

PLAN LETTER 769—AUGUST 19, 2015

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 29, 2015. The meeting was called to order immediately upon adjournment of the Annual Meeting.

ORGANIZATION

American Family Mutual Insurance Company
General Casualty Company of WI
National Continental Insurance Company
State Farm Mutual Auto Insurance Company
Wisconsin Automobile Insurance Plan

REPRESENTATIVE

Daniel Amend
Phil Haddad
Caren Kerman
George Cooper
Bernie Rosauer
Tad Cleveland
Cheryl Korth
Donna Knepper

Present by Teleconference:

EMC Insurance Companies
Sentry Insurance A Mutual Company

Dave Young
Tim Noble

Members Absent or Excused:

Hanover Insurance Company
Liberty Mutual Insurance Company
Travelers Insurance Company

Also Present:

Office of the Commissioner of Insurance
Riegel Law, SC
Society Insurance

Jaclyn de Medicci
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

Current WAIP Rule 24 lists several of the conviction codes and penalty points as published by the State of WI, Department of Transportation (DOT). The list is limited and the rule requires that one penalty point be charged for each conviction not listed under Rule 24. The list provided is outdated and limited. Therefore, the Committee adopted a change to Rule 24 to have penalty points assessed based on the most current conviction chart published by the DOT. The proposed amendment is as follows:

G. Points Assignable for **Accidents and Convictions** Penalty

1. Accidents NO CHANGE
2. Convictions

The term “conviction” wherever used in this Plan shall be deemed to include a forfeiture of bail or a determination by any juvenile court authority, formally or informally that an offense has been committed.

The WI Driver Licensing Abbreviation Codes With Charges and Points as published by the Wisconsin Department of Transportation (wisconsindot.gov/Documents/dmv/shared/bds109.pdf) shall be used to assess penalty points. A minimum of one penalty point per conviction shall be assessed.

EXCEPTIONS:

Convictions for the following shall not be regarded as moving traffic violations:

- a. Any auto equipment requirement of the motor vehicle and traffic laws except brakes
- b. Failure to display proper number plates, provided such plates are in existence
- c. Failure to have in possession operator's or chauffeur's license, provided there is one in existence
- d. Physical or mental condition

- e. Any convictions that are criminal nontraffic violations. Insureds must demonstrate proof of such.

WAIP will also add an FAQ to the web site with a link to the DOT document. This rule change will be filed with the OCI to be effective upon approval.

ITEM NUMBER 780 AIPSO PROPOSAL – UPDATE TO TRUCKERS – UNIFORM INTERMODAL INTERCHANGE ENDORSEMENT FORM UIIE-1

This item was approved by the OCI on December 30, 2014. With all business complete, this item is removed from the agenda.

NEW BUSINESS

ITEM NUMBER 782 AIPSO PROPOSAL – DISCONTINUANCE OF MANUAL SALES

AIPSO has advised that, effective January 1, 2016, they will discontinue the printing and shipping of paper manuals. Therefore, the following amendment to the WAIP manual was adopted by the Committee for filing with the OCI to be effective January 1, 2016.

INTRODUCTION

C. Availability of Forms and Manuals

The following Plan materials are available in electronic format at no cost and may be printed from the indicated websites:

- Application forms to be used when applying to the Wisconsin Automobile Insurance Plan are available from the Plan website, www.waip.org, at the following address, at no cost:
- The following materials are available by logging into www.aipso.com:
 - Wisconsin Automobile Insurance Plan Manual
 - Wisconsin SRDP Accounting & Statistical Requirements Manual
 - Plan Commercial and Personal Policy Forms and Endorsements
 - ISO Symbols and Identification Manual

In the event you do not have access to the Plan website for any reason or are unable to print from the website, contact WAIP at:

Wisconsin Automobile Insurance Plan
20700 Swenson Drive, Suite 100
Waukesha, WI 53186
(262) 796-4599
www.waip.org
e-mail: auto.plan@wcrb.org

~~Manuals containing the rules and regulations of the Wisconsin Automobile Insurance Plan are available for purchase in hard copy format from AIPSO, 302 Central Avenue, Johnston, RI 02919, or by calling (401) 942-9799.~~

This rule change will be filed with the OCI to be effective January 1, 2016.

ITEM NUMBER 783 AIPSO PROPOSAL – MANUAL UPDATES – COVERAGE DEFINITION

To comply with recent federal law changes, the Committee adopted the proposal to change “husband and wife” to “married couple” wherever referenced in the Plan Manual. The following rules will be affected:

Section 2. Eligibility

Section 5. Extent of Coverage

These Sections are amended to replace references to “husband and wife” with “a married couple”.

Rule 20. Definitions

Rule 22. Private Passenger Auto Classifications

Rule 51. Premium Development

Rule 83. Farmers Autos (Class Code 7399)

These Rules are amended to replace references to “husband and wife” with “a married couple”.

Rule 32. Named Nonowner Coverage

This Rule is amended to revise the definition of male operator under age 25 to include the spouse of a male applicant.

AIP 10 67 01 15 Miscellaneous Type Vehicle Endorsement—Wisconsin
Replaces AIP 10 67 11 07

This endorsement is amended under I.A.2.a and IV.D.2.a to replace references to “husband and wife” with “a married couple”.

This rule change will be filed with the OCI to be effective upon approval.

ITEM NUMBER 784 AIPSO PROPOSAL 2015 PRIVATE PASSENGER NON-FLEET
AUTOMOBILE RATE REVIEW

The Committee discussed a proposed 5.9% increase in overall rate level for private passenger accounts. Due to the lack of premium volume, the Committee voted not to file the rate decrease.

This item is removed from the agenda.

ITEM NUMBER 785 AIPSO PROPOSAL 2015 COMMERCIAL AUTOMOBILE RATE REVIEW

The Committee discussed a proposed 12.1% decrease in overall rate level for commercial accounts. Due to the continued decline in Plan volume and therefore rate credibility, the Committee voted not to file the rate change.

This item is removed from the agenda.

ITEM NUMBER 786 WISCONSIN SRDP FINANCIAL STATEMENTS – YEARS ENDED AUGUST 31, 2014 AND 2013

Statutory Financial Statements August 31, 2014 and 2013 and Statements of Cash Receipts and Disbursements Accounted for by the Central Processor Years Ended August 31, 2014 and 2013 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 787 WAIP AUDITED FINANCIAL STATEMENTS – YEARS ENDED DECEMBER 31, 2014 AND 2013

Brian Mechenich from Reilly, Penner & Benton LLP presented the WAIP Audited Financial Statements Years Ended December 31, 2014 and 2013 to the Committee. The statements were accepted and will be filed with the OCI for information only.

At the Annual Meeting, the Committee voted to decrease the regular meetings of the Governing Committee to once a year in conjunction with the WAIP Annual Meeting. Unless WAIP activity requires a formal meeting, the next regular Governing Committee meeting will be held in July 2016.

Donna Knepper
Executive Secretary