewals.

Producers are reminded that once the license renewal has been received, a copy should be forwarded to TAIPA - license renewals may be faxed to the Plan Services Department at (512) 444-7639. TDI's new licensing database may be accessed directly via the internet at

<http://www.texasonline.state.tx.us> to verify renewals and appointments.

Under the new database, license types have been replaced by new licenses with various qualifications and restrictions, and new license numbers have been issued. For the time being, TAIPA will continue to maintain Producer Certification records under the ID number on file when the producer first obtained certification with our office.

When submitting license renewals to TAIPA, producers are asked to also provide their Social Security Number and Federal Tax ID Number in order to update our records.

Please don't hesitate to contact TAIPA's Plan Services Department if you have any questions or comments.

PLEASE VISIT OUR WEBSITE

The new TAIPA web site went on-line December 1st, 2000. It may be found by pointing your web browser to <http://www.taipa.org>.

At our new website you can find downloadable copies of forms (including the current private passenger and commercial application forms), back issues of the TAIPA Newslite, and a complete archive of all bulletins dating back to the formation of the Association. Also available are driving directions to our offices, guidelines for hand-delivered ("walk-in") applications, and the latest revision of the TAIPA Producer's Guide. Current rates with rate history and answers to frequently asked questions are available as well.

The TAIPA website is open to the public and we encourage you to let your co-workers and customers know that this resource is available. Additionally, we plan to further expand the website and add more useful features in the future, as we want to make this a valuable resource for companies, producers and applicants. Please direct any questions, problems, suggestions or comments regarding the TAIPA website to webmaster@taipa.org.