



2023 Wisconsin Insurance Report



Wisconsin Office of the
COMMISSIONER
OF INSURANCE

Our mission: *To protect and educate Wisconsin consumers by maintaining and promoting a strong insurance industry.*



Contents

Welcome

Past Commissioners.....	4
Letter to the Governor.....	6
About OCI.....	8
Committees.....	10

Administration of the Office

Organizational Structure.....	16
Senior Management.....	18
Office Finances	20

Executive Initiatives

Regulatory Developments and Trends	22
Advisory Boards, Committees, and Councils	24
National Association of Insurance Commissioner Activities.....	31
Continuous Process Improvement Initiatives	32
Bulletins to Insurers	33
Legislation	35
Administrative Actions.....	39

Public Affairs

Public Affairs Unit.....	40
Social Media	44

Office of Operational Management

Financial Management.....	49
Project Portfolio Management.....	49

Office of Administrative Services

Central Files and Reception Unit	50
Injured Patients and Families Compensation Fund.....	52
State Life Insurance Fund	60

Division of Financial Regulation

Major Accomplishments	64
Companies Examined.....	68
Changes in Corporate Licenses.....	69
Companies in Liquidation or Rehabilitation.....	77

Division of Market Regulation and Enforcement

Major Accomplishments	84
Market Analysis Section.....	87
Form Submissions and Rate Filings.....	88
Consumer Affairs Section.....	92
Agent Licensing Section	96
Rates and Forms Section	98





Welcome

Past Commissioners

Secretaries of State* Ex Officio Commissioner of Insurance			
Name	Residence	Term Start	Term End
Llewelyn Breese	Prairie du Chien	January 3, 1870	January 5, 1874
Peter Doyle	Prairie du Chien	January 5, 1874	January 7, 1878

Commissioners of Insurance			
Name	Residence	Term Start	Term End
Hans B. Warner	Ellsworth	January 7, 1878	April 1, 1878
Philip L. Spooner	Madison	April 1, 1878	January 3, 1887
Philip Cheek, Jr.	Baraboo	January 3, 1887	January 5, 1891
Wilbur M. Root	Sheboygan	January 5, 1891	January 7, 1895
William A. Fricke	Milwaukee	January 7, 1895	October 15, 1898
Emil Giljohann	Milwaukee	October 15, 1898	January 5, 1903
Zeno M. Host	Milwaukee	January 5, 1903	January 1, 1907
George E. Beedle	Embarrass	January 7, 1907	January 2, 1911
Herman L. Ekern	Whitehall	January 2, 1911	July 1, 1915
M. J. Cleary	Blanchardville	July 1, 1915	April 10, 1919
Plat Whitman	Highland	April 10, 1919	July 17, 1923
W. Stanley Smith	Ashland	July 17, 1923	June 2, 1926
Olaf H. Johnson	Gratiot	June 2, 1926	January 10, 1927
M. A. Freedy	Wauwatosa	January 10, 1927	July 1, 1931
H. J. Mortensen	New Lisbon	July 1, 1931	October 1, 1939
Morvin Duel	Fond du Lac	October 1, 1939	August 8, 1948
J. L. Sonderegger	Madison	October 1, 1948	December 1, 1948
John R. Lange	Madison	December 1, 1948	July 15, 1955
Alfred Van DeZande	Campbellsport	July 15, 1955	November 1, 1955
Paul J. Rogan	Ladysmith	November 1, 1955	July 2, 1959
Charles Manson	Wausau	July 2, 1959	September 15, 1965
Robert D. Haase	Marinette	September 15, 1965	September 7, 1969

Commissioners of Insurance			
Name	Residence	Term Start	Term End
S. C. DuRose	Madison	October 1, 1969	April 8, 1975
Harold R. Wilde	Madison	April 8, 1975	March 18, 1979
Susan M. Mitchell	Madison	March 19, 1979	July 31, 1982
Ann J. Haney	Madison	August 1, 1982	February 28, 1983
Thomas P. Fox	Madison	March 1, 1983	April 27, 1987
Robert D. Haase	Marinette	April 28, 1987	December 31, 1992
Josephine W. Musser	Madison	March 8, 1993	January 2, 1998
Randy Blumer	Madison	January 6, 1998	January 2, 1999
Connie L. O'Connell	Sun Prairie	January 4, 1999	January 6, 2003
Jorge Gomez	Milwaukee	February 17, 2003	December 18, 2006
Sean Dilweg	Madison	January 1, 2007	January 3, 2011
Theodore K. Nickel	Merrill	January 3, 2011	January 20, 2019
Mark Afable	Sun Prairie	January 22, 2019	December 17, 2021
Nathan Houdek	Madison	January 3, 2022	Present

*By chapter 56, section 32, General Laws of 1870, the Secretary of State was Commissioner of Insurance ex officio until 1878. The Commissioner of Insurance was made elective in 1881. In 1911 the Commissioner of Insurance was made appointive instead of elective.



Letter to the Governor

Dear Governor Evers:

As Wisconsin's commissioner of insurance, I am pleased to submit the 2023 Wisconsin Insurance Report as required by 601.46(3) of the Wisconsin Statutes.

The report describes the work of the Wisconsin Office of the Commissioner of Insurance (OCI) over the course of last year. Throughout 2023, OCI carried out our mission to protect and educate Wisconsin consumers while maintaining a strong insurance industry.

We furthered our mission by working to expand access to health care coverage, improve communication with constituents and insurers, empower consumers with information and resources related to climate resiliency, and provide informative materials to insurers on the changing regulatory and economic landscape.

This report provides an overview of our work in 2023. We hope you find the report useful.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Nathan Houdek', written in a cursive style.

Nathan Houdek
Commissioner of Insurance



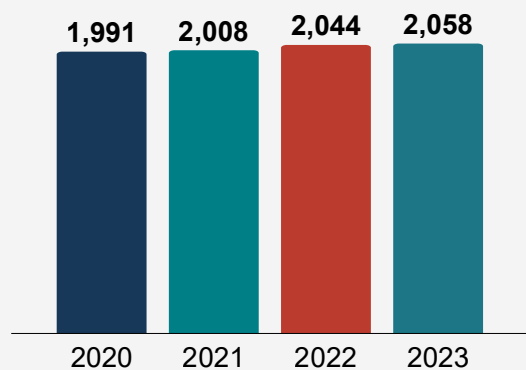


About OCI

OCI was created by the legislature in 1870 and continues its work today ensuring that the insurance industry meets the insurance needs of Wisconsin citizens.

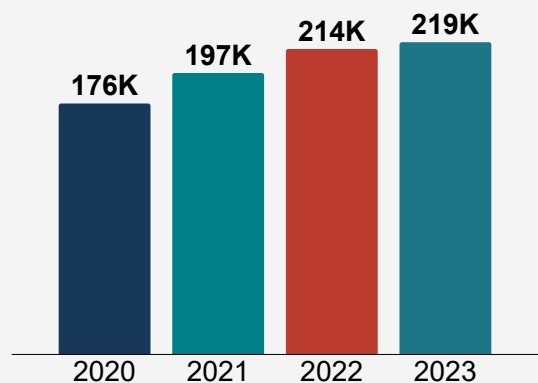
Insurance in Wisconsin

Insurers



In 2023, there were **2,058 insurers** authorized to write business in Wisconsin. Of those, **316 insurers** were domiciled in Wisconsin with total assets of **\$653 billion**.

Agents



Wisconsin's insurance industry is key to our strong economy. There are more than **219,000 agents** licensed to do business in Wisconsin and over 33,000 are Wisconsin residents.

Protecting Wisconsinites

OCI works to ensure that policyholders get the coverage they have paid for, Wisconsin's laws and regulations are upheld, and consumers are protected.

Over 24k inquiries handled

In 2023, OCI investigated and closed 3,117 written consumer complaints and handled 21,000 general inquiries received via email and telephone.

\$69,779 in forfeitures remitted

OCI remitted \$69,779 in forfeitures to Wisconsin's Common School Fund administered by the Board of Commissioners of Public Lands. Earnings from the fund are distributed to all public K-12 schools in the state and are used to purchase items such as library materials and computers. The fund distributed \$52 million to Wisconsin public school districts in 2023.

Over \$6 million recovered

OCI assisted complainants in recovering just over \$6 million from licensed entities.

125 South Webster Street, P.O. Box 7873 | Madison, WI 53707-7873
p: 608-266-0103 | p: 1-800-236-8517 | f: 608-264-8115
OCI@oci.wisconsin.gov | oci.wi.gov

Pharmacy Benefit Manager Complaint Form

The Office of the Commissioner of Insurance (OCI) helps consumers with insurance problems. Please complete this form as thoroughly as you can. Mailing details are on the last page of this form. We will send a copy of your complaint to the company or PBM. They will respond directly to you and tell us what action was taken. In most cases, you will hear from the company in about 25 days from the date you send us your complaint. When we receive information from the company or agent, we will review and decide what action we can take. We will notify you of that decision. If you do not get the resolution you want, you may contact a private attorney for advice. If your complaint involved a claim dispute, you can contact your county's small claims court. Type or print clearly with a black pen.

I. Person Filing the Complaint

1. Your Name _____
Business Name _____ (if filing on behalf of a business)
Mailing Address _____
City _____ State _____ Zip Code _____
Email _____
Most correspondence from OCI is sent via email
Phone number where we can reach you between 8 am - 4:30 pm _____

2. I am filing this complaint as:
☐ Insured ☐ Pharmacy ☐ Other (specify) _____

II. Insurance Policy Information

3. Name of Insurance Company (Provide the exact name of the insurance company as it appears on your medical insurance card. Incorrect names will delay the handling of your complaint.) _____

4. Name of Policyholder or Insured _____

National Association of Insurance Commissioners (NAIC)

OCI is a member of the NAIC which is the national regulatory support organization created and governed by the chief insurance regulators from the 50 states, the District of Columbia, and five U.S. territories. Through the NAIC, state insurance regulators establish standards and best practices, conduct peer reviews, and coordinate regulatory oversight.



Committees

With around 130 employees in 2023, OCI is a small but mighty agency. While our employees contribute to the community through their important day-to-day work, many have also chosen to participate in one of our three employee-led committees that help strengthen our agency's culture and create opportunities for engagement.

OCI Gives Back

The OCI Gives Back Committee organizes blood drives, school supply drives, and other events that help our staff contribute to important causes. The committee members also plan and execute the annual Partners in Giving campaign, an enterprise-wide effort that encourages state employees to contribute to impactful nonprofits across the state. Thanks to their dedicated work, OCI has earned recognition for our high levels of staff participation and generous giving during the campaign each of the last two years.

20% more
Partners in Giving
donor participants

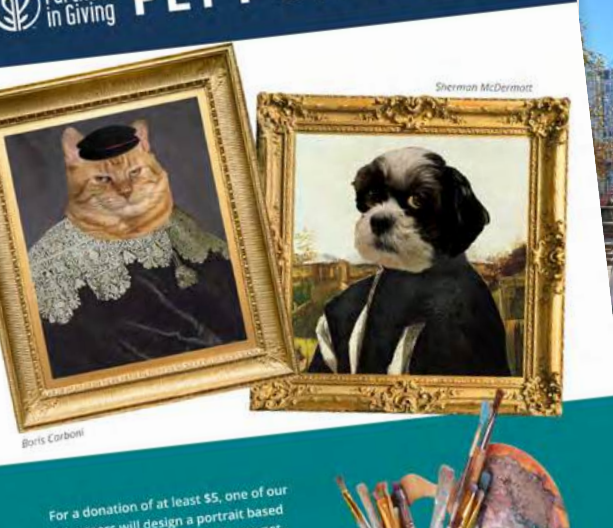
12 units
of blood donated

won 2 awards
for Partners in Giving



The OCI Gives Back Committee is focused on making a difference. Whether that's through the annual Partners in Giving campaign, hosting school supply or blood drives, or raising awareness about hunger, our committee members are dedicated to building possibilities out of generosity.

- Jill Kelly, OCI Gives Back Committee Chair





TUESDAY, SEPT. 19, 2023

HEALTH FAIR

DETAILS

Join us in the Cafe (plaza level of GEF 3) on Tuesday, September 19 from 11 a.m. to 1:30 p.m.

Visit vendors (ahead of Open Enrollment) to learn more about the benefits available to state employees.

REGISTER TO WIN A YETI

Register and attend the event for a chance to win an OCI Yeti. One prize per person.

Converse with Coworkers

Engage in Activities

Learn about OCI Committees

Hand-Outs, Information, and Merch

Wisconsin Office of the COMMISSIONER OF INSURANCE



Wellness Committee

The Wellness Committee's mission is to inspire, create, and maintain an environment that supports each staff member's wellness. Committee members share resources, promote wellness programs and initiatives, and educate employees on relevant health and wellness topics. In 2023, OCI received the [Diversity Award from the State Council on Affirmative Action](#) for a [Workplace Well-Being Initiative](#), a joint effort between the Wellness and Equity, Diversity, and Inclusion Committees.

over 60 events
shared on the intranet

won 1 award
with the EDI Committee

over 40 attendees
at the health fair

won 1 award
for Excellence and
Innovation in Employee
Well-Being from Well
Wisconsin



"Our committee works to create opportunities and share information that helps every person at OCI take care of their physical and mental health. It was an honor to have our work with the EDI Committee recognized last year, and we will continue to build on that success to make our workplace the best it can be."

- Sarah Wehnes, Wellness Committee Chair

Equity, Diversity, and Inclusion Advisory (EDI) Committee

The EDI Committee was formed in 2021 and is responsible for supporting and monitoring the implementation of the goals and strategies listed in OCI's [Equity and Inclusion Plan](#).

Our current Equity and Inclusion Plan was developed in 2023 and is in effect from January 1, 2024, to December 31, 2026. The EDI Committee makes an effort to ensure equal opportunity for all employees. The Committee also works to develop and sponsor training, events, and activities that encourage personal growth while supporting an inclusive culture that ensures all employees can succeed.

won 1 award
with the Wellness Committee

over 25 events
shared on the intranet

1 new strategic plan
developed by the committee

conducted 2 staff surveys
to gather input on trainings
and initiatives



"The EDI Committee's mission is to promote and support an inclusive culture at OCI. We work to identify challenges related to agency diversity and fairness. The hard work and dedication of the committee earned OCI the Diversity Award from the State Council on Affirmative Action for the Workplace Well-Being Initiative this year."

- Lilian Kahite, EDI Committee Chair



NAIC NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

EDU 310-124: Introduction to Diversity, Equity, & Inclusion for Regulators

Start any Monday!

Do you want to know more about diversity, equity, and inclusion (DE&I) but don't know where to start? You're in the right place! And we're so happy you're here.

Or you may be wondering, "What's in it for me?" or "Why is this important to me?" Well, we're glad you asked! Studies have shown that the benefits of DE&I create an opportunity to:

- Eradicate prejudice
- Enhance levels of creativity and innovation
- Improve profitability
- Boost employee engagement and retention
- Improve company reputation
- Enhance brand recognition

All employees must be active participants—even role models—in DE&I initiatives to ensure these efforts are successful. The challenge is many people today feel ill-equipped to ask questions about DE&I. They are afraid to have conversations about bias, or they don't know how to be an ally to their colleagues. For these reasons, the NAIC is prioritizing DE&I training.

To be effective in today's workplace, we all must know how to:

- Identify bias in decision making, policies, and practices across the organization
- Hire and retain diverse talent
- Acknowledge mistakes if we say or do something we regret



Administration of the Office

Organizational Structure

OCI is organized into two divisions, two offices, and two units: the Division of Financial Regulation and the Division of Market Regulation and Enforcement; the Office of Administrative Services and the Office of Operational Management; and the Public Affairs and Legal units.

