

PLAN LETTER 775—AUGUST 1, 2016

TO: Members of the Plan

Minutes of the Wisconsin Automobile Insurance Plan Governing Committee meeting held in the office of the Wisconsin Automobile Insurance Plan, 20700 Swenson Drive, Waukesha, WI 53186, on Wednesday, July 20, 2016. The meeting was called to order immediately upon adjournment of the Annual Meeting.

ORGANIZATION

American Family Mutual Insurance Company
EMC Insurance Companies
Liberty Mutual Insurance Company
National Continental Insurance Company
Wisconsin Automobile Insurance Plan

REPRESENTATIVE

Jann Samarzja
Dave Young
Mark Addis
Michael Donovan
Bernie Rosauer
Tad Cleveland
Nancy Kierzek
Cheryl Korth
Donna Knepper
Jaclyn de Medicci

Present by Teleconference:

Sentry Insurance A Mutual Company
Travelers Insurance Company
AIPSO

Tim Noble
Kevin Curry
Tom Assad
Dave Amaral
Drew Hunkins

Office of the Commissioner of Insurance

Members Absent or Excused:

General Casualty Company of WI
Hanover Insurance Company
State Farm Mutual Auto Insurance Company

Also Present:

Riegel Law, SC
Society Insurance

Paul Riegel
Ken Stephani

Also Present for Part of Meeting

Reilly, Penner & Benton

Brian Mechenich

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 774 DRIVER LICENSING ABBREVIATION CODES WITH CHARGE POINTS

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

ITEM NUMBER 782 AIPSO PROPOSAL DISCONTINUANCE OF MANUAL SALES

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

ITEM NUMBER 783 AIPSO PROPOSAL – MANUAL UPDATES – COVERAGE DEFINITION

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

NEW BUSINESS

ITEM NUMBER 788 2016 WAIP BUDGET

The Committee reaffirmed their e-mail vote to accept the proposed 2016 WAIP budget. This item is removed from the agenda.

ITEM NUMBER 789 CAIP COUNTRYWIDE SELECTION PROCESS

AIPSO is beginning the bid process for servicing carriers for the CAIP programs. American Family Mutual Insurance Company volunteered to represent WI in the process.

ITEM NUMBER 790 LAD AMENDMENTS

The Committee reviewed a proposal to remove the market share threshold for LAD volume.

After discussion, the Committee requested that WAIP review all restrictions on the LAD, including participation limitations. WAIP will prepare a proposal for an email vote.

ITEM NUMBER 791 AIPSO PROPOSAL 2016 COMMERCIAL AUTOMOBILE RATE REVIEW

The Committee discussed a proposed 24.7% decrease in overall rate level for commercial accounts. Due to the continued decline in Plan volume, high loss ratio, and rate credibility

concern, the Committee voted not to file the rate change as recommended by AIPSO in the proposal.

National Continental Insurance Company abstained from voting.

This item is removed from the agenda.

**ITEM NUMBER 792 AIPSO PROPOSAL 2016 PRIVATE PASSENGER NON-FLEET
AUTOMOBILE RATE REVIEW**

The Committee discussed a proposed 0.5% decrease in overall rate level for private passenger accounts. Due to the lack of premium volume, the Committee voted not to file the rate change as recommended by AIPSO in the proposal.

This item is removed from the agenda.

**ITEM NUMBER 793 AIPSO PROPOSAL DETERMINATION OF QUOTAS – SECTIONS 44
AND 48**

The Committee reviewed and adopted AIPSO's proposed changes to the quota determination methodology to be filed with the Office of the Commissioner of Insurance for approval.

**ITEM NUMBER 794 WISCONSIN SRDP FINANCIAL STATEMENTS – YEARS ENDED
AUGUST 31, 2015 AND 2014**

Statutory Financial Statements August 31, 2015 and 2014 and Statements of Cash Receipts and Disbursements Accounted for by the Central Processor Years Ended August 31, 2015 and 2014 as prepared by KPMG were distributed to the Committee for review. The statements were accepted and will be filed with the OCI for information only.

**ITEM NUMBER 795 WAIP AUDITED FINANCIAL STATEMENTS – YEARS ENDED
DECEMBER 31, 2015 AND 2014**

Brian Mechenich from Reilly, Penner & Benton LLP presented the WAIP Audited Financial Statements Years Ended December 31, 2015 and 2014 to the Committee. The statements were accepted and will be filed with the OCI for information only.

Donna Knepper
Bureau Liaison