

PLAN LETTER 786—July 31, 2018

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 19, 2018. The meeting was called to order immediately upon adjournment of the Annual Meeting.

ORGANIZATION

American Family Group
EMC Insurance Companies

Progressive Group

Society Insurance Company

State Farm Insurance Group

Sentry Insurance, A Mutual Company

General Casualty Group

Also Present:

AIPSO

Reilly, Penner & Benton, LLC
Wisconsin Automobile Insurance Plan

REPRESENTATIVE

Jann Samarzja
Dave Young
(teleconference)
Mike Donovan

Ken Stephani
(teleconference)

Todd Feltman
(teleconference)
Tim Noble
(teleconference)

Val Pristera
(teleconference)

Tom Assad
Via teleconference:
Chuck Kwolek
Frank Pensabene
Larry Iacoi
Kevin Leeman
Dave Amaral
Jim Chrones

Annette Moy
Bernie Rosauer
Alyce Archie-Jordan
Jaclyn de Medicci

Nancy Kierzek
Donna Knepper

Riegel Law

Paul Riegel

Office of the Commissioner of Insurance

Eric Schoene

Members Absent or Excused:

Hanover Insurance Co
Liberty Mutual Ins Co

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 789 CAIP COUNTRYWIDE SELECTION PROCESS

The approved contract was signed and executed. This item is removed from the agenda.

ITEM NUMBER 790 LAD AMENDMENTS

Filed and approved by the Office of the Commissioner of Insurance. This item is removed from the agenda.

ITEM NUMBER 798 AIPSO PROPOSAL - RIDE-SHARING EXCLUSIONS

Filed and approved by the Office of the Commissioner of Insurance. This item is removed from the agenda.

ITEM NUMBER 799 AIPSO PROPOSAL - LIMOUSINE CLARIFICATION

Filed and approved by the Office of the Commissioner of Insurance. This item is removed from the agenda.

ITEM NUMBER 800 AIPSO PROPOSAL – LAD BUY-OUT PERCENTAGE FORMULA COMPONENTS

Filed and approved by the Office of the Commissioner of Insurance. This item is removed from the agenda.

ITEM NUMBER 801 AIPSO PROPOSAL – LAD PROCEDURE ALLOCATION OF ASSIGNMENTS AND FEES TO SERVICING COMPANIES

Filed and approved by the Office of the Commissioner of Insurance. This item is removed from the agenda.

ITEM NUMBER 802 AIPSO PROPOSAL – LAD PROCEDURE BUY-OUT ELIGIBILITY REQUIREMENT

Filed and approved by the Office of the Commissioner of Insurance. This item is removed from the agenda.

ITEM NUMBER 808 PLAN PROPOSAL WAIP FUTURE MECHANISM DISCUSSION

This item is tabled pending further discussion under items numbered 798, 799, 800.

NEW BUSINESS

ITEM NUMBER 809 AIPSO PROPOSAL – WAIVER OF SUBROGATION

The Committee voted to adopt. The proposal includes a waiver of subrogation endorsement and changes to the commercial applications to allow for an option to elect for the waiver of subrogation and charges associated. This item will be filed with the Office of the Commissioner of Insurance.

ITEM NUMBER 810 AIPSO PROPOSAL - PREMIUM AT PRESENT RATES EXPERIENCE RATING PLAN

The Committee voted to adopt. The proposal amends the experience rating criteria to combined single liability limits of \$100,000 or greater and a developed credibility factor of at least 0.07. This item will be filed with the Office of the Commissioner of Insurance.

ITEM NUMBER 811 AIPSO PROPOSAL - REPORTING OF VOLUNTARY BASE DATA FOR LOW SPEED VEHICLES

The Committee voted to adopt. The proposal expands voluntary miscellaneous nonfleet personal vehicles to include low speed vehicles for data reporting purposes only. This item will be filed with the Office of the Commissioner of Insurance.

ITEM NUMBER 812 2018 WAIP BUDGET

The committee reaffirmed their email vote of the 2018 WAIP budget. With all items completed, this item is removed from the agenda.

ITEM NUMBER 813 AIPSO PROPOSAL 2018 PRIVATE PASSENGER NON-FLEET AUTOMOBILE RATE REVIEW

The Committee voted to adopt the recommendation for no rate change. This item will be filed with the Office of the Commissioner of Insurance.

ITEM NUMBER 814 AIPSO PROPOSAL 2018 COMMERCIAL AUTOMOBILE RATE REVIEW

The Committee voted to adopt the recommendation for an increase of 10.9%. This item will be filed with the Office of the Commissioner of Insurance.

ITEM NUMBER 815 WISCONSIN SRDP FINANCIAL STATEMENTS – YEARS ENDED AUGUST 31, 2017 AND 2016

Statutory Financial Statements August 31, 2017 and 2016 and Statements of Cash Receipts and Disbursements Accounted for by the Central Processor Years Ended August 31, 2017 and 2016 as prepared by Grant Thornton LLP were distributed to the Committee for review. The statements were accepted and will be filed with the Office of the Commissioner of Insurance for information only. With all business complete, this item is removed from the agenda.

ITEM NUMBER 816 WAIP AUDITED FINANCIAL STATEMENTS – YEARS ENDED

DECEMBER 31, 2017 AND 2016

Annette Moy from Reilly, Penner & Benton LLP presented the WAIP Audited Financial Statements Years Ended December 31, 2017 and 2016 to the Committee. The statements were accepted and will be filed with the Office of the Commissioner of Insurance for information only. With all business complete, this item is removed from the agenda.

ITEM NUMBER 817 WAIP ELECTRONIC CONVERSION DISCUSSION

The Committee voted to adopt the recommendation to contract with AIPSO for electronic premium quoting and electronic application data services. The contract was accepted and will be filed with the Office of the Commissioner of Insurance for information only.

ITEM NUMBER 818 WAIP OPERATIONS MANAGEMENT DISCUSSION

The Committee voted to adopt the recommendation to contract with AIPSO to administer daily operations and customer service for the Plan. The contract was accepted and will be filed with the Office of the Commissioner of Insurance for information only.

ITEM NUMBER 819 AIPSO LAD PROPOSAL

Tom Assad from AIPSO presented a preliminary proposal with several options to address the future viability of the LAD program. This issue will be continued.

Jaclyn de Medicci
Plan Administrator