



New York State Department of Motor Vehicles

I-PIRP Pilot

RESULTS AND RECOMMENDATIONS

February 2014

**NYS Department of Motor Vehicles
I-PIRP Pilot – Results and Recommendations**

Introduction

The New York State Point and Insurance Reduction Program (PIRP), also known as Motor Vehicle Accident Prevention Courses, was implemented on December 1, 1980 through enactment of Article 12-B of the Vehicle and Traffic Law and an amendment to Section 176 of the Insurance Law. The program was designed to further highway safety by providing strict criteria for approval of accident prevention courses. Article 12-B also provided that motorists who complete a PIRP course approved by the NYS Department of Motor Vehicles (DMV) be eligible for a reduction of four points from any accumulated points on their driver license records for violations committed prior to completing the PIRP course. The amendment to the Insurance Law provided that course completers receive a reduction in their automobile insurance premiums for three years. Specifically, motorists who successfully complete an approved PIRP course receive a 10 percent reduction in their liability and collision insurance premium. Historically, the majority of course participants have no points on their license and take the course solely for the reduction in insurance premiums.

PIRP / Motor Vehicle Accident Prevention Course Summary:

- Six-hour driver refresher course with an emphasis on defensive driving
- 320 minutes of classroom instruction with a certified instructor present
- 14 course sponsors (plus 7 government agencies)
- More than 3000 delivery agencies and over 4500 instructors
- Completers eligible for DMV point reduction and insurance premium reduction

Section 2336 of the Insurance Law provides that the NYSDMV is responsible for approving and monitoring all PIRP courses. To carry out this responsibility, Article 12-B of the Vehicle and Traffic Law (V&T) outlines the standards to be used in preserving the quality and effectiveness of PIRP. The procedures and standards for approval are also detailed in Part 138.4(a-d) of the Commissioner's Regulations.

Background and description of I-PIRP/ADM

Legislation passed in 2005 amended the Vehicle and Traffic Law to include Article 12-C, the "Accident Prevention Course Internet and Other Technology Pilot Program". Article 12-C mandated that the DMV Commissioner establish and implement a five-year comprehensive pilot program to review and study the internet and other technologies as training methods for the administration and completion of an approved accident prevention course for the purposes of granting point and insurance reduction benefits. Courses approved under Article 12-C are eligible for the same point and insurance reduction benefits as those approved under Article 12-B.

The pilot program, referred to as the Internet Point Insurance Reduction Program (I-PIRP), began on May 18, 2009 as an alternative to the traditional classroom delivery method for drivers wishing to complete a PIRP course. I-PIRP is designed to expand the classroom-based program through the use of the internet and other alternate delivery methods (ADM) with the objective of educating more drivers on safe driving practices and reducing the number of crashes on the

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state's highways. Eligibility for participation in the program was initially limited to those accident prevention course sponsoring agencies who were approved to deliver a PIRP classroom course in New York State prior to the effective date of Article 12-C. In 2011, the Commissioner's Regulations were amended to expand eligibility to sponsors who did not have a classroom program approved in 2005, but had an approved classroom course in existence for a minimum of one year and who were proposing an internet (I-PIRP) or other alternate delivery method (ADM) course. There are presently 11 IPIRP sponsors. These 11 sponsors offer a total of 13 I-PIRP/ADM courses: 12 internet courses (11 English and 1 Spanish); and 1 DVD-based course. Since the beginning of the pilot, I-PIRP/ADM has served nearly 710,000 participants.

I-PIRP/ADM courses are a minimum of 320 minutes of instruction time, cover the same core traffic safety topics as required in the classroom courses and contain validations to confirm the student's identity and participation throughout the course.

I-PIRP/ADM offers many advantages to the Department of Motor Vehicles and to our motorists.

- Advantages to the Department of Motor Vehicles:
 - Allows increased participation in a valuable safety program
 - Insures uniform delivery and fidelity to the approved program – I-PIRP/ADM utilizes 11 electronic outlets (sponsors) as opposed to more than 3,000 independent agents (delivery agencies) delivering PIRP
 - Increased revenue – New York State receives \$8 for each I-PIRP/ADM course completion compared to \$2 for each PIRP course completion
 - I-PIRP/ADM is more easily regulated, audited and monitored –there are electronic records rather than paper records; there are only 12 uniform electronic I-PIRP/ADM courses to regulate versus over 3,000 independent PIRP delivery agents, who may deviate in their delivery of the sponsor's approved course
- Advantages to the motorist:
 - Allows for increased motorist convenience –
 - the course may be taken at motorist's pace- the motorist has up to 30 days to complete the course
 - the course may be taken at the location of the motorist's choosing
 - I-PIRP/ADM allows the motorist to take the course in segments which could be completed at a location of the motorist's choosing, rather than have to commit to a multi-hour session at a course provider's classroom location
 - I-PIRP/ADM offers 24/7 access
 - Motorists taking I-PIRP/ADM can also replay sections of the course, making it possible for them to review material presented and get a better understanding of critical safety issues
 - I-PIRP/ADM offers the same point and insurance reduction benefits as the classroom course
 - The cost to the customer for I-PIRP/ADM is often lower than classroom courses

