

NOTICE OF PUBLIC HEARING
OFFICE OF THE COMMISSIONER OF INSURANCE

The Office of the Commissioner of Insurance announces that it will hold a public hearing on a Permanent Rule for s. INS 3.17, Wis. Adm. Code, relating to the reserve standards for accident and sickness insurance and affecting small business. In accordance with s. 227.15, Stats., the Commissioner is seeking public input through the hearing and comment period regarding the content of the proposed permanent rule.

Hearing Information:

Date: December 13, 2019
Time: 11:00 am
Location Office of the Commissioner of Insurance
125 S. Webster St., 2nd Floor Rm. 227
Madison, WI 53703

Accessibility:

Pursuant to the American with Disabilities Act reasonable accommodations including the provision of informational materials in an alternative format, will be provided for individuals with disabilities upon request. Please call Karyn Culver at (608) 267-9586 with specific information on your request at least 5 days before the date of the hearing. There is also handicap access to the hearing location.

Appearances at the Hearing and Submittal of Written Comments:

Persons wishing to testify or provide oral or written comments regarding the Permanent Rule for the proposed administrative rule may appear during the hearing. Additionally comments may be submitted at <https://docs.legis.wisconsin.gov/code>.

For additional information please contact Julie E. Walsh at (608) 264-8101 or email at Julie.Walsh@wisconsin.gov in the OCI Legal Unit.

Deadline for submitting comments is December 20, 2019, by 4:00 pm.

Initial Regulatory Flexibility Analysis:

The proposed rule permits insurers writing accident and sickness insurance to calculate claim and contract reserves for health insurance policies issued prior to January 1, 2017 to either comply with the minimum requirements in the National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures Manual (APPM) Appendix A-010 or the existing requirements set forth in s. Ins 3.17 (6) (b) or (8) (b), Wis. Adm. Code, respectively. Section 623.06 (8m), Stats., established s. Ins 3.17, Wis. Admin. Code, as the reserve standard for contracts issued after November 1, 2015 and prior to January 1, 2017. Section Ins 3.17, Wis. Adm. Code, does not currently authorize the use of the 2013 Individual Disability Income Valuation Table and the 2012 Group Long-Term Disability Valuation Table for calculating disability claim reserves. Both the APPM and the Valuation Manual authorize the use of the updated tables. To bridge this gap, the proposed rule will permit insurers to use either the NAIC APPM tables or the standard valuation calculation contained in s. Ins 3.17, Wis. Adm. Code, as appropriate, for claims and contract reserves related to the accident and sickness policies issued prior to January 1, 2017.

Agency Small Business Regulatory Coordinator:

The OCI small business coordinator is Kate Ludlum and she may be reached at Kate.Ludlum@wisconsin.gov or (608) 264-6232.