

**Data Quality Reporting TIPS**  
**Reporting of exposures and the impact to “Vehicle Count by Coverage” strategic anomalies**

The Data Quality (DQ) TIP provided is to aid in clarifying the reporting of exposures across premium transactions in the Automobile Statistical Plan (ASP).

**What are “exposures”?**

It is defined as the *term in months that the vehicle is insured for on a policy.*

The most common length of time is 12 months of coverage (or less).

When a cancellation occurs, the **"unexpired term in months"** must be coded on the return (credit) premium (cancellation) record.

Examples:

1. Where an original 12 month term for a vehicle is cancelled in the 4<sup>th</sup> month; the insurer must report a refund to the insured for the 8 months of unused premium and unexpired remaining term.
  - Original transaction type ‘1’ – new/renewal policy, with exposure of 12 months
  - Cancellation transaction type ‘J’ – cancellation of policy, with exposure of 8 months
  - This will result in a refund to the insured for 8 months of unexpired term
2. Where an original 12 month term for a vehicle with only mandatory coverages and 2 months into the policy, the insured requests collision and comprehensive coverages added to the vehicle.
  - Original transaction type ‘1’ – new/renewal policy, with exposure of 12 months, with only mandatory coverages
  - Endorsement transaction type ‘2’ – addition of only collision and comprehensive coverage with endorsement date 2 months after the policy effective date with exposure of the 10 months remaining to the policy expiry
  - This will result in a prorated premium for collision and comprehensive for the remaining 10 month term of the policy



## Definitions of issues related to the new strategic anomaly called “Vehicle Count by Coverage”

We aggregate the data on each vehicle by coverage on a policy and often arrive at the following faulty results:

### Exposure – Greater than 12

In the following example, the result of reported transactions indicates more than 12 months of coverage on one or more of the coverages on the vehicle.

Example:

PolicyIdentif	PolicyE	Endors	PolicyE	Vehicle	Exposu	Exposu	VIN	ThirdP	ThirdP	ThirdP	ThirdP	DCPDC	DCPDD	DCPDP	Underli	Underli	Underli	Accidei	Accidei
20190329	20200329		20200329	3558	12	00012	1E	10	000283	11	000018	12	0000000	000153	16	01000000	000016	78	000030
20190329	20200329		20200329	3558	12	00012		10	000283	11	000018	12	0000000	000153	16	01000000	000016	78	000030
20190329	20190501		20200329	3558	-10	00010		10	000218	11	000014	12	0000000	000139				78	000027
20190329	20190501		20200329	3558	10	00010		10	000212	11	000013	12	0000000	000132				78	000025

### Exposure – Negative

In the following example, the result of reported transactions indicates negative exposures on one or more of the coverages.

Example:

PolicyIdentif	PolicyE	Endors	PolicyE	Vehicle	Exposu	Exposu	VIN	ThirdP	ThirdP	ThirdP	ThirdP	DCPDC	DCPDD	DCPDP	Underli	Underli	Underli	Accidei	Accidei
20190712	20190825		20200712	2736	12	00012	3CP	10	000388	11	000023	12	0000000	000155	16	02000000	000047	78	000046
20190712	20190825		20200712	2736	-11	00011	3	10	000340	11	000020	12	0000000	000136	16	02000000	000041	78	000040
20190712	20190825		20200712	2736	11	00011	3	10	000340	11	000020	12	0000000	000136	16	02000000	000041	78	000040
20190712	20190825		20200712	2736	-12	00012	3	10	000046	11	000003	12	0000000	000019	16	02000000	000006	78	000006
20190712	20190712		20200712	2736	-12	00012	3	10	000340	11	000020	12	0000000	000136	16	02000000	000041	78	000040

## Mandatory Coverages

To drive a vehicle in each province an insured must purchase insurance that meets the minimum provincial regulation.

As of January 1, 2021 these coverages are the minimum mandatory requirements in:

- AB, NT, NU and YK – Third Party Liability and Accident Benefits
- NB, NS, ON and PE – Accident Benefits, Bodily Injury, Property Damage, Direct Compensation and Uninsured Automobile
- NL – Bodily Injury, Property Damage, Direct Compensation and Uninsured Automobile



In the following example, the result of reported transactions indicate that certain coverages deemed to be mandatory are not present.

Example for Ontario:

PolicyIdentif	PolicyE	Endors	PolicyE	Vehicle	Exposu	Exposu	VIN	ThirdP	ThirdP	ThirdP	DCPDC	DCPDD	DCPDP	Underli	Underli	Underli	Accidet	Accidet	
20190906	20190906	20200906	9659	12	00012	12	00012	10	000218	11	000015	12	0000000	000064	16	01000000	000012	76	000227
20190906	20190906	20200906	9659	-12	00012	-12	00012	10	000218	11	000015	12	0000000	000064	16	01000000	000012	76	000227
20190906	20190906	20200906	9659	12	00012	12	00012	10	000198	12	exp	zero exp	zero exp	zero exp	zero exp	zero exp	zero exp	zero exp	zero exp

If you have any questions or concerns regarding the above, please do not hesitate to contact your Data Quality Analyst.

Data Management & Exhibit Production Services