



TO: Legislative Reference Bureau  
1 East Main Street, Suite 200  
Madison, WI 53701-2037

FROM: Lauren Van Buren, Chief Legal Counsel  
Office of the Commissioner of Insurance

DATE: May 13, 2024

SUBJECT: Section Ins 3.15, Wis. Adm. Code, relating to Ins 3.15, relating to the inclusion of “veterans” as a category of “eligible risks” under INS 3.15 (4) (a).

Clearinghouse Rule No. 23-059

Enclosed are two originals of the above-referenced order by the Commissioner of Insurance promulgating a rule. The first is to be filed with the Legislative Reference Bureau and the other to be stamped by the Legislative Reference Bureau and retained by OCI.

I have e-mailed you an electronic copy of the rule. For additional information or if you did not get the e-mail, please contact Karyn Culver at [karyn.culver@wisconsin.gov](mailto:karyn.culver@wisconsin.gov). Pursuant to s. 227.114 (6), Wis. Stat., I am providing you with the following:

Summary of Final Regulatory Flexibility Analysis

The Office of the Commissioner of Insurance has determined that this rule will not have a significant economic impact on a substantial number of small businesses and therefore a final regulatory flexibility analysis is not required.

Summary of Comments of Legislative Standing Committees

The legislative standing committees had no comments on this rule.



Tony Evers, Governor of Wisconsin  
Nathan Houdek, Commissioner of Insurance

STATE OF WISCONSIN

OFFICE OF THE COMMISSIONER OF INSURANCE

SS

I, Nathan Houdek, Commissioner of Insurance and custodian of the official records, certify that the annexed rule affecting section INS 3.15, Wis. Adm. Code, relating to the inclusion of “veterans” as a category of “eligible risks” under INS 3.15 (4) (a), is duly approved and adopted by this Office on May 10, 2024.

I further certify that I have compared this copy with the original on file in this Office and that it is a true copy of the original, and the whole of the original.

IN TESTIMONY WHEREOF, I have hereunto  
set my hand at 125 South Webster Street,  
Madison, Wisconsin,  
on May 10, 2024.

A handwritten signature in black ink, appearing to read "Nathan Houdek".

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Nathan Houdek  
Commissioner of Insurance

# ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE AMENDING A RULE

## Office of the Commissioner of Insurance

**Rule No.** Agency 145 – Ins 3.15

The Commissioner of Insurance submits an order to amend Ins 3.15, relating to the inclusion of “veterans” as a category of “eligible risks” under INS 3.15 (4) (a).

The statement of scope for this rule, SS: 027-23, was approved by the Governor on April 27, 2023, published in Register No. 809A1 on May 1, 2023, and approved by the Commissioner on October 3, 2023. The proposed rule was approved by the Governor on January 11, 2024, to submit to the legislature, and submitted to the legislature on January 25, 2024. The rule passed through Senate and Assembly committees and the Joint Committee for Review of Administrative Rules on April 5, 2024, with no action taken.

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### ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE (OCI)

**1. Statutes interpreted:**

s. 600.03 (4), Stats.

**2. Statutory authority:**

ss. 227.11 (2) (a), 600.03 (4), 601.41 (3) (a), 631.20, Stats.

**3. Explanation of OCI’s authority to promulgate the proposed rule under these statutes:**

s. 600.03 (4), Stats., defines blanket accident and sickness policies. s. 631.20, Stats. (“filing and approval of forms”), requires these policies/risks to be approved by OCI; see *also* s. 600.03 (21), Stats. (defining “form” to mean “a policy, group certificate, or application prepared for general use”). Pursuant to ss. 227.11 (2) (a) and 601.41 (3), Stats., the Commissioner has the authority to promulgate rules necessary to administer and enforce chs. 600 to 655, Stats.

**4. Related statutes or rules:**

s. 600.03 (23), Stats., and INS 3.14; s. 600.03 (22), Stats., and INS 3.23; and INS 3.13 apply, respectively, to group, franchise, and individual accident and sickness insurance. See *also* INS 6.75 (1) (c) and (2) (c), permitting accident and sickness policies.

**5. The plain language analysis and summary of the proposed rule:**

OCI finds it appropriate that “veterans” should be a recognized risk category eligible for blanket accident and sickness insurance. The proposed amendment to INS 3.15 (4) (a) would accomplish this purpose by explicitly setting forth “veterans” as an eligible risk

category. This would codify current practice, whereby OCI considers it appropriate to approve “veterans” as a risk category under INS 3.15 (4) (b) (providing that “[a] company may submit any other risk or class of risks, subject to approval by the commissioner, which it believes is properly eligible for blanket accident and health insurance”).

