

Who has the car keys?

Knowing who's driving your insureds' vehicles is critical to maintaining rating integrity



In households across the country, a new driver getting a license can represent a happy milestone. But for an insurer, that same event can mean increased risk and uncaptured premium.

Verisk's research shows that it takes an average of 10.2 months for a driver joining a household to be added to a policy. This lag results in \$755 in lost premium per driver.

In the case of newly licensed drivers, the average lag time before gaining coverage is even longer, 13.6 months — resulting in an estimated loss of \$1,034 per driver.

Premium leakage from unrecognized drivers amounts to an estimated \$6.3 billion each year. That's not just a leak. It's a gusher.

Plugging the premium leak

Has a policyholder's child come of driving age? Did a college student return home after graduating? Have others joined the household and begun driving your insured's automobile?

All of those factors affect your risk and hold implications for your rating plan. Personal auto applicants don't always report all the drivers in their households, and they don't always notify insurers immediately when life events bring changes. The result? In too many cases, undisclosed drivers operate your policyholders' insured vehicles. This can increase vehicle usage, creating more risk. Furthermore, being in the dark about an operator's driving record jeopardizes your rating integrity.

Verisk Policy Monitoring stands out in the industry.

Here's why:

- easy to implement and transfer data
- highest data quality, reducing false positives
- advanced analytics
- technology tools and workflow management capabilities
- option to validate discovered drivers through multiple methods

To estimate underwriting risks accurately and calculate suitable premiums, you need complete information on all potential drivers within each policyholder's household. That information isn't easy to access. Finding trustworthy data is difficult, and making it actionable can be challenging. Operator data collected by agents and questionnaires mailed to policyholders can help, but those broad processes can be imprecise, inefficient, and unreliable. Competing priorities can prevent insurers from finding the resources and developing the necessary expertise to manage an effective program.

Verisk Policy Monitoring uncovers undisclosed drivers

Verisk Policy Monitoring provides a comprehensive driver discovery service, identifying policyholder household changes by continually monitoring for new drivers.

A Complete Policy Monitoring Solution



Seamlessly integrated with Verisk's Portfolio Management programs, Policy Monitoring:

- draws on DMV data
- is easily implemented, minimizing the need for IT involvement
- delivers valuable insights about other coverages in place, reducing false positives
- uses analytic capabilities to make data actionable and optimize results
- provides technology-enabled management reports and web-based tools
- offers additional options, such as a policyholder outreach program and motor vehicle violation data

Whether your organization makes midterm policy changes or adds drivers at renewal, Verisk Policy Monitoring enables you to maximize premium associated with undisclosed (often youthful) drivers, plug the premium leaks, and improve portfolio profitability.



Want to know more?

Discover how you can take advantage of Verisk Policy Monitoring to identify hidden drivers and counter premium losses. Contact your account representative, visit us at www.verisk.com/policymonitoring, or call Customer Support at 1-855-859-8775.

