



# Motor vehicle reports: Balancing the expense and the need

Driving history solutions can be a significant investment, but insurers that don't fully use these tools may overlook opportunities to capture missing or lost premium, realize savings, and free up valuable resources.



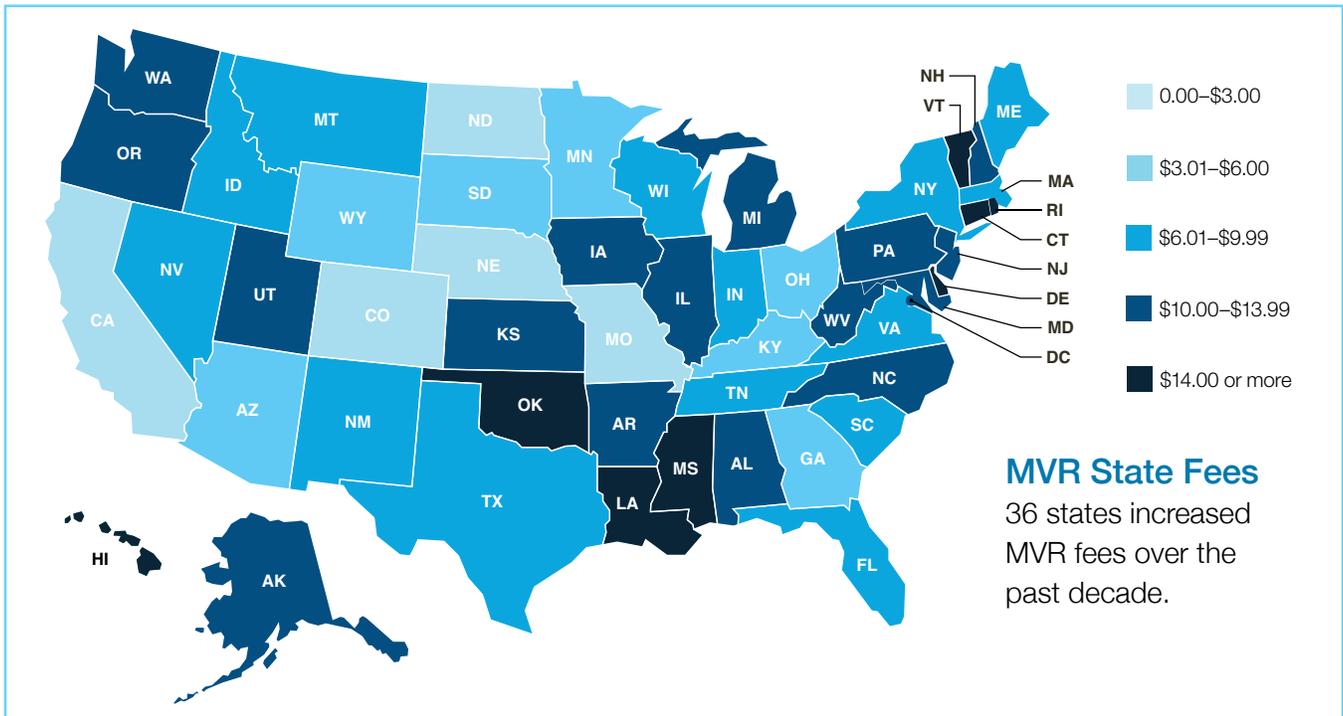
# You need MVRs. Are they manageable and affordable?

## High complexity, high cost

51 jurisdictions, 51 MVR systems—a wide range of fee structures



State registry fees up 43% nationwide, and MVR costs up 3.3% per year over 10 years<sup>1</sup>



It's difficult and costly to track driving history.  
Not knowing may be worse.

Missed violations account for **\$3.5 billion** a year of premium leakage—corresponding to wrong or missing underwriting information—for personal auto insurers.<sup>2</sup> And incomplete violations data can drive adverse selection.

### One customer's struggle:



*Our company keeps our higher-risk drivers on a watch list, ordering MVRs as often as every three months... We're often running MVRs when there have been no new violations. We'd like to keep the same accuracy with rating but reduce the unnecessary expenses.*



*You can steer between the expense of knowing and the risk of not knowing.*

# Leverage our relationships and reap the savings.

## 50 states (and D.C.)

Verisk has connections with all U.S. motor vehicle departments and some Canadian provinces.



## 42% savings

That's how much some auto insurers saved on MVR costs using Verisk's driving history solutions.<sup>3</sup>



## Verisk's driving record solutions boost efficiency.

- ✓ Economical look-back indicators optimize MVR spend
- ✓ Violation monitoring flags potential surcharges
- ✓ Custom business rules drive location-based strategy
- ✓ Alternative data feeds track tickets and license status
- ✓ License verification prevents costly "no hits"

## A savings scenario

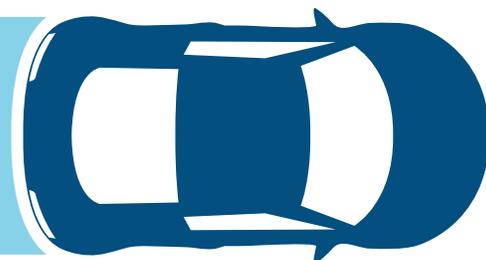
Verisk cost-containment tools cut one customer's MVR costs by **37%**, or **\$1.2 million**. Lower underwriting costs—focused where they were needed—reduced the combined ratio while maintaining underwriting accuracy. MVR spending targeted risks that required a surcharge, creating more premium.



*What will you do with the savings?*

# MVRs and more: Choose the right driving history tools for you

- Traditional MVRs
- New Business Index of Activity (IOA)
- Renewal Business IOA
- Driver Monitoring
- MVR Violation Indicators



Our solutions are also helping commercial auto insurers efficiently monitor driving history.

*Find your balance with our driving history solutions.  
Contact your Verisk representative today.*

1. Verisk analysis
2. *The Challenge of Auto Insurance Premium Leakage*, March 2017
3. Source: Data on file, Verisk



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**For more information about  
Driving History Solutions**



Contact your Verisk account executive at **1-800-888-4476** or visit **[www.verisk.com/mvr](http://www.verisk.com/mvr)**