Division of Financial Regulation

The Division of Financial Regulation (DFR) is responsible for monitoring the financial solvency of insurers licensed to do business in Wisconsin. DFR conducts financial examinations of domestic insurers' operations and financial analysis of all licensed insurers, administers insurer rehabilitations and liquidations, audits and collects insurer premium taxes and fees, licenses insurance companies, reviews holding company transactions, reviews change-of-control transactions, and collects funds from insurers under the fire department dues program. Along with the Division of Market Regulation and Enforcement, this division has a major role in the agency's participation in the NAIC.

Division of Market Regulation and Enforcement

The Division of Market Regulation and Enforcement (DMR) performs market conduct examinations and market analysis of licensed insurers, determines compliance with applicable laws and rules, handles consumer contacts and consumer complaints about licensees, initiates administrative actions against licensees who violate Wisconsin's insurance laws, staffs several risk-sharing plans, investigates agent activities, and administers the insurance licensing and continuing education program. DMR also processes, reviews, and, when applicable, approves rate and form filings, and processes Vehicle Protect Plans and

Warranties. OCI's managed care specialist assigned to this division investigates complex managed care complaints that OCI receives, educates consumers on their rights under managed care plans, and administers the state's independent review program. DMR is also responsible for monitoring trends in the Wisconsin comprehensive health insurance marketplace. Along with the Division of Financial Regulation, this division plays a major role in the agency's participation in NAIC.

The Office of Administrative Services

The Office of Administrative Services is responsible for administrative functions within OCI. This responsibility includes serving as a liaison between the agency and the Department of Administration Division of Personnel Management for staff development and human resource services. This Office is also responsible for the Central Files and Reception Unit, which directs records management and training. The Office also provides administrative services to the Injured Patients and Families Compensation Fund and the State Life Insurance Fund.

The Office of Operational Management

The Office of Operational Management is responsible for operational functions of the agency including project management, budget, accounting, and facilities management. In addition, the Office serves as a liaison between the agency and the Department of Administration Division of Enterprise Technology for Information Technology services and support.

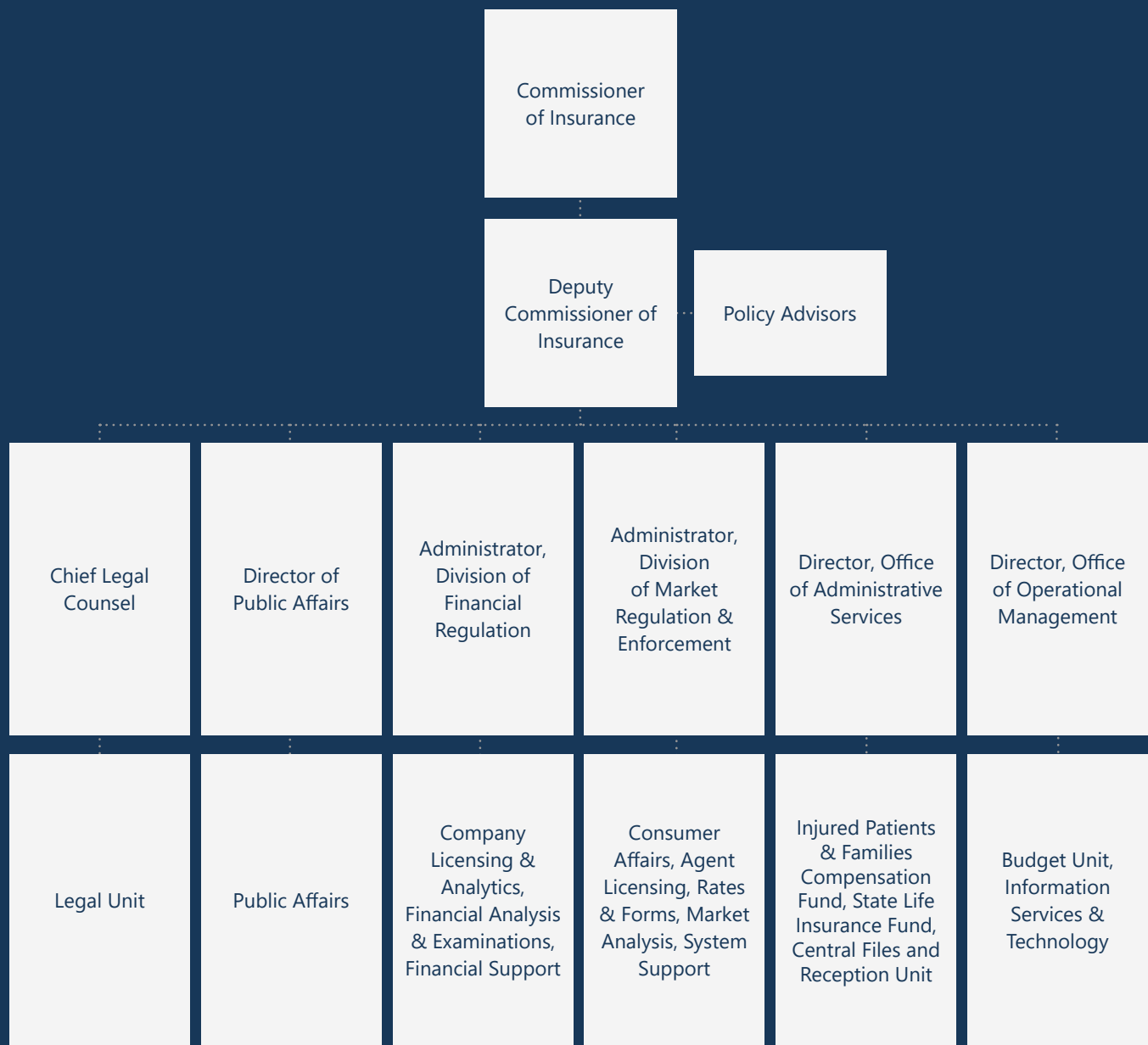
Legal Unit

The Legal Unit represents the agency in administrative procedures, provides legal advice to staff, represents or supervises representation of the agency in litigation and insurance company receiverships, and develops legislative proposals and administrative rules. The Unit provides legal services for the Injured Patients and Families Compensation Fund, Wisconsin Health Care Liability Insurance Plan, and State Life Insurance Fund.

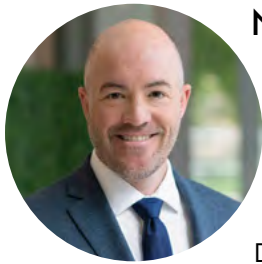
Public Affairs Unit

The Public Affairs Unit provides advice on executive matters affecting the agency's goals and initiatives including directing the agency's legislative initiatives and communications activities. This unit uses a variety of communication tools to engage and educate consumers on insurance issues.

Organizational Chart



Senior Management



Nathan Houdek

Commissioner of Insurance,
January 2022

Deputy Commissioner of
Insurance, January 2019 –
December 2021

Nathan Houdek served as Deputy Commissioner of Insurance from January 2019 until his appointment by Governor Tony Evers as Commissioner of Insurance in January 2022.

Nathan has spent over 20 years working in state legislative and regulatory affairs. He has extensive experience dealing with issues across all lines of insurance and engaging with a variety of stakeholders to find solutions to complex public policy and regulatory challenges. He has held several senior-level roles in the public and private sectors, including serving as a principal at one of Wisconsin's largest public affairs and business consulting firms and as chief of staff to the former minority leader in the Wisconsin State Senate.

He earned his Bachelor of Arts and Master of Business Administration degrees from the University of Wisconsin-Madison.

Rachel Cissne Carabell

Deputy Commissioner of Insurance, January 2022 –
October 2023

Rachel Cissne Carabell was appointed Deputy Commissioner of Insurance in January 2022.

Rachel is an experienced health insurance and employee benefits expert who has held leadership roles in both the public and private sectors throughout her career. She brings more than 20 years of experience to OCI.

Prior to joining OCI, she served as the Senior Health Policy Advisor at the Department of Employee Trust Funds. She previously served as the Director of Product Development and Management at WEA Trust and as the Deputy

Director in the Bureau of Benefits Management with the Department of Health Services. Earlier in her career, she worked as an analyst at the Legislative Fiscal Bureau and the State of Wisconsin Investment Board.

Rachel is a graduate of the University of Wisconsin-Madison.

Lauren U. Van Buren

Lauren U. Van Buren was appointed Chief Legal Counsel in January 2023. Lauren served as an attorney at OCI for over five years prosecuting administrative actions with a focus on financial advisor fraud, securities fraud, and life insurance suitability. She is active with the National Association of Insurance Commissioners, with a focus on the use of big data and artificial intelligence.

She holds a bachelor's degree from the University of Wisconsin-Madison and a law degree from the University of Hawai'i at Manoa.

Amy Malm

Since 2017, Amy Malm has served as the Administrator for the Division of Financial Regulation at OCI. She is responsible for overseeing company licensing, financial analysis and examinations, and the solvency of insurers licensed to do business in Wisconsin. Amy started at OCI in 2001 as a financial examiner.

Before joining OCI, Amy was a revenue agent with the Wisconsin Department of Revenue in the Delinquent Tax Unit assisting taxpayers in resolving past-due taxes. Amy also has experience working in the private sector as an accounting assistant for a home health agency while obtaining her degree.

Amy has a Bachelor of Science in Accounting from Upper Iowa University. She is also a Certified Public Accountant, a Certified Financial Examiner through the Society of Financial Examiners, and an Associate in Risk Management – Enterprise-wide Risk Management. In 2021, Amy earned the designation of Professional in Insurance Regulation from the National Association of Insurance Commissioners. Amy serves as a

member of several NAIC committees.

Rebecca Rebholz

Rebecca Rebholz is the Administrator for the Division of Market Regulation and Enforcement at OCI. Rebecca is responsible for the day-to-day administration of the Division of Market Regulation and Enforcement. This includes market analysis, industry and consumer issues, rate and forms filings, as well as the agent testing and licensing process. Before her current role, she served as the OCI bureau director of market regulation since August 2016. Rebecca worked as an examiner and a senior examiner in the Property and Casualty Section of Regulation and Enforcement at OCI for 17 years. Rebecca is also active at NAIC.

Rebecca holds an associate degree in Computer Programming/System Analysis from Madison College, a Bachelor of Arts in Political Science, and a law degree from the University of Wisconsin–Madison.

Sarah Smith

Sarah Smith is the Director of Public Affairs at OCI. She is responsible for overseeing communications, public outreach, and legislative affairs.

Sarah earned a Bachelor of Arts in History as well as a Master of Science in Educational Policy from the University of Wisconsin–Madison. Before joining OCI, Sarah was the Communications Director for Senator Patty Schachtner and previously served as the Chief of Staff to State Treasurer Sarah Godlewski.

Jesse Patchak

Jesse Patchak joined OCI in July 2021 as the Director of the Office of Operational Management. In this role, Jesse is responsible for the financial management of OCI which includes budget, finance and accounting, receivables, and procurement. He oversees project management as well as the Information Services Section which is a shared service with the Department of Administration and includes all IT services including help desk, applications development and

support, security, email, and network management.

Jesse brings many years of service with the State of Wisconsin. Prior to joining OCI, Jesse worked as a project portfolio manager at the Wisconsin Department of Justice where he worked to develop a data-driven prioritization and resource allocation methodology that maximized enterprise skill sets. Before that, he worked as a budget analyst at the Department of Justice and the Department of Transportation.

He holds a Lean Six Sigma certification and earned a Bachelor of Science in Marketing with a minor in Business Administration from the University of Wisconsin–La Crosse.

Kristina Thole

Kristina Thole is the Director of the Office of Administrative Services. Kristina is the key contact for all OCI employees as their human resources liaison. She is responsible for all personnel management and human resources processes, policies, and procedures. In close coordination with the fund managers, she supervises and administers the direction of the State Life Insurance Fund and the Injured Patients and Families Compensation Fund. She is responsible for the administrative support staff and other administrative functions.

Prior to joining OCI, Kristina worked at the Department of Administration in the Division of Personnel Management (and its predecessor the Office of State Employment Relations), for over nine years. She has significant experience with HR policy interpretation, development, and implementation as well as in recruitment and selection activities. Before joining the State of Wisconsin, she worked in HR in the private sector in the insurance and health care industries.

Kristina holds the Senior Professional in Human Resources (SPHR) designation. She earned a Bachelor of Arts in Communication with a minor in English from the University of Wisconsin–Milwaukee.

Office Finances

General Fund—Supervision of the Insurance Industry Fiscal Year 2022 (Amounts in \$000s)			
	Total Revenue	Retained by Office of the Commissioner of Insurance	Transferred to State's General Purpose & Other Revenue Funds ¹
Premium Taxes	\$223,113		\$223,113
Fire Department Dues	29,864		29,864
Forfeitures	70		70
Insurance Company Examination Charges	7,164	7,164	-
Resident/Nonresident Appt Billings and Renewals	33,923	33,923	-
Agent Continuing Education Fees	6	6	-
Resident/Nonresident Producer License Issuance	1,321	1,321	-
Resident/Nonresident Biennial License Renewals	8,710	8,710	-
Reinstatements	0	0	-
Other Licensing Fees	103	103	-
Company Licenses, Admissions, and Renewals	137	137	-
Miscellaneous ²	<u>107</u>	<u>107</u>	<u>-</u>
Total Revenue	<u>\$304,518</u>	51,471	<u>\$253,047</u>
Less Total Operating Expenditures		<u>19,316</u>	
Net Operating Revenue / (Loss)		32,155	
Cash Lapse to State's General Fund (Transfer Out)		<u>(32,161)</u>	
Net Change in Fund Equity		<u>\$ (6)</u>	

¹The Office of the Commissioner of Insurance retains all revenue from licenses, services, and other items. Taxes are remitted to the State of Wisconsin General Purpose Revenue Fund. Fire Department Dues are remitted to Department of Safety and Professional Services for distribution to Wisconsin Fire Departments. Forfeitures are remitted to the Common School Fund.

²Miscellaneous collections include: 1) Photocopying, 2) Service of process, and 3) Publications.

Segregated Funds
Fiscal Year 2023 (Amounts in \$000s)

	Total Revenue	Operating Expenses	Net Revenue
Injured Patients & Family Compensation Fund	\$(10,708)	\$27,261	\$(37,969) ³
State Life Insurance Fund	1,249	5,906	(4,657) ⁴

³Due to COVID premium holiday extension and extreme volatility in the stock market due to the pandemic.

⁴Due to an increase in payments received on policy loans over the prior year.





Executive Initiatives

Regulatory Developments and Trends

Industry Changes

In 2023, the insurance industry continued to experience a changing market as inflationary pressures and supply chain challenges impacted insurance costs alongside more frequent and severe weather-related disasters. The COVID-19 public health emergency “unwinding” began in 2023 as state Medicaid programs initiated eligibility redeterminations after a three-year pause.

Federal COVID-19 Laws

In 2020, the federal government passed two laws in response to the COVID-19 pandemic. The Families First Coronavirus Response Act (FFCRA) was enacted on March 18, 2020, and the Coronavirus Aid, Relief, and Economic Security Act (CARES) on March 27, 2020. As conditions of receiving temporary increased federal Medicaid funding under FFCRA, Maintenance of Eligibility (MOE) provisions required states to keep beneficiaries enrolled until the end of the month when the COVID-19 public health emergency (PHE) ends and prohibited states from adopting more stringent eligibility criteria or increasing premiums. On May 11, 2023, the PHE expired.