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- Additional financial savings may be possible for the motorist, e.g., by minimizing the expenses of travel to/from the classroom location, and arranging care for dependents while attending the course

I-PIRP Fraud Prevention

In the Department's efforts to minimize fraud, the Commissioner's Regulations require ADM course sponsors to employ various methods of identity and participation validation, as well as to protect student's confidential information. Validation methods include biometrics, (such as facial recognition, key stroke analysis, voice print or fingerprint) personal and content questions, email transmission of username and password, third-party database questions, and caller ID verification.

In order to allow sponsors to devise their own identity and participation solution, DMV has assigned point values to each method. The total point value must equal a minimum of seven, and requires use of two or more validation methods; additionally, one point must be used for content questions. Each individual sponsor's validation methods are tested and verified by DMV prior to granting approval to the sponsors to conduct ADM courses.

In addition, DMV contracts with a third-party monitoring organization which has monitors covertly participate in the ADM/I-PIRP courses. Covert monitors look for compliance with a range of items mandated by the Commissioner Regulations; these include the identity and participation validation methods and whether the monitor is excluded from the course as required if the validation methods fail. Other items reviewed are course registration and payment, course content, course timing, customer service, information security, and advertising. The monitoring contract is currently held by Summit Security Services, Inc.

Revenue

New York State receives revenue from the I-PIRP/ADM program from two sources:

- \$7,500 non-refundable application fee from course sponsors
- \$8 processing fee for each completion record DMV receives compared to \$2 processing fee for PIRP course completions
- I-PIRP/ADM processing fee revenue has increased yearly, currently totaling over \$1.5 million per year
- Since the beginning of the pilot, I-PIRP/ADM has raised approximately \$5.7 million
- The proportion of revenue derived from I-PIRP/ADM has been growing annually. Currently, approximately 30% of program participation is through I-PIRP/ADM (versus classroom PIRP) but I-PIRP/ADM provides over 60% of the overall revenue

I-PIRP/ADM revenue is deposited in a dedicated fund per Section 89-g of New York State Finance Law, which covers program administration, evaluation and monitoring.

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Law requires evaluation report on effectiveness

The Vehicle and Traffic Law Section 399-o requires the Commissioner of Motor Vehicles report to the Governor and the State legislature on the results of the pilot, including its effectiveness and future use of the internet and other technologies, within five years of the implementation of Article 12-C. In accordance with the requirements of Article 12-C, the effectiveness study includes two major components: a survey of participant satisfaction with the I-PIRP/ADM course, and a comparison of the classroom and Internet delivery methods to effectively deliver the PIRP course.

The NYSDMV contracted with the University at Albany’s Institute for Traffic Safety Management and Research (ITSMR) to conduct the effectiveness study. This report includes the results from the first component undertaken to assess participant satisfaction with the Internet delivery method. The highlights of the report are summarized below and the complete report is attached. References below are to the ITSMR report.

Report and Evaluation Components

The ITSMR report (attached) supports a recommendation to continue the I-PIRP/ADM program based on analysis of the data and the components required by law (i.e. participant satisfaction and effectiveness as compared with the classroom-based course).

Component 1: Participant Satisfaction – *Are participants satisfied with PIRP courses delivered over the Internet?*

Participant satisfaction was measured using the following specific questions:

- **“Describe how much you liked the course delivery method.”** 77% of the responders who had previously taken a classroom course indicated that they either “really liked” or “liked” the ADM over the classroom course they took. 16% indicated no preference, and 7% indicated they preferred the classroom course over the ADM. *(Refer to table 2.3, page 5)*
- **“How would you rate the overall course including content and presentation?”** According to the survey, 79% of the participants rated the overall content and presentation of the course as Excellent or Good. Only 2% of the responders rated the course as below average. *(Refer to table 2.4, page 5).*
- **“How interesting did you find this course?”** 75% of the responders reported the course was either Very Interesting or Interesting. Only 5% of the responders rated the I-PIRP/ADM course as boring or very boring. *(Refer to table 2.5, page 6).*
- **“How easy was this course to use?”** 87% of responders rated the use of the I-PIRP/ADM course as “Very Easy” or “Easy.” Only 3% rated the use of the ADM course as “hard” or “very hard.” *(Refer to table 2.6, page 6).*
- **“How will this course affect how you drive in the future?”** 94% of the responders said that the course would have a positive effect on their driving, whereas only 6% indicated

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that the course would have little or no impact on how they drive. (Refer to table 2.7, page 6)

Component 2: Comparison of Delivery Methods- Is the Internet an effective method for delivering the PIRP course?

