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PLAN LETTER 807 – August 12, 2024

TO: Members of the Plan

August 6, 2024 Governing Committee Meeting

Minutes of the Wisconsin Automobile Insurance Plan Governing Committee meeting held virtually via teleconference on Tuesday, August 6, 2024. The meeting was called to order at 2:00 P.M. with the following members present:

ORGANIZATION

American Family Insurance Company

EMC Insurance Companies

Sentry Insurance, A Mutual Company

State Farm Insurance Companies

Also Present:

AIPSO

Wisconsin Automobile Insurance Plan

Riegel Law, SC

Office of the commissioner of Insurance

REPRESENTATIVE

Jann Samarzja

Mark Neubauer

Josh Wagner

Todd Feltman

Tom Assad

Andrew Stoughton

Bernie Rosauer

Paul Riegel

Eric Schoene

Andrea Davenport

Andrew Stoughton 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.”

1. A quorum was established, and the meeting was declared open for business.
2. Item number 863 Plan Volume & Activity Update. Mr. Stoughton updated the Committee on the Plan volume and activity report. The committee asked for additional information in the report regarding current policies in the future. This item is continued on the agenda.
3. Item number 864 Loss Report for Plan Business. Mr. Stoughton updated the Committee on loss reports for the PAIP and CAIP activity over the last 5 policy years. This item is continued on the agenda.
4. Item number 865 CAIP/SRDP Proposal Update. Mr. Assad (AIPSO) provided an update on the ongoing CAIP/SRDP transition from Continental Indemnity to AIPSO. This item is continued on the agenda.
5. Item number 866 PAIP Plan Paper Proposal Update. Mr. Stoughton (WAIP) and Mr. Assad (AIPSO) gave an update on the PAIP Plan Paper Proposal and the continuing talks that WAIP/AIPSO/OCI continue to have. Mr. Stoughton and Mr. Assad also presented a proposed filing that outlined the Plan Paper proposal. The committee asked for additional information regarding the carrier percentage of the contingency reserve needed for the plan. That information will be provided to the committee. The committee voted to adopt the proposal. This item will be filed with OCI for approval.
 - a. **Update:** After further discussion with AIPSO, OCI, and carrier members, the WAIP made a recommendation to the governing board committee to withdraw the PAIP Plan Paper Proposal filing. The committee conducted an email vote on 8/29/24 and 8/30/24 and voted to withdraw the filing. The results were communicated with the OCI and AIPSO at that time.
6. Item number 867 Filings with OCI. Mr. Stoughton provided an update and review of all of the filings that AIPSO has filed with the OCI on behalf of WAIP since the last Governing Committee meeting. This item is continued on the agenda.

7. Item number 868 WAIP Private Passenger Auto Rate Proposal. The Committee voted to adopt the AIPSO actuarial committee's recommendation of no rate changed for the private passenger lines based on their actuarial data. No filing with the OCI is necessary for this recommendation.
8. Item number 869 WAIP Commercial Auto Rate Proposal. The Committee voted to adopt the AIPSO actuarial committee's recommendation of an overall 25.0% increase for commercial auto lines. This item will be filed with the OCI for approval.
9. Item number 870 AIPSO Central Processor (CP) Fees. This is a proposal from AIPSO stating that AIPSO will change their core service billing procedures starting 1/1/25 moving from billing based on hours multiplied by an hourly rate to a fixed annual charge determined at the time the annual budgets are prepared. The Committee voted to adopt the proposal.
10. Item number 871 Acuity V. Estate of Shimeta. This is a proposal from AIPSO to update policy language in WI to reflect the decision the WI Supreme Court ruled in Acuity V. Estate of Shimeta. The Committee voted to adopt the proposal. This item will be filed with OCI.
11. Item number 872 Physical Damage Coverage Availability Clarification. This is a proposal from AIPSO to make amendments to policy language to clarify physical damage coverage is available only in conjunction with a policy written through the Plan affording bodily injury and property damage liability coverage. The Committee voted to adopt the proposal. This item will be filed with OCI.
12. Item number 873 Commercial Auto Abuse or Molestation Liability and Communicable Disease Exclusion. This is a proposal from AIPSO to introduce an abuse and molestation exclusion endorsement and communicable disease exclusion endorsement. The Committee voted to adopt the proposal. This item will be filed with OCI.
13. Item number 874 Public or Livery Conveyance Exclusions. This is a proposal from AIPSO to amend the manual definition of private passenger auto to clarify vehicles used for both private passenger purposes and ride-sharing activities are included, but the ride-sharing activities are not covered by the policy. The Committee voted to adopt the proposal. This item will be filed with OCI.
14. Item number 875 Expansion of Methods for Submission of Policy Change Request. This is a proposal from AIPSO to introduce an electronic option for submission of Private Passenger policy change requests (PCRs) to include email, facsimile, and telephone. Commercial PCRs include email and

facsimile. The Committee voted to adopt the proposal. This item will be filed with OCI.

15. Item number 876 Elimination of Gross Receipts Rating Basis. This is a proposal from AIPSO to eliminate gross receipt rating basis on the basis that specified auto rating provides more definitive classification and rating. The Committee voted to adopt the proposal. This item will be filed with OCI.

No further business was introduced, and the meeting was adjourned.

Andrew Stoughton

Plan Administrator