Federal COVID-19 Laws (Continued)

President Joe Biden signed the American Rescue Plan Act (ARPA), a stimulus bill to aid public health and economic recovery from the COVID-19 pandemic, on March 11, 2021. The \$1.9 trillion plan included \$350 billion in emergency funding for state, local, territorial, and tribal governments, known as the Coronavirus State and Local Fiscal Recovery Funds. ARPA extends eligibility for Affordable Care Act (ACA) health insurance subsidies to people buying their own health coverage on the HealthCare.gov Marketplace who have incomes over 400% of the federal poverty line. The law also increases the amount of financial assistance for people with lower incomes who were already eligible under the ACA. Both provisions lasted through the end of 2022. In August 2022, the Inflation Reduction Act was passed into law which extended the ARPA subsidy changes through 2025 and continued to impact consumers on the individual health insurance market in 2023.

In February 2021, the U.S. Departments of Health Services, Labor, and Treasury jointly issued a clarification for coverage requirements for diagnostic COVID-19 testing which continued requirements that OCI had previously presented in a bulletin from May 2020. Beginning January 15, 2022, insurance companies and group health plans were required to cover eight free, over-the-counter, at-home tests per covered individual per month. That means a family of four, all on the same plan, were able to get up to 32 of these tests covered by their health plan per month. There was no limit on the number of tests, including at-home tests, that were covered if ordered or administered by a health care provider following an individualized clinical assessment, including for those who may need them due to underlying medical conditions. This coverage of COVID-19 testing and treatment continued at the beginning of 2023, but the requirement for private insurance companies to cover COVID-19 tests without cost sharing, both for OTC and laboratory tests, ended with the expiration of the PHE. Many private insurers have opted to continue some level of coverage for tests voluntarily.





Advisory Boards, Committees, and Councils

Wisconsin law, s. 15.04, Wis. Stat., provides that heads of independent agencies may create and appoint such councils and committees as the operation of the agency requires. Insurance law, s. 601.20, Wis. Stat., authorizes the commissioner to create advisory councils and committees to assist in dealing with regulatory issues.

The commissioner is to provide, by rule, for the creation, governance, duties, and termination of any council or committee that is established. The expert advice provided to the commissioner through these councils results in more efficient regulation of the insurance industry to the benefit of insurance consumers and insurers.

The commissioner and staff members also serve on various councils and boards, aiding Wisconsin residents by providing advice and suggestions on matters related to insurance regulation.

OCI is involved with the following boards,

committees, and councils (listed alphabetically):

Birth to 3 Program Interagency Coordinating Council

The Wisconsin Birth to 3 Program Interagency Coordinating Council (ICC) was established by the governor of Wisconsin to advise and assist the Department of Health Services (DHS) in the performance of the responsibilities established under Part C of the Individuals with Disabilities Education Act. ICC's mission is to advise, review, analyze, and monitor the implementation of the state's early intervention system, maintain a forum for communication relative to early intervention, and make recommendations to DHS regarding the effective implementation of the early intervention system.

Governor's Committee for People with Disabilities

In 1948, a Governor's Committee was established to improve employment opportunities for



people with disabilities. The group's mission was broadened in 1976 to cover many aspects of disability in Wisconsin, and the group became the Governor's Committee for People with Disabilities which is dedicated to enhancing the health and general well-being of disabled citizens in Wisconsin. The committee consists of the Lieutenant Governor and not more than 20 other members, including six members appointed from specific statutory councils: the Council on Blindness, the Council for the Deaf and Hard of Hearing, the Council on Developmental Disabilities, the Council on Mental Health, the Council on Alcohol and Other Drug Abuse, and the Council on Physical Disabilities. The majority of members are people with disabilities.

Governor's Council on Financial Literacy and Capability

Governor Tony Evers created the [Governor's Council on Financial Literacy and Capability](#) by signing [Executive Order #106](#) on February 8, 2021. The order renamed the

existing [Governor's Council on Financial Literacy](#) and expanded its mission to include helping Wisconsinites build financial capability and identifying ways to improve the financial inclusion of all Wisconsin residents. In addition, the order increased the council's membership from 25 to 35 members bolstering the council's expertise in the areas of financial capability and inclusion.

Governor's Task Force on Reducing Prescription Drug Prices

The first meeting of the [Governor's Task Force on Reducing Prescription Drug Prices](#) was held on November 20, 2019. Governor Tony Evers created the task force through Executive Order #39 and charged the task force with making recommendations for reducing prescription drug prices in Wisconsin. OCI leads the work of the task force and Commissioner Houdek serves as the task force chair.

Throughout 2020, the task force held a series of meetings and analyzed information relating

to the development, pricing, distribution, and purchasing of prescription drugs; reviewed actions taken by Wisconsin and other states to reduce prescription drug prices; and identified opportunities to coordinate with other states and the federal government. The final report, including recommendations for strategies and policies to help lower prescription drug costs for consumers, was submitted to Governor Evers in the fall of 2020. The task force did not meet in 2023, but task force members and interested parties continue to support and advance the recommended proposals.

Group Insurance Board

Section 15.165 (2), Wis. Stat., created an 11-member Group Insurance Board in the Department of Employee Trust Funds. The commissioner or designee is a member of the

board. The Group Insurance Board is authorized to enter into contracts with insurers to provide group insurance plans or to provide benefits on a self-insured basis for Wisconsin state and other public employees and retirees. It also provides general administrative policy for the group insurance programs for health care, income disability benefits, and life insurance authorized for state and other public employees under ch. 40, Wis. Stat. The specific powers of the board are enumerated under s. 40.03 (6), Wis. Stat. The board generally meets at least four times per year.

Health and Life Insurance Advisory Council

The Health and Life Insurance Advisory Council advises the commissioner on regulatory matters in the area of health and life insurance. The council



LEFT: The Badger Herald reported on an expansion of Wisconsin health care November 1, 2023. If legislation passes, the income eligibility for BadgerCare will increase by as much as 138% of the federal poverty level in some populations. Following recommendations from Gov. Tony Evers' Task Force on Reducing Prescription Drug Prices, the legislation plans on creating the Office of Prescription Drug Affordability and the Prescription Drug Review Board to lower the cost of prescriptions. By addressing these issues, they hope to create a healthier Wisconsin.

meets on an as-needed basis. The members are appointed by the commissioner and include six members representing insurers, three members representing insurance agents, one representing small business, and one consumer advocate.

Injured Patients and Families Compensation Fund Board

The Injured Patients and Families Compensation Fund (Fund) was created in 1975 to provide medical malpractice insurance for Wisconsin health care providers in excess of the provider's primary limits of coverage. The Fund provides coverage in excess of the primary limit established by statute, which is currently \$1 million per occurrence and \$3 million aggregate per year. Participation in the Fund is mandatory for health care providers as defined by Chapter 655, Wis. Stat.

OCI provides administrative support for the Fund's operations. The Fund is governed by a 13-member Board of Governors which is chaired by the commissioner of insurance. The Board is comprised of four public members appointed by the governor, three insurance industry representatives, a member named by the Wisconsin Association for Justice, a member named by the State Bar of Wisconsin, two members named by the Wisconsin Medical Society, and a member named by the Wisconsin Hospital Association. The board and its committees meet quarterly.

Fiscal Year 2023 Board of Governors (as of June 30, 2023):

Nathan Houdek, Commissioner of Insurance
(Board Chair)
Jeffery Bingham, Public Member
Carla Borda, Public Member
Greg Schroeder, Public Member
Vacancy, Public Member
Vacancy, Public Member
Susan Forray, Industry Representative
David Maurer, Industry Representative
David Nelson, Industry Representative
Vacancy, Industry Representative
Daniel Rottier, Wisconsin Association for Justice

Jerome Hierseman, State Bar of Wisconsin
Bud Chumbley, M.D., Wisconsin Medical Society
Timothy Crummy, M.D., Wisconsin Medical Society
Matthew Stanford, a, Wisconsin Hospital
Association

The following committees and a council support the Fund's governance:

Actuarial and Underwriting Committee
Legal Committee
Claims Committee
Finance/Investment/Audit Committee
Risk Management and Patient Safety Committee
Peer Review Council

Insurance Security Fund Board

This board administers the Insurance Security Fund established by ch. 646, Wis. Stat., to provide a mechanism for protecting insureds in the event of liquidation of insurers and to assess the cost of such protection among insurers. The commissioner, along with the attorney general and the state treasurer, are members of this board and serve with representatives of insurers appointed by the commissioner upon consideration of the recommendation of insurance organizations.

Joint Survey Committee on Retirement Systems

This committee performs duties mandated under s. 13.50, Wis. Stat. The committee is comprised of two majority party senators, one minority party senator, two majority party representatives to the assembly, one minority party representative to the assembly, an assistant attorney general, a member of the public selected by the governor, the commissioner or a designated experienced actuary at OCI, and the secretary of the Department of Employee Trust Funds.

This committee evaluates all legislative proposals that would create or modify any system of retirement for public officers or employees. No such legislative proposal may be acted upon by the legislature until it has been referred to this committee for the preparation of a written



report. The report must indicate the probable cost involved, the effect of the proposal on the actuarial soundness of existing retirement systems, and the desirability of the proposal as a matter of public policy.

OCI DHS Health Care Coverage Partnership Advisory Council

In June 2019, Governor Tony Evers announced the formation of the [Health Care Coverage Partnership](#), directing the Office of the Commissioner of Insurance and the Department of Health Services (DHS) to develop strategies aimed at enrolling more Wisconsinites in high-quality, affordable health insurance coverage. Throughout 2023, the Advisory Council's efforts focused on targeting populations eligible for, but not enrolled in, Medicaid and heavily subsidized plans available through the exchange due to the initiation of Medicaid redeterminations with the expiration of the Public Health Emergency.

Property and Casualty Advisory Council

This council, created by s. Ins 6.79, Wis. Adm. Code, advises the commissioner on regulatory matters in the areas of property and casualty insurance. The council meets on an as-needed basis and consists of four insurance company members, three agent members, and one public member, appointed by the commissioner. This council met three times in 2023.

Retirement Research Committee

This committee performs duties mandated under s. 13.51, Wis. Stat. Its membership represents employee and employer groups with vested interests in various state retirement programs. The committee has investigatory powers over state retirement systems for public employees. In addition, it may require any public pension or retirement system to furnish it with periodic financial reports and records. The committee conducts a continuous review of retirement benefits afforded to public employees under the existing state system. It maintains a current reference library of all public employee pension and retirement plans throughout the United States.

and makes its findings and recommendations available to the governor and legislature.

Wisconsin Insurance Plan Governing Committee

The Wisconsin Insurance Plan is a risk-sharing plan for property insurance companies created by s. Ins 4.10, Wis. Adm. Code. The purpose of the plan is to help qualified property owners obtain insurance coverage if they are unable to find adequate coverage in the private market. The plan is overseen by a Governing Committee subject to the supervision of the commissioner of insurance. The Governing Committee consists of insurer representatives, insurance agents, and public members. The commissioner of insurance appoints the agents and the public members and selects a liaison to attend meetings. Six of the insurer representatives are selected by trade associations and one is elected by insurers who are not members of these trade associations.

Wisconsin Partnership Program Oversight and Advisory Committee

The Wisconsin Partnership Program's Oversight Advisory Committee is a nine-member panel including representatives of urban and rural areas, the Office of the Commissioner of Insurance, and the University of Wisconsin School of Medicine and Public Health.

The primary responsibilities of the committee are to direct and approve funds for public health initiatives, provide public representation through the Oversight and Advisory Committee's four community members, and comment and advise on expenditures of the Partnership Education and Research Committee.

Wisconsin Retirement Board

The nine-member board is created in the Department of Employee Trust Funds by s. 15.165 (3) (b), Wis. Stat. Six members represent employers or employees who participate in the Wisconsin retirement system, one is a participating state employee, one is a public member, and one is the

commissioner or an experienced actuary in OCI. The board studies and recommends alternative administrative policies, authorizes and terminates disability annuity payments, and considers administrative rules that relate to participants in the retirement system other than teachers.

Wisconsin State Council on Alcohol and Other Drug Abuse

The council was created in the Office of the Governor in August 1970 to provide leadership and coordination regarding alcohol and other drug abuse (AODA) issues confronting the state. Wisconsin Act 210 was enacted on April 6, 1994, merging the Citizens Council on Alcohol and Other Drug Abuse with the state council. The bill expanded the duties and the membership of the state council.

The State Council on Alcohol and Other Drug Abuse recommends, coordinates, and reviews efforts of state agencies to control and prevent alcohol and drug abuse. It evaluates program effectiveness, recommends improved programming, issues reports that educate people about the dangers of drug abuse, and allocates responsibility for various alcohol and drug abuse programs among state agencies.

The 22-member council consists of the governor, the attorney general, the superintendent of the Department of Public Instruction, the secretary of the Department of Health Services, the commissioner of insurance, the secretary of the Department of Corrections, the secretary of the Department of Transportation, and the chairperson of the Pharmacy Examining Board, or their designees; a representative of the controlled substances board; a representative of any governor's committee or commission created under subch. I of ch. 14 to study law enforcement issues; six members (one of whom is a consumer representing the public at large) with demonstrated professional, research, or personal interest in alcohol and other drug abuse problems, appointed for four-year terms; a representative of an organization or agency which is a direct provider of services to alcoholics and other drug

abusers; a member of the Wisconsin County Human Service Association, Inc., who is nominated by that association; and two members of each house of the legislature, representing the majority party and the minority party in each house.

Worker's Compensation Research Institute (WCRI) CompScope™ Benchmark Study Advisory Committee for Wisconsin

The CompScope™ WCRI's multistate benchmarking program measures and benchmarks

the performance of a growing number of state worker's compensation systems. This program provides annually the opportunity both to examine the changes in the performance of individual state systems and to make meaningful interstate comparisons. The CompScope™ program is funded by employers, insurers, state funds, state governments, rating organizations, and a labor organization seeking to help achieve a more stable and equitable worker's compensation system. OCI is a member of the advisory committee.





National Association of Insurance Commissioner Activities

OCI actively participates in the National Association of Insurance Commissioners (NAIC). Throughout 2023, Commissioner Nathan Houdek and numerous OCI staff were members of the following NAIC committees, task forces, working groups, and subgroups. What follows are the committees and task forces to which Wisconsin was appointed in 2023.

Executive (EX) Committee

Long-Term Care Insurance (EX) Task Force
Special (EX) Committee on Race and Insurance
Climate and Resiliency (EX) Task Force

Life Insurance And Annuities (A) Committee

Health Insurance And Managed Care (B) Committee

Regulatory Framework (B) Task Force
Senior Issues (B) Task Force

Market Regulation And Consumer Affairs (D) Committee

Market Information Systems (D) Task Force
Producer Licensing (D) Task Force

NAIC/Consumer Liaison Committee

Financial Condition (E) Committee

Accounting Practices and Procedures (E) Task Force
Capital Adequacy (E) Task Force
Examination Oversight (E) Task Force
Financial Stability (E) Task Force
Reinsurance (E) Task Force
Receivership and Insolvency (E) Working Group
Valuation of Securities (E) Task Force

NAIC/American Indian And Alaska Native Liaison Committee



image: Freepik.com

Continuous Process Improvement Initiatives

The Wisconsin Continuous Improvement Program provides agencies the freedom to implement the models of continuous improvement that are most appropriate for their agency so they can better support improvement efforts internally. OCI incorporates process improvement into everyday activities and all agency projects. In 2023, the agency continued two large projects that will result in savings.

Injured Patients and Families Compensation Fund Project

The Injured Patients and Families Compensation Fund implemented its new policy administration and claims system (OIPA) platform in 2023. This system was created with the objective to handle tasks such as policy reporting, premium billing, policy changes, and claims processing. As we

worked to implement the system, we aimed to streamline Fund’s workflow, improve efficiency, and enhance customer service by automating various processes and providing centralized access to policy and claims information.

