

**WISCONSIN
AUTOMOBILE
INSURANCE
PLAN**

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PLAN LETTER 656- MARCH 22, 2001

To: Members of the Plan

Minutes of the of the Wisconsin Automobile Insurance Plan Governing Committee meeting held in the premises of the Wisconsin Automobile Insurance Plan, 2200 North Mayfair Road, Wauwatosa, WI 53226 on Thursday, March 15, 2001. The meeting was called to order at 9:30 A.M. with the following members present:

ORGANIZATION

General Casualty Company, Chair
Employers Insurance of Wausau, A Mutual Company
Employers Mutual Casualty Company
Granite State Insurance Company
St. Paul Fire & Marine Insurance Company
Sentry Insurance A Mutual Company
State Farm Insurance Company
Wisconsin Automobile Insurance Plan

REPRESENTATIVE

John Hagen
Gary Tribbey
Greg Loman
Bob Cascioli
Ken McIntosh
Vicky Danahey
Bob Lindstedt
Mary Medicus
Ralph Herrmann
Nancy Kierzek
Donna Knepper
Cheryl Korth

Members Absent or Excused:

American Family Insurance Company
Hartford Fire Insurance Company

Also Present:

Office of the Commissioner of Insurance

Mark Reinholz
Jo LeDuc

PLAN LETTER 656– MARCH 22, 2001 – PAGE 2

The Chairperson read the following opening statement before convening the meeting:

“This Committee meeting has been called to discuss the items of mutual interest and concern to the members of the Wisconsin Automobile Insurance Plan. In accordance with both Federal and Wisconsin State Anti-trust Laws, this Committee is prohibited from any discussion or action which constitutes any form of boycott, coercion or intimidation.”

UNFINISHED BUSINESS

ITEM NUMBER 602 HOME INSURANCE COMPANY – SETTLEMENT OFFER

The Committee was advised that the reimbursement was made to WAIP. After the reimbursement was made, an additional \$5,609 owed by Home Insurance was noted. This amount was charged-off. This item is removed from the agenda.

ITEM NUMBER 619 PROPOSED LAD PROGRAM

Each member of the Committee was furnished with a copy of a preliminary draft of a proposed LAD Program. The Committee concurred with the concept and directed that a final proposal be drafted.

Plan Manager Herrmann reported that he had two carriers that expressed some interest in exploring the possibility of becoming a servicing carrier.

ITEM NUMBER 630 PROPOSED PRIVATE PASSENGER PHYSICAL DAMAGE
MODEL YEAR RATE REVISION

With all business complete, this item is removed from the agenda.

ITEM NUMBER 631 WAIP MANUAL ENHANCEMENTS

With all business complete, this item is removed from the agenda.

ITEM NUMBER 632 AIPSO PROPOSED ACCOUNTING AND STATISTICAL
REQUIREMENTS MANUAL

With all business complete, this item is removed from the agenda.

ITEM NUMBER 633 COMMERCIAL AUTOMOBILE MANUAL AMENDMENTS

The Commercial Subcommittee recommended the following amendments to the Commercial Manual:

Rule 31. ELIGIBILITY

- A. No Change
- B. No Change
- C. No Change
 - 1. No Change
 - 2. No Change

NOTE: For applications submitted without a Motor Vehicle Record (MVR) attached, use the highest rated factor.

- D. No Change
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Rule 67. AUTO BODY MANUFACTURERS AND INSTALLERS

Eliminate in its entirety.

PERFORMANCE STANDARDS – APPENDIX

4. SERVICING CARRIER

- A. No Change
- B. No Change
- C. No Change
- D. Performance Standard: In addition to complying with all terms in the signed Servicing Carrier Agreement, the servicing carrier is expected to meet the following performance standards:
 - (1) The servicing carrier shall issue a policy, binder or endorsements within 45 days of the receipt of the assignment provided all the necessary underwriting information is provided with the application. In the event all the necessary underwriting information is not provided with the application, the servicing carrier shall issue a policy, binder or endorsement within 45 days of the receipt of all the necessary underwriting information.
 - (2) All necessary certificates and regulatory filings should be effective on the inception date of the policy.

(no change to the current 2-6 except to be renumbered)

Rule 25. PREMIUM DEVELOPMENT – ZONE RATED AUTOS

Add page II-15 – copy of the zone rated map.

Rule 113. MERIT RATING PLAN

A.. Eligibility

No change

B. Experience Period

No change

C. Merit Points

1. No change
2. No change
3. No change
4. Merit points assigned should come exclusively from the loss report(s).

D. Rating

No change

Section 3.A. on the Truckers and Business Auto applications to read:

**A. LAST FOUR YEARS LOSS EXPERIENCE ON PRIOR INSURERS'
COMPUTER PRINTOUT OR LETTERHEADS**

Amend item 3 in the Producer's Statement to read:

- (3) If the policy is canceled or a change is made resulting in a return premium, I agree to return the unearned commission portion of such return premium within 45 days.

AIPSO will be asked to prepare the necessary filings.

NEW BUSINESS

ITEM NUMBER 634 PROPOSED 2001 WAIP BUDGET

After review, the Committee voted to accept the proposed 2001 WAIP meeting.

ITEM NUMBER 635 WAIP SERVICING CARRIER AUDITS

The Committee reviewed the servicing carrier audits and approved the reports for filing with the Office of the Commissioner of Insurance.

WAIP will review current auditing standards in the manual.

The next WAIP Governing Committee meeting is schedule for July 13, 2001.

Donna Knepper
Executive Secretary