**6. Summary of and preliminary comparison with any existing or proposed federal regulation that is intended to address the activities to be regulated by the proposed rule:**

N/A

**7. Summary of any public comments and feedback on the statement of scope of the proposed rule that the agency received at any preliminary public hearing and comment period held under s. 227.136, Stat., and a description of how and to what extent the agency took those comments and that feedback into account in drafting the proposed rule.**

N/A – OCI did not receive any public comments or feedback.

**8. Comparison of similar rules in adjacent states as found by OCI:**

**Illinois:** N/A – It does not appear that Illinois has a rule setting forth groups eligible for blanket accident and sickness insurance. Rather, Illinois statute defines groups eligible for blanket accident and health insurance. See 215 Ill. Comp. Stat. 5/367a. This provision does not include veterans as an eligible group.

**Iowa:** Iowa Admin. Code r. 191-35.3 (1) (509) sets forth groups eligible for blanket accident and sickness insurance. This provision does not include veterans as an eligible group.

**Michigan:** N/A – It does not appear that Michigan has a rule setting forth groups eligible for blanket accident and sickness insurance. Rather, Michigan statute defines groups eligible for blanket disability insurance. See Mich. Comp. Laws § 500.3402d. This provision does not include veterans as an eligible group.

**Minnesota:** N/A – It does not appear that Minnesota has a rule setting forth groups eligible for blanket accident and sickness insurance. Rather, Minnesota statute defines groups eligible for blanket accident and sickness insurance. See Minn. Stat. § 62A.11, subd.1. This provision does not include veterans as an eligible group.

**9. A summary of the factual data and analytical methodologies that OCI used in support of the proposed rule and how any related findings support the regulatory approach chosen for the proposed rule:**

OCI did not rely on an analytical methodology to determine that “veterans” should be an eligible group under INS 3.15 (4) (a). Rather, OCI’s support for the proposed rule is based on current practice, whereby OCI considers it appropriate to approve “veterans” as an eligible risk category under INS 3.15 (4) (b) (providing the Commissioner with the discretion to approve additional risks or classes of risk). Therefore, it would promote

simplicity and uniformity to amend INS 3.15 (4) (a) to add “veterans” as a recognized risk category.

**10. Any analysis and supporting documentation that OCI used in support of OCI’s determination of the rule’s effect on small businesses under s. 227.114:**

It is OCI’s determination that, by removing the requirement that “veterans” as an eligible risk category be approved on a case-by-case basis, the proposed rule would minimally reduce impacted entities’ administrative burden. To the extent these entities are small businesses, there would be a minimal positive economic effect. OCI does not anticipate a significant economic impact on small businesses.

**11. A description of the Effect on Small Business:**

OCI anticipates either no or a minimal positive economic effect on small businesses, in that insurers could automatically treat “veterans” as an eligible risk category.

**12. Agency contact person:**

A copy of the full text of the proposed rule changes, analysis and fiscal estimate may be obtained from the web site at:

<https://oci.wi.gov/Pages/Regulation/RulesCurrentlyPending.aspx> or by contacting Karyn Culver at:

Phone: (608) 267-9586  
Email: [karyn.culver@wisconsin.gov](mailto:karyn.culver@wisconsin.gov)  
Address: 125 South Webster St – 2<sup>nd</sup> Floor, Madison WI 53703-3474  
Mail: PO Box 7873, Madison, WI 53707-7873

**13. Place where comments are to be submitted and deadline for submission:**

Persons wishing to testify or provide oral or written comments regarding the proposed administrative rule may appear during the hearing. Additionally, the rule may be reviewed and comments made at <https://docs.legis.wisconsin.gov/code> or sent to the following:

The deadline for submitting comments is 4:00 p.m. on the 8th day of December, 2023.

Written comments can be mailed, e-mailed, or hand-delivered to:

Sharone Assa  
Legal Unit - OCI Rule Comment for Rule Ins 3.15  
Office of the Commissioner of Insurance  
125 South Webster St – 2<sup>nd</sup> Floor  
Madison WI 53703-3474

Email: [sharone.assa@wisconsin.gov](mailto:sharone.assa@wisconsin.gov)

For additional information please contact Sharone Assa at (608) 264-8129 or [sharone.assa@wisconsin.gov](mailto:sharone.assa@wisconsin.gov).

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The proposed rule changes are:

**SECTION 1. Ins 3.15 (4) (a) 15. is amended to read:**

15. Patrons or guests of a recreational facility or resort.

**SECTION 2. Ins 3.15 (4) (a) 16. is created to read:**

16. Veterans.

**EFFECTIVE DATE.** The rule takes effect on the first day of the month following publication in the Wisconsin Administrative Register, as provided in s. 227.22 (2) (intro.), Stats.

Dated at Madison, Wisconsin, this 10th day of May, 2024.



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Nathan Houdek  
Commissioner