Agency Data Project

The Agency Data Project started in late 2020. Phase One of the project was completed in June 2022 and increased efficiency by eliminating manual steps using access databases and spreadsheets for the Compulsory Surplus filings and the Wisconsin Insurance Report. Phase Two of the project started in July 2022 and will enhance the process of downloading data from external sources, including NAIC data that is used to monitor the financial condition of licensed insurers and reduce manual entry for calculating the annual examination assessment. The project will also eliminate manual steps used to access the external data. Phase Two is expected to be completed by early 2024.

Bulletins to Insurers

OCI publishes bulletins to provide information or interpretations about insurance regulations. The bulletins are issued to explain new regulations or discuss interpretations enforced by OCI. OCI issued three bulletins to insurers in 2023.

June 20, 2023

Chemotherapy Drug Shortage

This bulletin encourages health plan issuers to work with providers and consider flexibility around the use of alternative agents when a platinum agent would normally be used, to ensure that insured individuals receive timely treatment for cancer.

September 28, 2023

Revised Prima Facie Credit Life and Credit Accident and Sickness Insurance Rates

OCI issued this bulletin as written notice of the new basic loss ratio of 45% for credit life insurance and the new prima facie rates for credit life insurance and credit accident and sickness insurance to become effective for the three-year period beginning on January 1, 2024.

November 14, 2023

Wisconsin Agent Appointment Renewal Invoices for 2023

This bulletin explained that OCI will process all company appointments electronically through the National Insurance Producer Registry (NIPR) and indicated that the appointment renewal invoice will include all resident/nonresident appointment renewals. Per the bulletin, all agents would appear on the renewal list unless the agent was terminated by 11:59 p.m. CST on December 31, 2023.





HANS CHRISTIAN HEG
COLONEL 15TH WIS VOLS
BORN IN NORWAY
DEC. 21, 1829
FELL AT CHICKAMAUGA
SEPT. 19, 1863

NORWEGIAN AMERICANS GAVE
THIS MEMORIAL TO THE
STATE OF WISCONSIN

Legislation

In 2023, Governor Evers signed legislation affecting the business of insurance in Wisconsin. Legislative materials may be found online at legis.wisconsin.gov and may also be obtained from the Wisconsin Legislative Council at lc.legis.wisconsin.gov or by calling (608) 266-1307.

2023 WISCONSIN ACT 9

Penalties for Reckless Driving

To amend 346.65 (1) (a), 346.65 (1) (b), 346.65 (3), 346.65 (4m), 346.65 (5), 346.655 (1) and 346.657 (1) Wis. Stat.

2023 Wisconsin Act 9 increases the penalties for each category of reckless driving and requires courts to impose a driver improvement surcharge and a safe ride surcharge whenever a court sentences a person for reckless driving.

Under 2023 WI Act 9, the penalty range for a first offense of reckless driving is increased from a forfeiture of \$25 to \$200 to a forfeiture of \$50 to \$400. The penalty range for a second or subsequent reckless driving offense is increased from a fine of \$50 to \$500 to a fine of \$100 to \$1,000. Additionally, 2023 WI Act 9 amends prior law so that a person who commits a second reckless driving offense is subject to increased penalties regardless of whether the person commits the offense within four years of the person's first offense. The act additionally increases the penalty range for recklessly endangering safety by unlawfully driving across a railroad crossing when required to stop, from a forfeiture of \$300 to \$1,000 to a forfeiture of \$600 to \$2,000.

Under 2023 WI Act 9, the fine for reckless driving that causes bodily harm to another is increased from \$300 to \$2,000 to \$600 to \$4,000 and the period of imprisonment is increased from not less than 30 days nor more than one year in the county jail to not less than 60 days nor more than two years in the county jail. The penalty for reckless driving that causes great bodily harm to another is increased from a Class I felony to a Class H felony; the penalty for a Class I felony is a fine not

to exceed \$10,000 or imprisonment not to exceed three years and six months, or both. The penalty for a Class H felony is a fine not to exceed \$10,000 or imprisonment not to exceed six years, or both.

Under 2023 WI Act 9, the driver improvement surcharge and safe ride surcharge are also imposed on persons found guilty of reckless driving.

The Changes in this Act became effective on May 12, 2023

¹ Hurley, P. (2023, May 15). Wisconsin Legislative Council Act Memo, 2023 Wisconsin Act

⁹ <https://docs.legis.wisconsin.gov/2023/related/lcactmemo/act009.pdf>

2023 WISCONSIN ACT 35

Adopting Federal Tax Law Changes Regarding Contributions to a Health Savings Account and Telehealth Services

To amend 71.98 (1) of the statutes;

For taxable years beginning after 2021, 2023 Wisconsin Act 35 modifies Wisconsin's income tax code to conform, on an ongoing basis, to certain Internal Revenue Code definitions and special rules relating to health savings account (HSA) contributions and high deductible health plans (HDHPs). The current federal provisions, arising under the Consolidated Appropriations Act of 2022 and Consolidated Appropriations Act of 2023, authorize a deduction from income for contributions to an HSA if the individual is covered by an HDHP even if the plan does not provide a deductible for telehealth services.

The Changes in this Act became effective on October 27, 2023

² Grosz, S. (2023, October 27). Wisconsin Legislative Council Act Memo, 2023 Wisconsin Act 35

<https://docs.legis.wisconsin.gov/2023/related/lcactmemo/act035.pdf>

2023 Wisconsin Act 60

Requiring One-Half Credit of Personal Financial Literacy for High School Graduation

To create 118.33 (1) (a) 1. f. of the statutes;

Beginning in 2028, 2023 WI Act 60 requires a graduating high school student to earn at least one-half credit of personal financial literacy that includes financial mindset, education, and employment, money management, saving and investing, credit and debt, and risk management and insurance.

The changes in this Act became effective on December 8, 2023





2023 Wisconsin Act 78

Permitted Electronic Transmissions Under Employer-Sponsored Health Insurance Policies and Plans

To create 610.63 of the statutes;

2023 Wisconsin Act 78 specifies that an HMO or insurer that provides group health benefits for an employer may agree to deliver insurance communications electronically to a person covered by the policy, plan, or contract. Under the Act, an employer may consent to electronic delivery of all communications on behalf of a covered person if the employer confirms for each covered person that the person routinely uses electronic communications during the normal course of employment and the person was given an opportunity to opt out of the electronic delivery.

An employer must confirm this information for all new covered persons when added to the insurance policy, plan, or contract.

An employer must give a person covered by the policy, plan, or contract an opportunity on an annual basis to opt out of electronic delivery. Insurers and health maintenance organizations must document compliance with the act's requirements.

The changes in this Act became effective on December 8, 2023

³ Kelley, M. (2023, December 15). Wisconsin Legislative Council Act Memo, 2023 Wisconsin Act 78

<https://docs.legis.wisconsin.gov/2023/related/lcactmemo/act078.pdf>

Administrative Rules

In 2023, OCI made the following changes to the Wisconsin Administrative Code.

Chapter Ins 6.17 (5) and Appendix 2, and 13.08

Relating to the payment and reporting of surplus lines and other taxes and to the financial statements of town mutuals.

The commissioner of insurance repealed Wis. Admin. Code § INS 6.17 Appendix 2 and amended § INS 6.17 (5) to require electronic reporting and payment of surplus lines taxes. Parallel changes will repeal Wis. Admin. Code § INS 6.18 Appendix 1 and Wis. Admin. Code § INS 6.19 Appendix 2 and amend related tax reporting requirements in § INS 6.18 (2) and § INS 6.19 (3). The changes provided uniformity and will make it easier to report and pay those taxes. Additionally, the proposed rule will align Wis. Admin. Code § INS 13.08 with Section 612.31, Stats., which—following the repeal of Section 612.31 (6) by 2015 Wis. Act 90—no longer authorizes town mutual insurers to assume business from other town mutual insurers.

Chapter Ins 9.04 and 9.08

Relating to financial and other reporting requirement modifications for health maintenance organizations.

The rule eliminated some filing requirements for Medicare and Medicaid-only HMOs including filing certified public accountant special procedures opinions and audit opinions of covered expenses. It will also update the language to reflect that limited-service health organizations (LSHO) file the National Association of Insurance Commissioners health blank form, not a separate LSHO blank for their annual statements to the office.

Chapter Ins 50.01, 50.14, and 50.155

Relating to the office's access to CPA financial compilations and the exemption from internal audit function requirements.

The definition of work papers in Wis. Admin. Code § INS 50.01 (9) was amended to clarify that work papers include financial compilations. Additionally, the rule will allow smaller insurers that are not

part of a group to be eligible for the small-size exemption from the internal audit function requirements of Wis. Admin. Code § INS 50.155.

Chapter Ins 51.01 (21), 51.80

Relating to capital requirements for insurers.

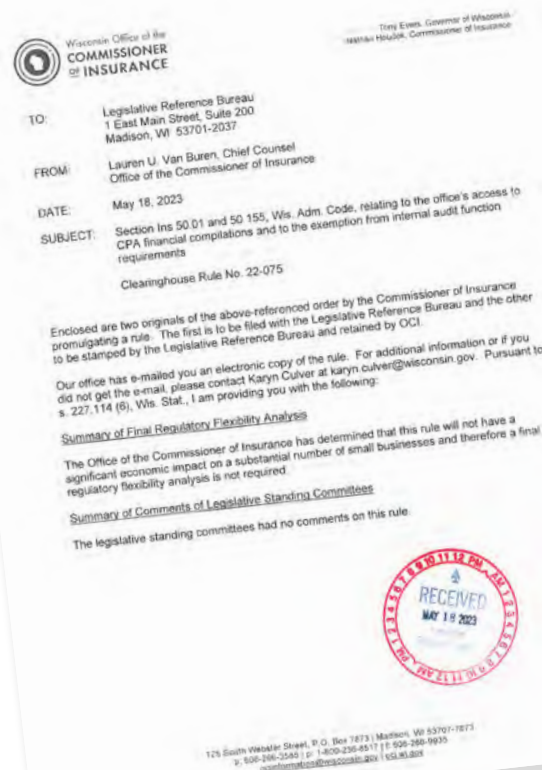
The rule modified the compulsory surplus requirement for insurers offering Medicare stand-alone drug coverage, variable business, and medical malpractice insurance to be reflective of the risk and amount of compulsory surplus required to be maintained. Additionally, the rule added provisions regarding premiums for health insurers for purposes of Wis. Admin. Code § Ins 51.80 and corrected a citation cross-referenced in Wis. Admin. Code § Ins 51.01.

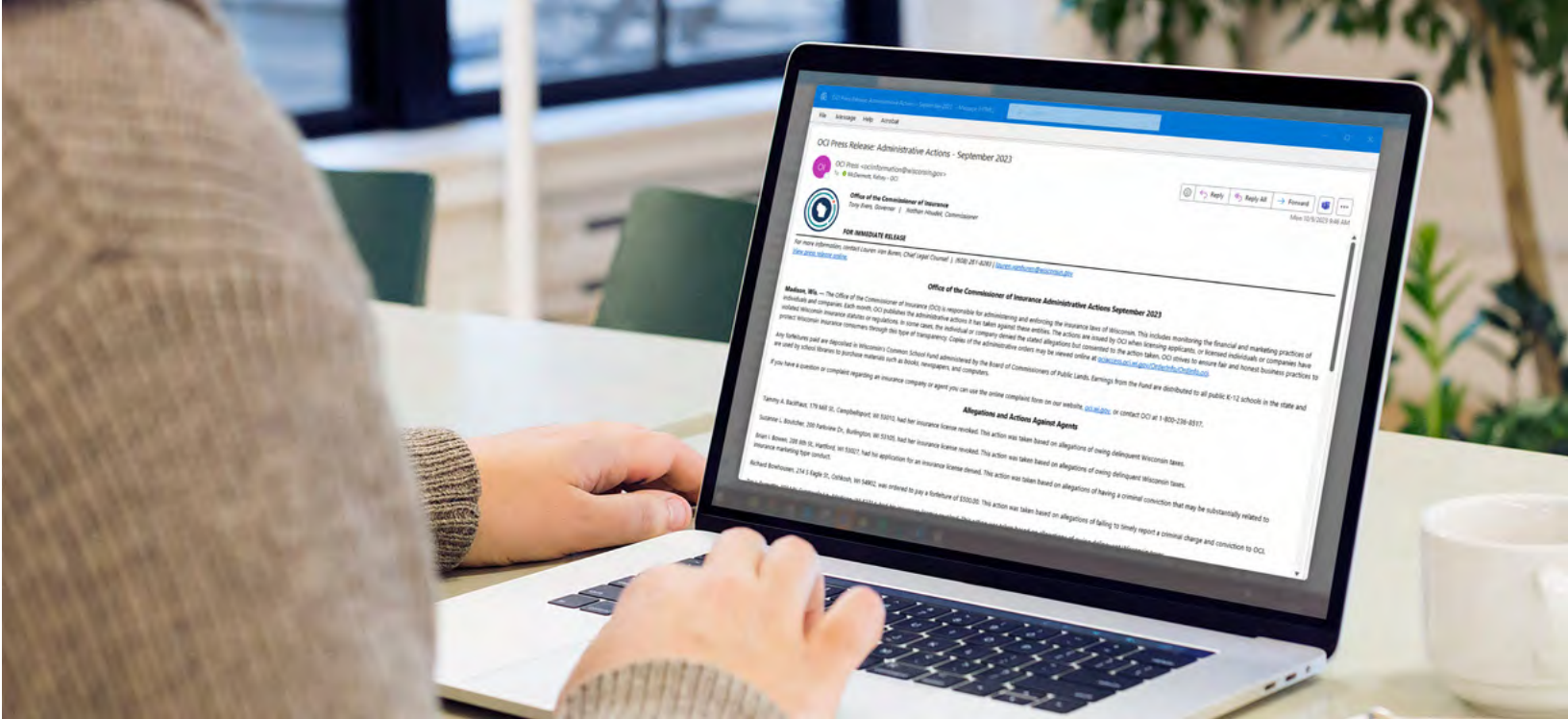
Rules Repealed Through An Expedited Process

In 2023, OCI had no rules repealed through an expedited process.

Emergency Rules

In 2023, OCI had no emergency rules in effect.





Administrative Actions

OCI is responsible for administering and enforcing the insurance laws of Wisconsin. This includes monitoring the financial and marketing practices of individuals and companies. All complaints are investigated to determine if any Wisconsin laws have been violated. In cases of serious violations, administrative actions are taken.

The following administrative actions were taken in 2023.

Companies	
Total Number of Actions	29
Forfeitures Demanded	\$39,400

Agents	
Licenses Denied	41
Licenses Revoked	141
Licenses Surrendered	12
Licenses Suspended	6
Total Number of Actions	232
Forfeitures Demanded	\$29,000

Each month, OCI publishes the administrative actions it has taken against these entities. The actions are issued by OCI when licensing applicants or licensed individuals or companies have violated Wisconsin insurance statutes or regulations. In some cases, the individual or company denied the stated allegations but consented to the action taken. OCI strives to ensure fair and honest business practices to protect Wisconsin insurance consumers.

Administrative orders may be viewed online at ociaccess.oci.wi.gov/OrderInfo.

You can search all Administrative Orders for 2023 or by other criteria.

Any forfeitures paid are deposited in Wisconsin's Common School Fund administered by the Board of Commissioners of Public Lands. Earnings from the Fund are distributed to all public K-12 schools in the state and are used by school libraries to purchase items such as library materials and computers.

The total amount remitted by OCI to the Common School Fund for all forfeitures for 2023 was \$69,779.51.

