



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

FROM THE DESK OF THE OPERATIONS MANAGER

So far this year we have noticed an increase in the Association's application volume. Year to date we have seen a 21.18% increase in private passenger applications. The 2001 private passenger premium volume was approximately 22 million and this year we estimate an annual premium volume of 29 million. If application volume continues to increase, the estimated annual premium volume will be adjusted. Annual and monthly assignment volumes may be found on the TAIPA web site, www.taipa.org. Staff are striving to process on a daily basis; therefore, assignments, assignment cards and Texas SR-22's are usually mailed to the insurers, producers and insureds on the first working day following the day received in our office.

If the insured requires an SR-22 for a state other than Texas, or if any other filing is requested, the insurer must issue these filings within 2 working days following the effective date of coverage or receipt of the assignment, whichever occurs last. Please allow mailing time for the assignment to reach the insurer.

Operations staff were asked what part of processing applications caused the most delay. Staff advised that the processing of applications received with only 1 copy of the application was very time consuming. In order to reduce the number of these type submissions we have added a new criticism code, code 1A. This code generates a deficiency of 1 point for each application not submitted in duplicate. PLEASE SUBMIT ALL APPLICATIONS IN DUPLICATE.

APPLICATION DEFICIENCIES AND COMPLAINT ACTIVITY

Applications for assignment of coverages must be fully completed, legible and

submitted in duplicate (original signature + one copy). If underwriting information is missing, the application may be returned under "suspense". In addition, assigned carriers may file complaints with TAIPA if underwriting information is not provided. It is imperative to reply to all complaint activity as unresolved issues could jeopardize the producer's certification with TAIPA.

WE ARE MOVING

Effective July 29, 2002, TAIPA will relocate. TAIPA will retain the current Post Office Box as shown below, and retain the current telephone and fax numbers. Post Office Box 18447 will be closed beginning July 26, 2002.

MAILING ADDRESS:

P.O. Box 149144
Austin, TX 78714-9144

PHYSICAL ADDRESS

The Escalade
4301 Westbank Drive, Bldg A, Ste 200
Austin, TX 78746-4400

The new location is at the corner of S. 360 and Westbank. The entrance is on Westbank.

Visitors to the new TAIPA office will exit I.H. 35 at Ben White Blvd and travel west. Ben White Blvd. changes its' name to S. 360. Mileage from I.H. 35 is approximately 7 miles. Turn right onto Westbank Drive at the traffic light. The building is located to the right.

POLICY CHANGE REQUESTS

TAIPA is an administrative service office; once coverage has been assigned to a carrier, TAIPA is unable to modify or endorse the assignment. Policy change

RETURN SERVICE REQUESTED

forms and endorsement requests MUST be forwarded directly to the assigned carrier.

On May 8th, 2002 the Commissioner approved an amendment to Section 6.B.2 of the TAIPA Plan of Operation. It provides guidelines for the effective date of additional coverages when the change is submitted to the insurer by fax or electronic mail. A copy of the updated Plan of Operation is available for downloading from our website.

TAIPA does not retain fax numbers or e-mail addresses for insurers. Please contact the insurer for this information.

ELECTRONIC SUBMISSION PROCEDURE

Producers are encouraged to utilize TAIPA's Electronic Submission Procedure; information is available on TAIPA's website. Producers MUST purchase TAIPA Binder Forms before utilizing the ESP system. Through ESP, coverage can be bound immediately (coverage for non-ESP submissions is effective the date following receipt in TAIPA's office).

Producers who utilize TAIPA's ESP system are reminded that once bound, the application for assignment MUST be forwarded to TAIPA within one (1) working day (and must include the TAIPA Binder Form and the premium downpayment). In addition, if coverage is bound, but no application is submitted to TAIPA, you must provide a RETRACTION form with the original TAIPA Binder Form.

PRODUCER CERTIFICATION RULES OF OPERATION

Producers are encouraged to utilize TAIPA's Producer's Guide, which may be accessed via TAIPA's website at <http://www.taipa.org>. It is intended only to serve as a "guide" in locating applicable rules and rates within the Texas Automobile Rules and Rating Manual. If you need to purchase a Texas Automobile Rules and Rating Manual, or

if you need current updates to the Manual, please contact Insurance Council of Texas at 512/444-9611. In addition, producers are encouraged to review TAIPA's Producer Certification Rules of Operation, also accessible via our website. Please don't hesitate to contact TAIPA's Plan Services Department at 512/444-4441 if you have any questions or comments.

FROM THE DESK OF THE PLAN SERVICES MANAGER

Plan Services assists producers when there is an issue with the assigned insurer that has not been resolved (i.e. issue the policy, incorrect classification/rating, installment payment, endorsement, return premium, compensation, etc). TAIPA maintains a log of these complaints and requests a written letter/memo from the producer, including a copy of pertinent correspondence via facsimile or mail. Our procedure is to write the insurer, with a copy to the producer, and request a response within 20 days. When the response is received it is reviewed and the insurer and producer are advised whether the complaint is valid/invalid.

TAIPA is an administrative office and as such we do not have a licensed producer in our office to prepare premium quotations. We will assist a producer with locating the appropriate rule, rating classification and rate in the Manual, based on the information provided. When the policy is issued, if there is a discrepancy TAIPA will assist with resolution; however, we recommend contacting the Texas Department of Insurance for an official interpretation of the Texas Automobile Rules and Rating Manual.

Please send all correspondence, including the Order Form for purchasing applications and binder forms to:

TAIPA
P.O. Box 149144
Austin, TX 78741-9144

Effective July 26, 2002, P.O. Box 18447 will be closed.