- Determine whether there is an improvement in driver behavior following the completion of the Internet course
- Determine whether the impact on driver behavior is comparable to that found for drivers completing the traditional classroom course

The results of the ITSMR study indicate that with regard to post-period convictions, both delivery methods resulted in reductions in convictions after course completion for all 11 sponsors. With regard to post-period crashes, 9 of the 11 sponsors experienced reductions among their internet completers.

The results of the ITSMR study further indicate that the I-PIRP/ADM is comparable to the Classroom PIRP delivery method. This determination was based on several factors, including:

- Comparison of participants’ driving records to determine their behavior (both pre-completion and post-completion) in regard to convictions.
- Comparison of participants’ driving records to determine their behavior (both pre-completion and post-completion) in regard to crashes.

The data (as summarized in the chart below) is based on actual driving record information from each sample group and summarizes the percent of participants who had post-course convictions and crashes after taking the I-PIRP/ADM course vs. the classroom PIRP course.

Drivers with: Sponsor	CONVICTIONS		CRASHES	
	I-PIRP/ADM	CLASSROOM	I-PIRP/ADM	CLASSROOM
A	12.8%	11.4%	8.4%	10.5%
B	12.8%	15.1%	8.7%	10.1%
C	8.5%	2.9%	6.1%	5.6%
D	24.3%	18.6%	11.7%	9.9%
E	16.1%	16.7%	9.4%	10.4%
F	23.3%	23.9%	8.6%	8.7%
G	20.9%	18.5%	9.5%	8.6%
H	23.8%	18.0%	7.6%	9.6%
I	17.0%	13.8%	8.8%	9.0%
J	14.9%	24.9%	7.7%	10.7%
K	19.8%	24.7%	8.8%	9.7%
Aggregate Group	17.3%	16.4%	8.0%	8.8%

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Although there are some differences by sponsor, the overall effectiveness is shown to be statistically comparable.

Summary

The study data has shown that participants have a high satisfaction with the I-PIRP/ADM course and that the I-PIRP/ADM courses are as effective as the PIRP classroom course.

One of the benefits of I-PIRP/ADM is the more uniform presentation of the course than the traditional classroom course. The I-PIRP/ADM course is consistently presented in exactly the same way, whereas the classroom course presentation may vary depending on the specific instructor and the specific date of the course. The I-PIRP/ADM also requires the motorist to score a passing grade before they get credit for completing the course. This helps ensure that the motorist not only received the critical safety information, but has also retained it. The classroom course does not require a testing component.

The continuation of I-PIRP/ADM also supports several of the Governor’s current initiatives:

- **Making New York Safer:** I-PIRP/ADM makes important highway safety information more available to the motorists of New York through increasing the delivery channels and allows motorists to be educated about current safety concerns, such as increasing awareness of distracted driving due to texting/cell-phone use, and the dangers of driving under the influence of prescription drugs.
- **Customer Service Initiative (CSI):** The Governor endorsed a comprehensive plan to improve availability of DMV services to motorists of New York. The CSI is comprised of 11 key elements, including website modernization, development of mobile-ready applications, expansion of DMV office hours, automation of written tests and implementation of new telecommunication technology for DMV Call Centers. These initiatives are intended to increase accessibility, improve business efficiency and enhance the overall service experience for motorists. Availability of I-PIRP/ADM is consistent with the CSI.

A key factor and common denominator in each of the above initiatives is access. By incorporating the use of new technology in policies, programs and processes, we are able to offer services on multiple platforms thus providing options to NY motorists. Consistent with the Governor’s pursuit to improve, expand and diversify services, continuation of I-PIRP/ADM significantly contributes to those efforts and offers a viable and valuable alternative which enables greater access to highway safety information.

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Final Recommendations:

1. Make the I-PIRP/ADM course availability permanent. The program has proven to be as effective as the classroom course, and offers more course availability to New York motorists
2. Maintain current benefits to motorists who successfully complete the course (insurance discount and point reduction)
3. Maintain criteria/prerequisites for approval of programs (i.e., the sponsor must be a current classroom sponsor for a period of at least one year before applying for I-PIRP/ADM and continue to sponsor the classroom course unless exempted by the Commissioner)
4. Maintain monitoring of I-PIRP/ADM courses
5. Using experience with the program successes to make improvements, amend:
 - a. VTL Article 12-c (including removal of “pilot” from the article)
 - b. Section 89-g of State Finance Law (including removal of “pilot” from this law), maintaining requirements for fund handling
 - c. Commissioner’s Regulations Part 141 (including removal of “pilot” from this section of regulations)