The public can [subscribe to OCI's electronic mailing list](#) to receive notices of monthly administrative actions.



Image by Freepik

Public Affairs

Public Affairs Unit

The Public Affairs unit oversees communications, outreach, marketing, and legislative affairs to support the mission of OCI.

This unit is overseen by the Director of Public Affairs and includes a legislative policy advisor, an advanced communications specialist focusing on graphic design and marketing, a social media and outreach specialist, and a copy editor/content manager.

In 2023, the Public Affairs unit shared information on important insurance topics for consumers, reminders for agents and other licensees, and other topics across our social media platforms. OCI also shared information related to climate resilience and pre-disaster mitigation so consumers can prepare themselves and their property for the weather events that impact Wisconsin.

Public Affairs is also responsible for maintaining the oci.wi.gov public website for consumers, stakeholders, and industry stakeholders. The website links to dozens of consumer publications drafted by the insurance examiners in the Consumer Affairs unit on topics ranging from renters insurance to disputing health insurance claim denials.

The Strategic Public Affairs Communication Plan is designed to increase awareness of OCI and insurance issues and build financial and health insurance literacy across the state. Key areas of focus include:

- Spreading Awareness about the work of OCI
- Increasing Financial Empowerment through Insurance Literacy
- Expanding Health Insurance Coverage
- Educating Wisconsinites about Life Insurance
- Increasing Flood Insurance Coverage
- Empowering Farmers with Insurance Information

Health Insurance Access

Governor Tony Evers launched the [DHS OCI Health Care Coverage Partnership](#) in 2019 to improve coordination around outreach and education, increase enrollment and health insurance literacy, and improve enrollment retention. In 2020, this partnership launched [WisCovered.com](#) as an accessible resource for consumers to get connected with enrollment information year-round. The online services are available in English, Spanish, and Hmong. During the 2024 Open Enrollment Period (OEP) which began in November 2023, over 50,000 people visited this site.

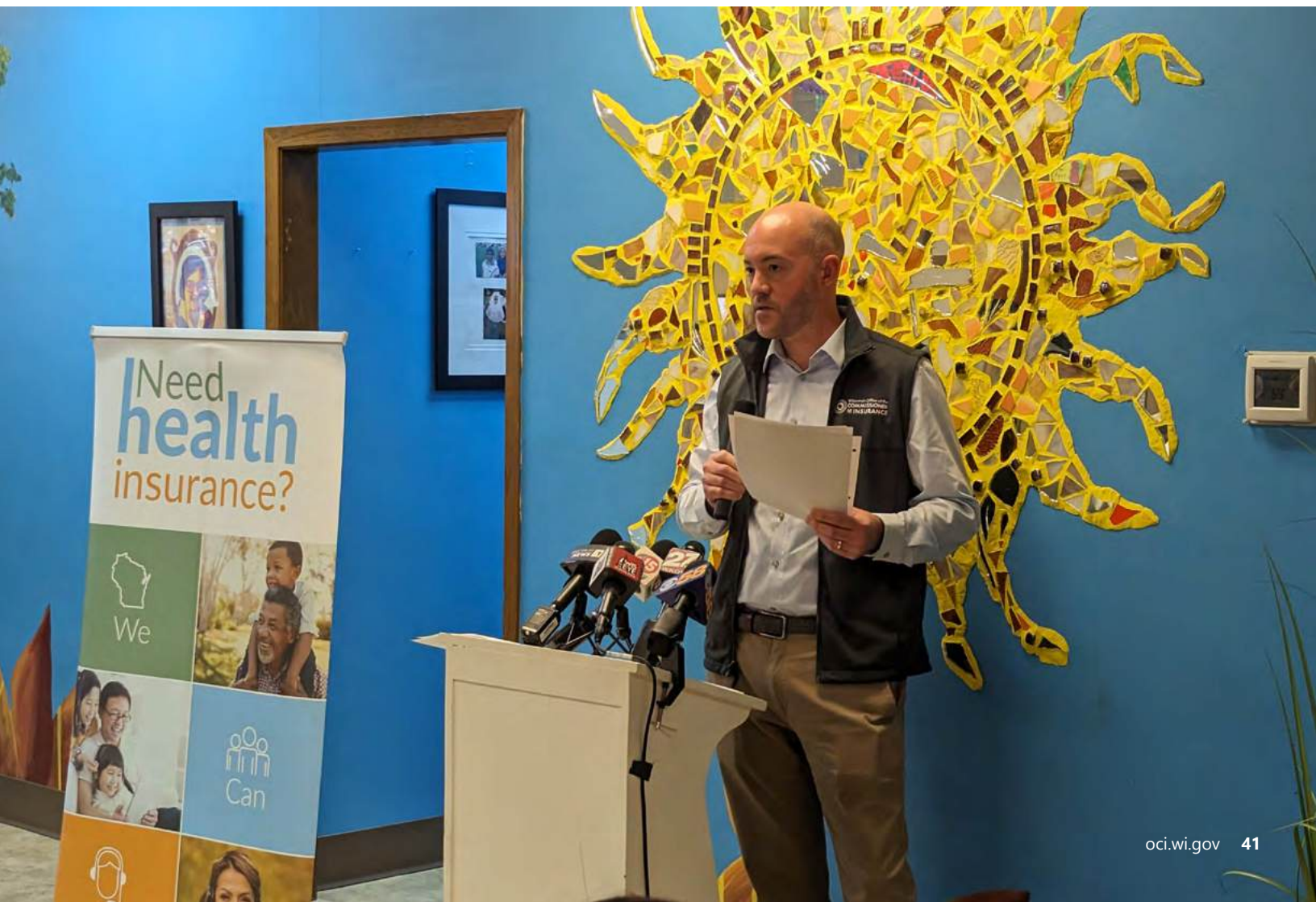
Each OEP the Public Affairs unit develops a Digital Media Toolkit that includes graphics and text that stakeholders like public libraries, local elected officials, public health departments, and others can use to spread the word.

Outreach and Awareness

OCI's consumer outreach and stakeholder engagement are important to ensure that Wisconsinites have high insurance literacy to navigate the state's competitive insurance marketplace. Throughout 2023, OCI conducted outreach around the state in virtual formats and in person.

The OCI DHS Health Care Coverage Partnership holds quarterly public meetings to engage stakeholders from the health insurance industry and community leaders who can help amplify health coverage information in their spaces. In 2023 these meetings focused on sharing information on preparations for the Public Health Emergency Unwinding and the 2024 OEP.

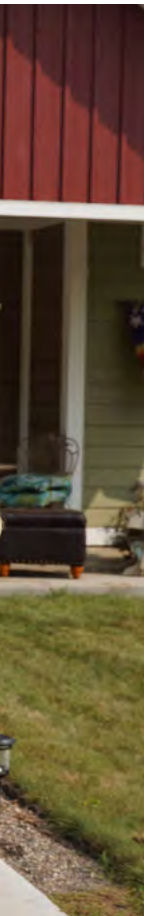
In 2023, OCI continued the Stronger Wisconsin initiative focused on climate risk, resiliency, and pre-disaster mitigation. Pre-disaster mitigation



efforts can reduce or eliminate risk to people and property from the impact of disasters. This can take the form of community-wide risk reduction projects; improvements to critical infrastructure; building codes that strengthen new construction; and improving the resiliency of existing structures. Stronger Wisconsin is an outreach initiative to connect with individuals and communities that may be impacted by climate disasters so we can spread the word about mitigation opportunities. We also work to connect the dots across industries, state agencies, and local governments to build more resilient communities. We visited Kenosha County, Elm Grove, Green Bay, River Falls, and Superior in 2023 for tours and discussions about climate resiliency.










OCI also creates approachable consumer publications, FAQs and Fact Sheets, and informative webpages on important topics. A comprehensive list of OCI consumer publications can still be found at oci.wi.gov/publications. Consumer publications can also be ordered online in hard copy format at oci.wi.gov/Pages/Consumers/Order-a-Publication.aspx.






Social Media

Social media is a critical component of OCI’s communications strategy. Social media platforms like Facebook, X, Instagram, YouTube, Nextdoor, and LinkedIn allow us to raise awareness about our role regulating the insurance marketplace so that consumers know where to turn when they encounter an issue or have an insurance question.


	 Impressions	 Interactions	 Communications
	615,457 Impressions	28,247 Engagements and Link Clicks	258 Posts Published
	49,779 Views	1,481 Engagements and Link Clicks	381 Posts Published
	8,515 Impressions	286 Engagements	296 Posts Published
	16,270 Views	205.9 Hours Watched	13 Videos Posted
	6,356 Impressions	900 Engagements and Link Clicks	30 Posts Published
	1,725,164 Impressions	881 Reactions	11 Posts Published

State of Wisconsin  Office of the Commissioner of Insurance Public Affairs Team ... • 19 Apr 23

Governor Evers has declared a State of Emergency in Wisconsin due to elevated flooding concerns. When a flood is inbound with little warning, you can quickly prepare by elevating valuable items on the ground level of your home and storing important documents in a waterproof container out of harm's way. Stay safe, Wisconsin!

Read Gov. Evers' Executive Order here: <https://bit.ly/3LbeieW>
Find more tips on preparing for floods: <https://disastersafety.org/flood/>

WISCONSIN HAS DECLARED A STATE OF EMERGENCY DUE TO ELEVATED FLOODING CONCERNS



Flood incoming?
Elevate valuables at the ground level and store important documents in waterproof containers on an upper level of your home.

Wisconsin Office of the Commissioner of Insurance (OCI)
449 followers
1yr • Edited • 

At OCI, we work to create a more resilient Wisconsin by encouraging folks to be prepared and stay protected in the event of a disaster. We were glad to connect with so many individuals from the local, state, and national levels at the Wisconsin Emergency Management Conference this week! Together, we're building a **#StrongerWisconsin!** **#OCIOutreach**



 **YouTube** Search



Obtenga cobertura hoy mismo!
Wisconsin Office of the ...
77 views

[Analytics](#) [Edit video](#) [Share](#) [Promote](#)

wisconsinoci 

National Intern Day



Anna Deibert - Public Affairs

Anna joins us from Hamline University, where she is double majoring in Communications and Psychology.

This summer, Anna is producing video content for OCI's internal and consumer facing communications.

 Liked by **ctinsureddept** and **10 others**

wisconsinoci Interns are an integral part of OCI's mission to protect insurance consumers and ensure a competitive insurance environment. Meet Anna and Clai, two students interning at OCI this summer. 🙌👤 And to all of our interns: we are so grateful to have your skills and support! **#NationalInternDay**

Wisconsin OCI  **@wisconsinoci** [Promote](#)

Don'tcha know? It's Open Enrollment season--which means now's the time to sign up for health insurance on HealthCare.gov or upgrade your existing plan. The experts at WisCovered.com can help you explore your options for free. Don't be a stranger, now!



(OPE!)n Enrollment
Get free help finding a new health insurance plan, now until **January 15**.
WisCovered.com
Wisconsin Office of the Commissioner of Insurance

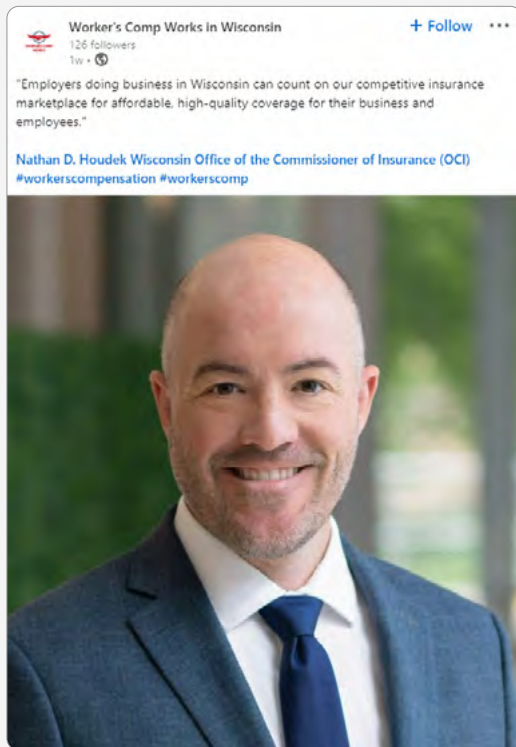
Outreach and Media Mentions

OCI prides itself on supporting a strong insurance industry and is aided in its effort to educate Wisconsin consumers through its social media outreach and mentions. Since the pandemic, OCI has increased the number of outreach events to various Wisconsin communities to discuss insurance-related issues like weather preparedness to prevent property damage and our efforts to expand health insurance enrollment.





...bein
...ice of the Commissioner of Insurance Nathan
...e Ranking Member on the Assembly Committee
...ful insight from OCI. Thank you for visiting!



Worker's Comp Works in Wisconsin
126 followers
1w · 📍
"Employers doing business in Wisconsin can count on our competitive insurance marketplace for affordable, high-quality coverage for their business and employees."
Nathan D. Houdek Wisconsin Office of the Commissioner of Insurance (OCI)
#workerscompensation #workerscomp



Nathan D. Houdek · 1st
Commissioner of Insurance
1d · 📍
The Wisconsin Office of the Commissioner of Insurance (OCI) leadership team enjoyed the opportunity to discuss regulation 101 for insurtech startups at the gener8tor OnRamp Insurance Conference in St. Paul, Minnesota last week. And thanks to Evan Daniels, former Director of the Arizona Department of Insurance & Financial Institutions and current counsel at Mitchell Sandler LLC, for participating in the conference and providing a deeper dive into current insurance regulatory trends.
#insurance #insurtech



...ice of the Commissioner of Insurance Commissioner
...ussion. And don't forget: open enrollment ends January
...ut how to get affordable health insurance for you and your



Minnesota Department of Commerce
August 28, 2023 · 📍
First day of the two-day MN-WI Climate Resiliency Tour, Minnesota Department of Commerce Commissioner Grace Arnold and Commissioners Nathan Houdek of the Wisconsin Office of the Commissioner of Insurance and Dan Hereth of the Wisconsin Department of Safety and Professional Services visited St. Charles, MN, and River Falls, WI, to tour Habitat for Humanity homes that have been built or are being built with resiliency and sustainability in mind. The #StrongerWisconsin and #StrengthenMNHomes programs are all about boosting community resiliency. Thanks to our partners at Habitat for Humanity and the Insurance Institute for Business & Home Safety - IBHS.



WisBusiness.com
12m · 📍
#Healthinsurance networks in more than two-thirds of #Wisconsin counties don't meet certain federal standards for #pediatric care access, according to the state Wisconsin Office of the Commissioner of Insurance.
OCI yesterday released its Wisconsin Individual Health Insurance Market Analysis report, conducted by consulting firm BerryDunn for the agency as part of an effort to reduce the number of #uninsured state residents. It's the last of a series of studies commissioned on this topic, the agency said in the release.
Among other findings, the analysis found #insurance networks in 52 Wisconsin counties don't meet #pediatricprimary care access standards set by the Centers for Medicare and Medicaid Services. The agency notes that standard is impacted by rural #patient behaviors, as they typically access care through a family practitioner rather than a #pediatrician.
It also found health insurers' networks in 34 counties don't meet CMS standards for OB/GYN access, which requires the presence of both pediatricians and obstetrician-gynecologists, the report shows. Rural family practitioners are more likely than those in urban areas to provide obstetrical deliveries, newborn care, and pediatric care.
<https://www.wisbusiness.com/...agency-report-highlights-/>

Agency report highlights shortcomings in individual health insurance landscape

Calendar of Events
View all OCI events and easily filter them by category.

Mobile-Friendly
Log onto the OCI Intranet on your phone, tablet, laptop, or desktop computer.

Interactive Org Charts
Hover over a contact for their contact card to appear. View additional contact details within the contact card.

