



# State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Jim Doyle, Governor  
Sean Dilweg, Commissioner

Wisconsin.gov

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July 24, 2008

The Honorable Tim Carpenter, State Senator  
Chairperson, Senate Committee on Public Health, Senior  
Issues, Long Term Care and Privacy  
State Capitol Room 306 South  
Madison WI 53702

Re: Section Ins 3.455, 3.46, 3.465, Wis. Adm. Code, relating to long-term care including  
long-term partnership program qualifying policies

Clearinghouse Rule No. 08-032

Dear Senator Carpenter:

I am submitting a modification to this proposed rule for your consideration under  
s. 227.19 (4) (b), Wis. Stat. It is necessary to modify the rule as follows:

1. Technical corrections to s. Ins 3.46 (16) (a), to read:

Ins 3.46 (16) (a) This subsection may not apply to life insurance policies that accelerate accelerate benefits for long-term care or to insurers that offer group long-term care insurance policies when the group policy is issued to a local, municipal, county or state public employee group, the coverage was negotiated as part of a collectively collectively bargained agreement, the policy is issued to all eligible employees on a guarantee issue basis and contains contains at least a 5% compound annualized inflation protection except as to individual spouses that are underwritten by the insurer prior to being added to the group.

2. Technical correction to s. Ins 3.46 (20) (intro) and (b) to read:

Ins 3.46 (20) (intro) INCONTESTABILITY PERIOD. An insurer may rescind a long-term care insurance policy or certificate or deny an otherwise valid long-term care insurance claim only as permitted under ss. 631.11 (1) (b) and 632.76, Stats., and only if in addition addition to complying with ss. 611.11 (1)(b) and 632.76, Stats., any of the following apply:

(20)(b) (b) For a policy or ~~certificate~~certificate that has been in force for at least 6 months but less than 2 years, the insurer shows the ~~misrepresentation~~misrepresentation is both material to the acceptance for coverage and pertains to the condition for which benefits are sought.

3. Amend newly created s. Ins 3.46 (26) (2) b. to read:

Ins 3.46 (26) (2) b. For purposes of complying with s. 628.348 (1), Stats., compliance with this subsection will comply with s. 628.348 (1), Stats.; Insurance intermediaries who complete initial training by January 1, 2009, are required to complete the required 4 hours of ongoing training by the first complete license renewal cycle date as specified in s. Ins 6.63. Insurance intermediaries completing initial training after January 1, 2009 shall complete the required 4 hours of ongoing training by the date of their next complete license renewal datecycle as specified in s. Ins 6.63.

4. Delete Section 25 from the permanent rule as it references the emergency rule.

~~These emergency rule changes will take effect on the date after publication, June 3, 2008, as provided in s. 227.24 (1) (c), Stats.~~

If you have any questions regarding this, please contact John Montgomery at 264-8113.

Sincerely,

Kimberly A. Shaul  
Deputy Commissioner



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July 24, 2008

The Honorable John Townsend, State Representative  
Chairperson, Assembly Committee on Aging and  
Long Term Care  
State Capitol Room 22 West  
Madison WI 53702

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