Dynamic Directories
Easily find coworkers through a variety of directories and quickly connect with them through chat, phone call, or email.

wigov.sharepoint.com/sites/oci-intranet

Search by:

Business Entity Name:

Assister Last Name:

Assister First Name:

Business Address City:

County:

Language:

Calendar of Events
View all OCI events and easily filter them by category.

Mobile-Friendly
Log onto the OCI Intranet on your phone, tablet, laptop, or desktop computer.

Interactive Org Charts
Hover over a contact for their contact card to appear. View additional contact details within the contact card.

Dynamic Directories
Easily find coworkers through a variety of directories and quickly connect with them through chat, phone call, or email.

wigov.sharepoint.com/sites/oci-intranet

A change is coming for 18,000 providers in Wisconsin.

Don't be the last one to know!

Introducing a new IPFCF Provider Portal, optimized for the future of medicine.

Watch your inbox for an email from IPFCF with next steps!

New look. New features. New content.

Search
Use the search option at the top of every page to easily find information across the entire intranet or specific lists.

Latest News
Stay updated on all of the latest news at OCI by visiting our news archive.

Calendar of Events
View all OCI events and easily filter them by category.

Mobile-Friendly
Log onto the OCI Intranet on your phone, tablet, laptop, or desktop computer.

Interactive Org Charts
Hover over a contact for their contact card to appear. View additional contact details within the contact card.

Dynamic Directories
Easily find coworkers through a variety of directories and quickly connect with them through chat, phone call, or email.

wigov.sharepoint.com/sites/oci-intranet

State of Wisconsin
Office of the Commissioner of Insurance
Non-Navigator Assister Registration Form

Non-Navigator Assister Search

Business entity to find all the assisters associated with that entity.
Individual assister name, you can search on that without entering the business entity.
Assisters in your county of residence and/or who serve specific languages.
Select "Show Details" to see contact information for an individual assister.
Select "Download Results as a PDF" to save or print your search results.

Type to search...

Type to search...

Type to search...

Type to search...

Select a county -

Select a language -

New look. New features. New content.

Search
Use the search option at the top of every page to easily find information across the entire intranet or specific lists.

Latest News
Stay updated on all of the latest news at OCI by visiting our news archive.

Calendar of Events
View all OCI events and easily filter them by category.

Mobile-Friendly
Log onto the OCI Intranet on your phone, tablet, laptop, or desktop computer.

Interactive Org Charts
Hover over a contact for their contact card to appear. View additional contact details within the contact card.

Dynamic Directories
Easily find coworkers through a variety of directories and quickly connect with them through chat, phone call, or email.

wigov.sharepoint.com/sites/oci-intranet

A change is coming for 18,000 providers in Wisconsin.

Don't be the last one to know!

Introducing a new IPFCF Provider Portal, optimized for the future of medicine.

Office of Operational Management

The Office of Operational Management (OOM) is responsible for information technology, project portfolio management, budget, accounting, and facilities management.

Financial Management

The OOM section provides accounting, budgeting, contract management, internal controls, procurement, risk management, and vendor payment services for OCI. The section produces the annual operating budgets for all units of OCI, external financial reports at the fund and agency level, GAAP reports, and required statutory reports, such as the minority contracting reports, as well as annual contract justification for continued contract renewals.

Section staff members are responsible for providing technical budget assistance and guidance to OCI managers and staff, tracking expenditures and revenues, collecting accounts receivables, calculating and billing the annual examination assessment, calculating and billing the annual care management organization

examination charges, administering the state purchasing card program, cashiering, and serving as liaison with the Department of Administration (DOA) procurement staff. A staff member is a participating member of the State Agency Purchasing Council.

Some of this year's accomplishments in this section include:

- Prepared GAAP information for general fund and the insurance liquidation account pursuant to DOA guidelines and requirements
- Completed internal control audit in cooperation with the State Controller's Office
- Developed and prepared the complex cost allocations of administering the insurance company examination program for annual assessment

Project Portfolio Management

OOM is responsible for coordinating projects with OCI's Project Governance Board. The Portfolio Manager ensures projects are aligned with OCI's strategic business Project Governance Board plan, facilitates the board meetings, provides project status reports to the Project Governance Board, and works with OCI's Continuous Improvement Point-of-Contact to ensure projects are meeting the goals identified by the Enterprise Continuous Improvement Program. This section also provides mentoring to staff interested in working on projects as project managers and assists staff in completing project proposals and business case documents.

In 2023, the OOM project management team successfully:

- Provided continual improvements to OCI's project prioritization methodology
- Provided project management support to high-consequence information technology and organization relocation projects
- Successfully completed several complex information technology projects

Wisconsin



Annual Comprehensive Financial Report

For the fiscal year ended June 30, 2023

Office of Administrative Services

The Office of Administrative Services is responsible for providing administrative services for the agency and its business units. It serves as the liaison between OCI, the Department of Administration, and the Division of Personnel Management for human resource services. It manages Central Files, open records requests, the agency's Records Disposition Authorization (RDA) schedules, OCI's reception desk, and OCI's training function. The office also provides administrative services for the agency's two funds: the Injured Patients and Families Compensation Fund (IPFCF) and the State Life Insurance Fund (SLIF).

Central Files and Reception Unit

This unit is responsible for OCI's records management, front desk, mailroom, central records, and training. In addition to being the agency's training coordinator, the supervisor of the unit is a liaison to OCI business areas and outside agencies including the Public Records Board, the Wisconsin Historical Society, and the State Records Center to ensure the Records Disposition Authorization (RDA) schedules are current and proper disposition of records occur. The supervisor attends Public Records Board meetings with other state agency records officers and tracks and responds to agency open records requests. In 2023, 24 exams were proctored, helping seven staff members receive eight insurance-related designations. The unit also processed 290 open records requests and mailed 2,443 publications upon request. Approximately 38 boxes of records were sent to the Wisconsin Historical Society per retention guidance. One hundred and sixty-five boxes of financial records were sent to the State Records Center (SRC) for confidential unwitnessed destruction. Twenty-eight boxes of inventory were sent to SRC for their continued retention.

The supervisor of this unit also oversees and embraces the agency's employment individuals with disabilities through Community Work Services, Inc. These staff members play a vital role in the confidential destruction of records.

General Accomplishments

- The OCI Employee Supplemental Handbook was created in March 2023. The Handbook is a framework of general information and resources for OCI employees
- In March 2023, the classification specification was updated for the insurance examiner series used in Market Regulation
- The final phase of the ePerformance implementation was completed in September 2023
- The 2023- 2025 Compensation Plan was successfully implemented in October 2023
- In November 2023, OAS created updated policies for remote work and alternative work patterns based on each unit of the agency
- OCI's new EDI plan was approved in December 2023

SLIF Accomplishments

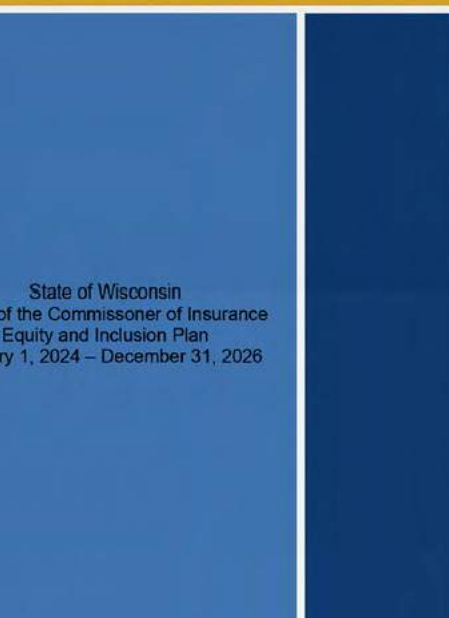
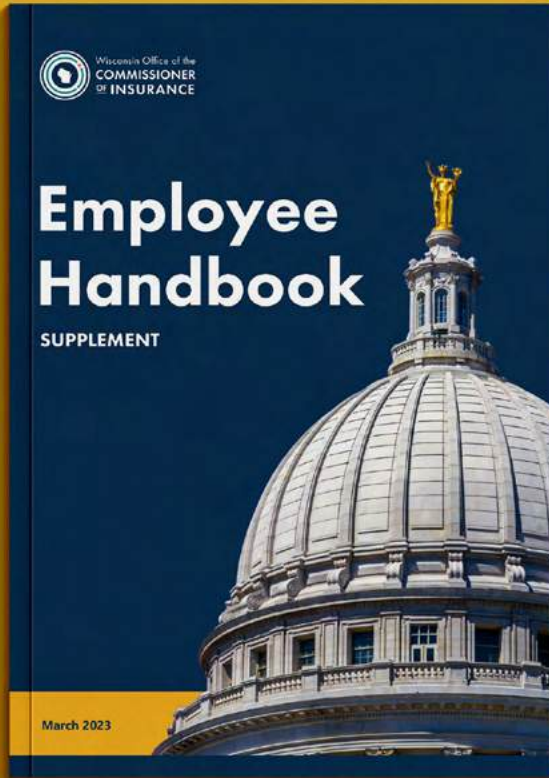
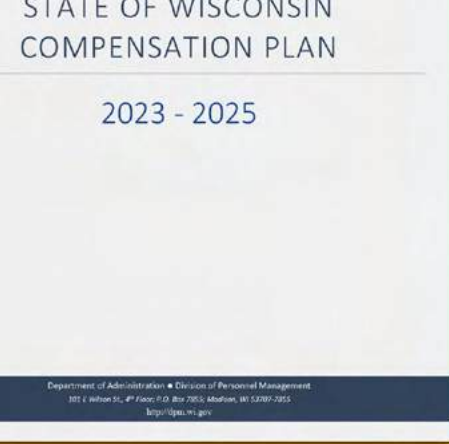
- Distributed \$2.5 million to policyholders in the form of dividends, which was a 19% increase from the previous year

IPFCF Accomplishments

- A new IPFCF Policy Administration system went live in 2023
- After a three-year premium holiday, IPFCF resumed billing
- Launched our Provider portal through which providers can pay their bills and monitor their compliance with Wis. Stat. ch. 655

Central Files Accomplishments

- Increased the number of boxes sent to the Wisconsin Historical Society by almost two and a half times and to the State Records Center by five times over last year





Injured Patients and Families Compensation Fund

The Injured Patients and Families Compensation Fund (Fund) was created in 1975 to provide medical malpractice insurance for Wisconsin health care providers in excess of the provider's primary limits of coverage. The Fund provides coverage in excess of the primary limit established by statute, which is currently \$1 million per occurrence and \$3 million aggregate per year. Participation in the Fund is mandatory for health care providers as defined by Chapter 655, Wis. Stat.

The Office of the Commissioner of Insurance (OCI) provides administrative support for the Fund's operations. The Fund is governed by a 13-member Board of Governors (Board) which is chaired by the commissioner of insurance. The Board is comprised of four public members appointed by the governor, three insurance industry representatives, a member named by the Wisconsin Association for Justice, a member named by the State Bar of Wisconsin, two members named by the Wisconsin Medical Society, and a member named by the Wisconsin Hospital Association.

FY23 Board of Governors (as of 6/30/2023):

Nathan Houdek, Commissioner of Insurance
(Board Chair)

Jeffery Bingham, Public Member (resigned October 2023)

Carla Borda, Public Member

Greg Schroeder, Public Member

Vacancy, Public Member

Vacancy, Public Member

Susan Forray, Industry Representative

David Maurer, Industry Representative

David Nelson, Industry Representative (resigned March 2023)

Vacancy, Industry Representative

Daniel Rottier, Wisconsin Association for Justice

Jerome Hierseman, State Bar of Wisconsin

Bud Chumbley, M.D., Wisconsin Medical Society

Timothy Crummy, M.D., Wisconsin Medical Society

Matthew Stanford, Wisconsin Hospital Association

The following committees and council support the Fund's governance and typically meet each quarter:

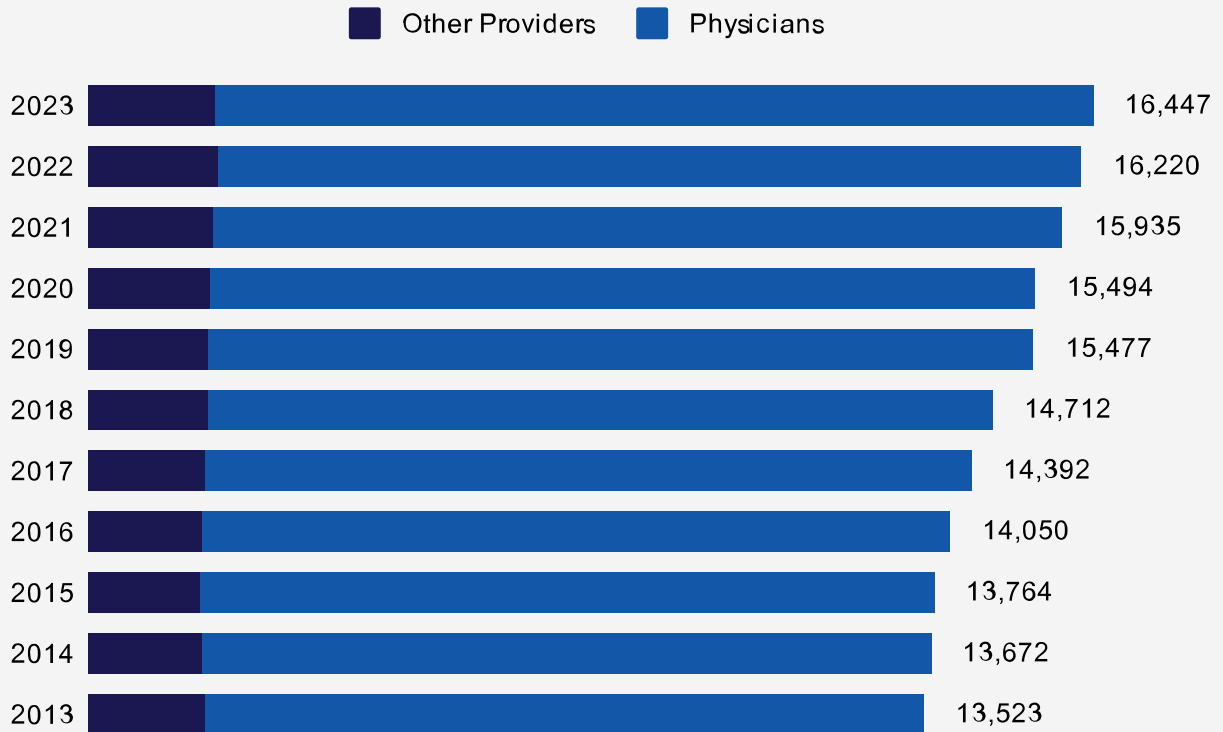
- Actuarial and Underwriting Committee
- Legal Committee
- Claims Committee
- Finance/Investment/Audit Committee
- Risk Management and Patient Safety Committee
- Peer Review Council

The Fund operates on a fiscal yearly basis: July 1 through June 30. Administrative costs, operating costs, and claim payments are funded through assessments of participating health care providers.

Fund Participants

As of June 30, 2023, there were a total of 18,836 Fund participants comprised of 152 hospitals with 15 affiliated nursing homes, 16,447 physicians, 1,003 nurse anesthetists, 18 hospital-owned or controlled entities, 62 ambulatory surgery centers, one cooperative, 11 partnerships, and 1,127 corporations actively participating in the Fund.

As of June 30, 2023, Fund participants consisted of 87% physicians, 6% corporations, and the remaining 7% included all other participants.



Claims Activity

From July 1, 1975, through June 30, 2023, the Fund was named in 6,442 claims filed. During this period, the Fund's total number of paid claims was 694, for total indemnity payments of \$961,535,685.86. Of the total number of claims in which the Fund has been named, 5,641 claims have been settled with no indemnity payment.

Board Committees

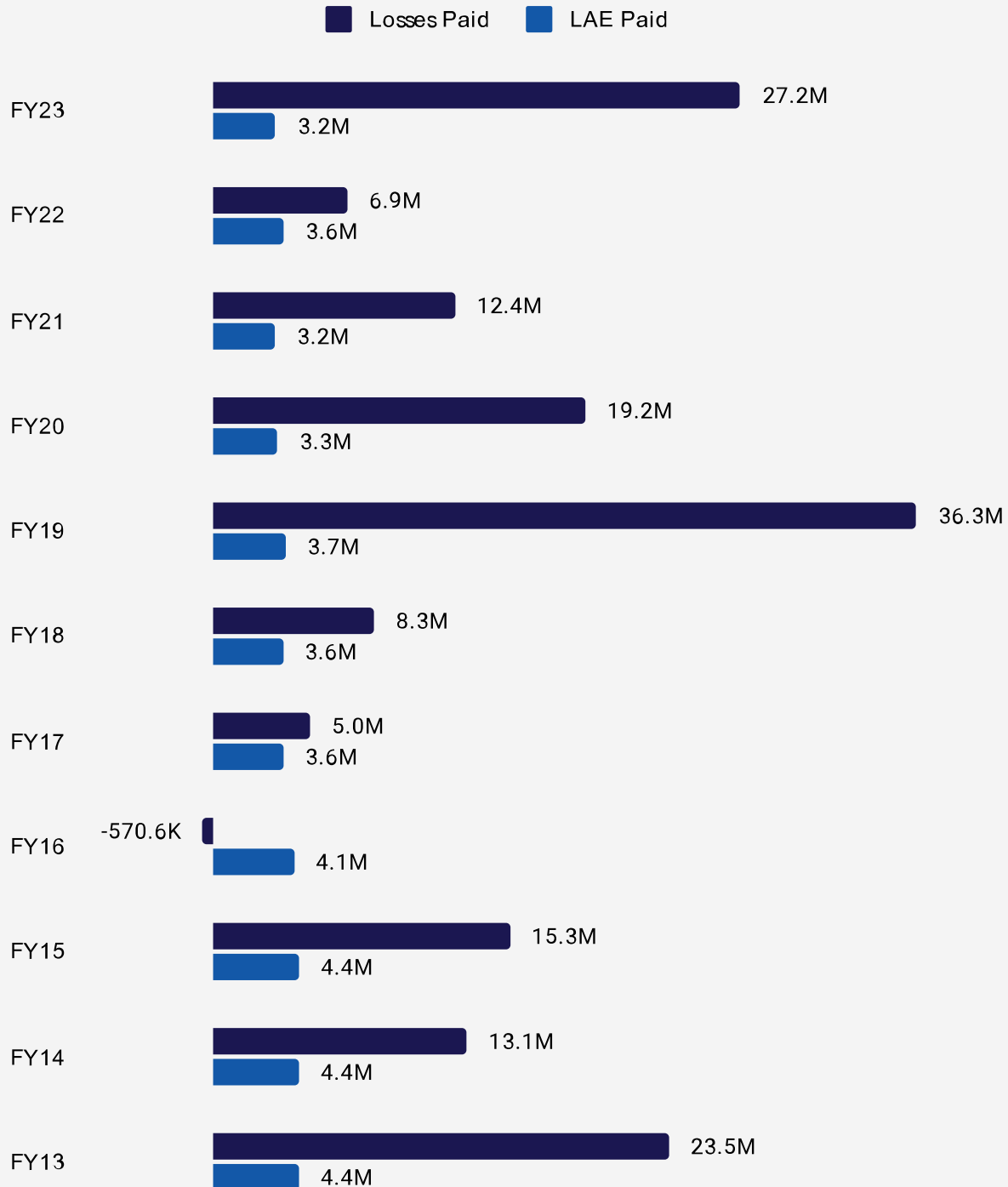
Actuarial and Underwriting Committee

The Actuarial and Underwriting Committee advises the Board on actuarial and underwriting issues. The Actuarial and Underwriting Committee worked with Pinnacle Actuarial Resources to establish the IPFCF surplus caps. The committee set the IPFCF surplus caps at 500% of the Risk-Based Capital. Additionally, the committee assisted in the approval of the Fiscal Year 2023 IPFCF Premium Holiday. The committee agreed that the Premium Holiday would not jeopardize the solvency of the Fund and would provide aid to the medical systems and providers impacted by the COVID-19 pandemic.

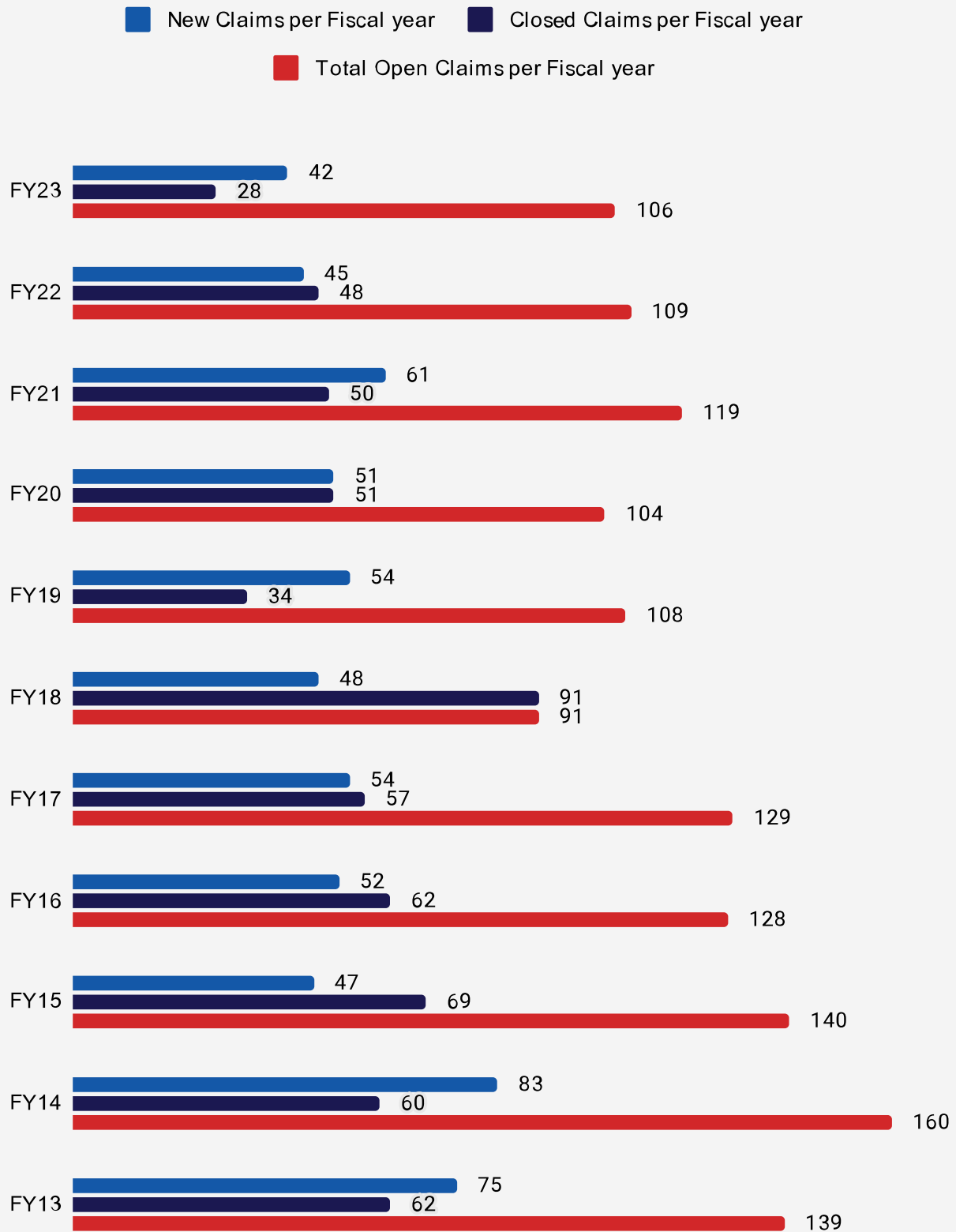
Claims Committee

The Claims Committee is responsible for establishing claims policies and procedures for the Fund and the Wisconsin Health Care Liability Insurance Plan (Plan) and approving claims settlements.

Losses and LAE Payments per Fiscal Year



Claims Activity



Finance/Investment/Audit Committee

The Finance/Investment/Audit Committee's responsibilities include establishing, monitoring, and amending as necessary, the investment strategy for the Fund to ensure obligations are met. The committee periodically reviews investments for compliance with investment guidelines and evaluates cash flow liquidity needs. In addition, the committee oversees the financial reporting process. Responsibilities include the review of financial position and results, as well as correspondence with auditors concerning audit scope, accounting issues, internal controls, and management recommendations.

Legal Committee

The Legal Committee advises the Board on legal issues, including retroactive coverage requests, appeals, proposed statutory changes, administrative rule changes, and other issues that affect eligibility or Fund participation.

During fiscal year July 1, 2022, through June 30, 2023, the committee approved eight requests for retroactive coverage and three requests for gap coverage replacement. No requests were denied.

Under guidelines set for expedited approval by the Board and Legal Committee, the Fund manager approved zero requests for retroactive coverage and the WHCLIP manager approved 25 requests for retroactive coverage.

Peer Review Council

The Peer Review Council (Council) reviews physician claim records to determine whether a surcharge should be imposed against the Fund fee or Plan premium, if applicable. The surcharge is a percentage of a provider's Fund fee or Plan premium based on the number of closed medical liability claims reported and the aggregate amount paid for those claims.

During the fiscal year July 1, 2022, through June 30, 2023, 82 claims paid reports were filed. These included 20 for physicians or nurse anesthetists, 44 for hospitals, nursing homes, corporations or clinics, and 18 for other types of providers. No providers were subject to a possible surcharge.

Since the inception of the Council in 1986, 67 providers have been subject to a possible surcharge.

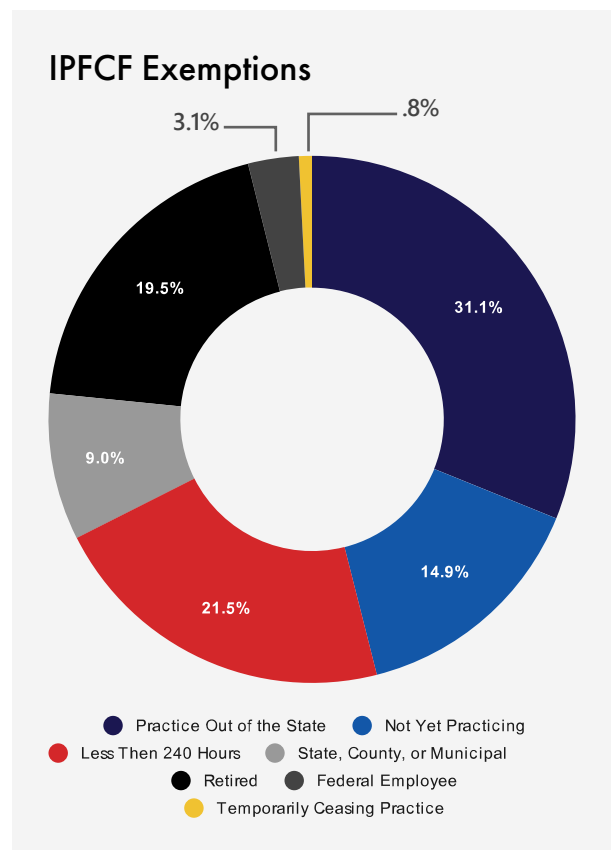
Risk Management and Patient Safety Committee

The purpose of the Risk Management and Patient Safety Committee is to reduce patient/claimant compensable injuries, reduce Fund losses and associated expenses, improve the general quality of medical care, and reduce the premiums of participating health care providers.

Other Fund Activities

The Fund continually monitors and updates the exemption status for providers that hold a license to practice in Wisconsin but for which a current exemption or certificate of insurance is not on file with the Fund. Providers that remain in noncompliance are referred to their respective licensing boards for appropriate enforcement action.

As of June 30, 2023, there are 21,271 licensed physicians and certified registered nurse anesthetists who have filed for exempt status.

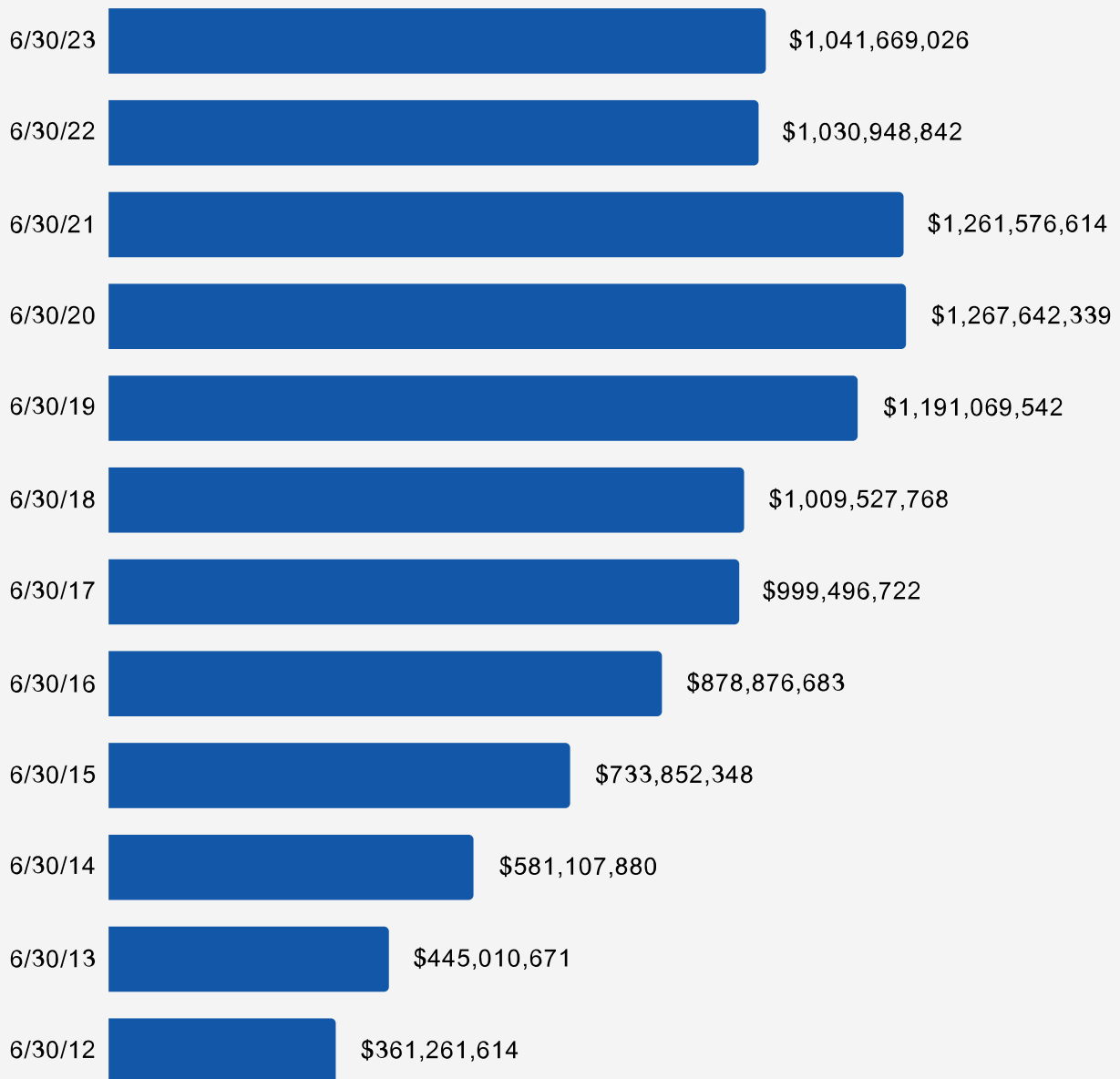


Financial Statistics

The Fund reports its financial operations on a July 1 to June 30, succeeding-year basis as a part of the State of Wisconsin Annual Comprehensive Financial Report (ACFR). A copy of the ACFR can be found on DOA's website: doa.wi.gov/Pages/StateFinances/ACFR.aspx.

The Fund reported an unaudited net position of \$1,041,669,026 as of June 30, 2023.

IPFCF Net Position



The Fund's investments are managed by the State of Wisconsin Investment Board (SWIB). Their Annual Reports can be found on their website: swib.state.wi.us/list-of-investments.

Assessments and Panel Fees

The Board of Governors voted to continue the premium holiday for FY23. Mediation panel fees for physicians (excluding physicians in a residency program) were set at \$11.25 per physician and \$2.50 per occupied hospital bed.

Operations

The Fund has seven employees: a Fund Manager, a Fund Accountant, a Claims Manager, two Regulatory Specialists, an Administrative Associate, and a Billing Specialist. The Fund contracts out for Actuarial services, Claims Adjusting services, Legal Counsel, Independent Auditing services, IT support, and Investment Monitoring Services.

Vendors paid more than \$100,000 in FY 23

Vendor Name	Annual
Oracle America, Inc	3,870,313.38
Wausau MedMal Mgt Services LLC	1,243,753.72
US Bank State of Wisconsin Investment Board	1,083,329.41
Law Firm of Conway, Olejniczak	562,570.52
Emile Banks & Associates LLC	521,071.28
Corneille Law Group Llc	256,067.26
Bell, Moore & Richter S.C.	241,142.29
Coyne Schultz Becker & Bauer SC	231,404.03
BMO Harris Bank N.A.	342,289.78
Clearwater Analytics LLC	136,180.42
Knowledge Services	132,904.00
Gutglass, Erickson, Larson	126,852.67
Nash Spindler Grimstad &	124,336.22
Gass Turek LLC	122,436.10
Borgelt Powell Peterson & Frauen, SC	105,751.03



IPFCF

Injured Patients & Families Compensation Fund

Search for Provider

Enter name or license number:

Enter name or license number

All Coverage Gaps with the same Effective date and Expiration date are considered RESOLVED.

Notice of Disclaimer

This site is maintained as a public service for informational purposes only. Although reasonable efforts have been made to ensure that electronic information is accurate, complete, and timely, the State of Wisconsin and the Office of the Commissioner of Insurance (OCI) and the Injured Patients and Families Compensation Fund do not warrant, represent, or guarantee that the information is complete, accurate and timely in all instances. All information is subject to change on a regular basis, without notice. Information on this web site does not necessarily represent the official position of the Fund or views of the Commissioner of Insurance, OCI or the State of Wisconsin. Information is based upon information from "official" Fund records but is not stored within the web site.

Information provided on this site is not intended to be an interim or final determination of a health care provider's status with the Fund nor may it be relied upon without consulting your legal counsel before using the information contained on this site for any purpose including issues related to Chapter 655, Wis. Stat. Please note that a health care provider may appear on this web site to have Fund coverage during a certain period of time, this in no way implies, warrants, represents or guarantees Fund coverage for all acts of the health care provider during such period of time.





State Life Insurance Fund

The State Life Insurance Fund (SLIF) is a segregated fund located within OCI. SLIF offers a maximum \$10,000 life insurance policy to state residents. SLIF operates as a mutual insurance company and is generally subject to the same statutory requirements that apply to other life insurers operating in Wisconsin. It has a manager and is supervised by the commissioner.

Wisconsin is the only state that offers a life insurance program to its residents. All policies issued are participating policies which share in the profits in the form of dividends. Current law prohibits SLIF from employing agents or paying commissions to agents to market fund policies. As of December 31, 2023, there were 21,268 policies in force.

Section 607.15, Wis. Stat., requires the State Life Insurance Fund to annually distribute among the policyholders its net profits and to the extent practical to maintain a ratio of surplus to assets between 7% and 10%. In the calendar year 2023, a distribution of \$2.5 million was paid to policyholders in the form of dividends.

The following are financial statements – balance sheet and income statement – for the State Life Insurance Fund for the year ending December 31, 2023.

State Life Insurance Fund
Balance Sheet
December 31, 2023

Assets

Bonds	\$ 103,582,467
Policy Loans	2,468,853
Cash and Bank Deposits	3,023,469
Premiums Deferred and Uncollected	39,353
Investment Income Due and Accrued	1,138,658
Other Invested Assets	<u>2,439,379</u>
Total Assets	\$ <u>112,692,179</u>

Liabilities and Surplus

Life Reserves	\$ 65,644,410
Interest Maintenance Reserve	3,929,736
Policy Claims	346,000
Dividends Due and Unpaid (2022)	10,541
Dividends - Provision for 2022	2,579,635
Deposit Type Contracts	28,209,824
Unclaimed Property	124,449
Taxes, Licenses, Fees Accrued	665
Suspense and Canceled Drafts	101,034
Expenses Due and Accrued	69,254
Back Up Withholding	1,709
Premiums Received in Advance	14,986
Asset Valuation Reserve	<u>632,424</u>
Total Liabilities	\$ 101,664,667
Surplus	<u>11,027,512</u>
Total Liabilities and Surplus	\$ <u>112,692,179</u>

State Life Insurance Fund
Income Statement
December 31, 2023

Income	
Premiums	\$ 899,660
Investment Income	4,476,325
Amortization of Interest Maintenance Reserve	869,430
Miscellaneous Income	<u>10,705</u>
Total Income	\$ 6,256,120
Expenses	
Death Benefits	
Matured Endowments	150,000
Other Policy Benefits	1,611,433
Increase in Reserve	(193,758)
General Operating Expense	<u>544,263</u>
Expenses before Dividends	<u>3,685,231</u>
Net Gain before Dividends	<u>2,570,889</u>
Dividends to Policyholders	<u>2,530,344</u>
Net Gain (Loss) from Operations	\$ <u>40,545</u>

TOPICAL TOP STORY

Quiet century-ago idea survives

Jason Maloney For Agri-View Mar 7, 2023



Erin and Aaron Pape stand with their daughter, Nora, in January sunlight on their pasture-raised-meat farm, Pape Family Pastures, near Peshtigo, Wisconsin. Thanks to Progressive Republicans who controlled Wisconsin government a century ago, small amounts of inexpensive life insurance are available to state residents through the State Life Fund. Some policies for young children can build cash value through a lifetime. Visit oci.wi.gov and search for "life insurance" for more information.

Jason Maloney/For Agri-View



Listen to this article now

Powered by **Trinity Audio**

00:00

1.0x

04:50

Jason Maloney For Agri-View

Most wealth is concentrated in the pockets of a few rich people. Scandals and swindles rob the poor. Misinformation is everywhere.

So it was in the early 1900s. The "Gilded Age" was ending and the era of the Progressive Republicans was beginning. Those Republicans were led by Teddy Roosevelt nationally as well as "Fighting Bob" LaFollette, who grew up on a farm in the town of Primrose in Dane County, Wisconsin. They were reforming government in an attempt to give a fair shake to the poor and the middle class – the farmers and laborers.

In the state of New York a life-insurance executive was caught charging the costs of a



Division of Financial Regulation

The Division of Financial Regulation in conjunction with OCI's Legal Unit is responsible for enforcing the state's insurance laws related to insurers' financial condition. In compliance with s. 601.01 (5), Wis. Stat., the division works with other state, federal, and international regulatory agencies in carrying out the intent of Wisconsin's insurance laws and the agency's mission.

Monitoring includes the examination of records and review of prospective risk impacting the solvency of insurance companies organized under Wisconsin law and the analysis of financial statements of all insurers licensed to do business in the state of Wisconsin, the review of CPA audit reports, and updates to the company profile

database. The division performs reviews of holding company filings required by ch. Ins 40, Wis. Adm. Code, corporate governance disclosures, risk solvency assessments, administers insurer applications to do business in Wisconsin, and processes merger and acquisition plans. The division also collects and processes all premium taxes submitted by insurers.

Major Accomplishments

- Maintained accreditation by the National Association of Insurance Commissioners
- Examined 41 domestic insurers
- Analyzed the financial statements of over 2,075 insurers and regulated entities
- Placed two companies into rehabilitation, which have been subsequently placed into liquidation
- Continued oversight of two companies in liquidation, with one being closed in December 2023



Other activities include:

Domestic Insurers

- Licensed domestic entities:
 - One property and casualty insurer
 - Six property service contract providers
 - One vehicle protection product provider
- Issued permits to four Care Management Organizations, under ch. 648, Wis. Stat.
- Reviewed and approved one domestic insurer's holding company reorganization
- Reviewed and approved changes of control involving nine domestic insurers, pursuant to holding company regulations
- Reviewed and approved the conversion of one property and casualty insurer to a domestic surplus lines insurer
- Redomiciled two companies out of Wisconsin
- Redomiciled three companies to Wisconsin
- Transactions involving ch. 612 town mutual insurers
 - Reviewed and approved six town mutual mergers
 - Reviewed and approved 12 town mutual mergers into ch. 611 mutual insurers
 - Reviewed and approved the conversion of two town mutual insurers into ch. 611 mutual insurers
 - Reviewed and approved one group conversion to a ch. 611 mutual insurer that involved nine town mutual insurers
 - Reviewed and approved one group conversion to a ch. 611 mutual insurer that involved two town mutual insurers
 - Reviewed and approved one group conversion involving two town mutual insurers to a ch. 611 mutual insurer that is affiliated with another ch. 611 mutual insurer
 - Reviewed and approved three separate conversions to a ch. 611 mutual insurer that is also affiliated with another ch. 611 mutual insurer
- Approved the dissolution of four domestic insurance companies

Nondomestic Insurers

- Licensed nondomestic entities:
 - Twenty-six traditional insurers
 - Six life, accident, and health insurers
 - Eighteen property and casualty insurers
 - Two title insurers
 - One motor club
 - Eight property service contract providers
 - One life settlement provider
 - Four vehicle protection product provider

Company Licensing Reviews

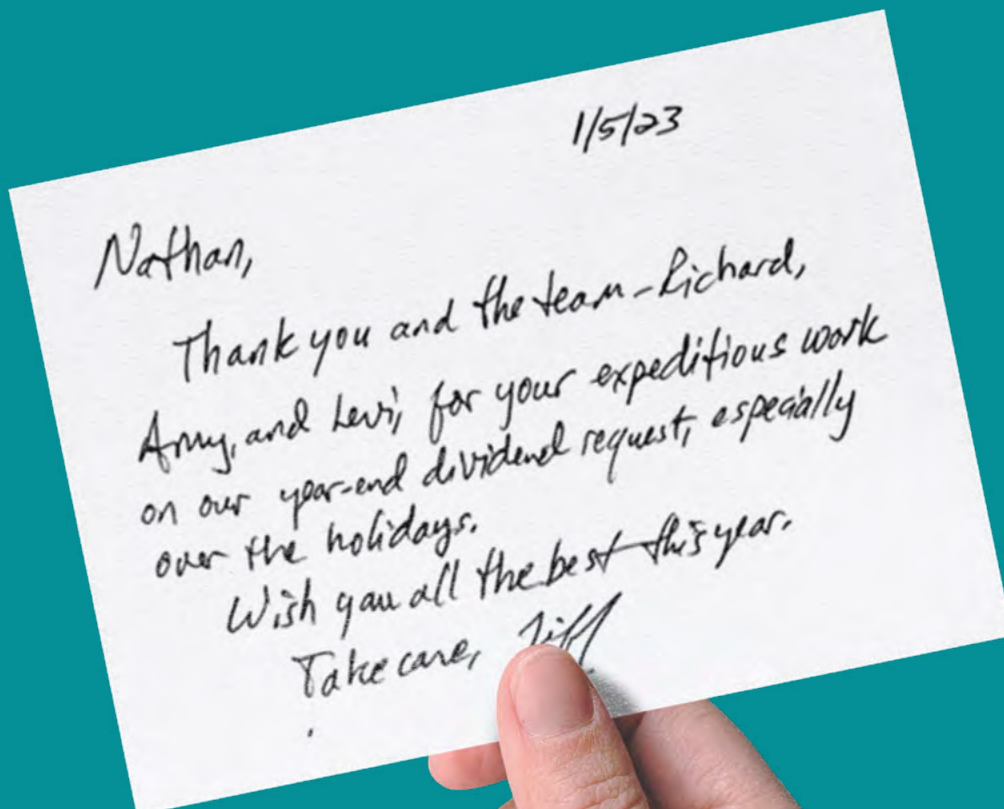
- Performed three anti-trust reviews
- Provided financial expertise to the Division of Market Regulation and Enforcement on licensing Employee Benefit Plan Administrators

Reinsurer Reviews

- Reciprocal Jurisdiction Reinsurers
 - Approved 23
 - Renewed 19
- Certified Reinsurers
 - Approved one
 - Renewed 13

Continued Development of Agency Database

- Continued work with the OCI Information Systems Section to develop a new agency database to modernize agency data and eliminate several ad hoc spreadsheets and small databases that have become unstable as technology advanced
- The project's end goal is to produce internal and external reports to regulate the insurance industry.





Implemented Updated Reporting Forms

- In conjunction with the OCI Information Systems Section, implemented additional forms on updated technology used for various reporting forms
- The information reported in the updated forms is automatically converted to a PDF report for review by technical examination staff

Update Software

- Implemented an update to the audit software used by the division on examinations
- Completed an update the agency's document management system

NAIC Activity

- Served on several NAIC task forces and working groups including acting as chair of the Risk-Focused Surveillance Working Group and co-chair the Financial Examiners Handbook Technical Group (complete list of NAIC groups listed on [page 31](#))
- Chaired a drafting group to update guidance on reviewing affiliated services agreements
- Oversaw examination and analysis of Peer Review Projects

Companies Examined

Artisan and Truckers Casualty Company
 Badger Mutual Insurance Company
 Bankers Reserve Life Insurance Company of Wisconsin
 Blue Cross Blue Shield of Wisconsin
 Care-Plus Dental Plans, Inc.
 Church Mutual Insurance Company, S.I.
 Cities and Villages Mutual Insurance Company
 CM Indemnity Insurance Company
 CM Regent Insurance Company
 CM Select Insurance Company
 CM Vantage Specialty Insurance Company
 Compcare Health Services Insurance Corporation
 General Casualty Company of Wisconsin
 General Casualty Insurance Company
 Group Health Cooperative of South Central Wisconsin
 Harken Health Insurance Company
 Managed Health Services Insurance Corp.
 Maple Valley Mutual Insurance Company
 Municipal Property Insurance Company
 Northwestern Long Term Care Insurance Company

Northwestern Mutual Life Insurance Company, The
 Pacific Star Insurance Company
 Point Insurance Company
 Point Specialty Insurance Company
 Progressive Classic Insurance Company
 Progressive Northern Insurance Company
 Progressive Universal Insurance Company
 Quartz Health Benefit Plans Corporation
 Quartz Health Insurance Corporation
 Quartz Health Plan Corporation
 Regent Insurance Company
 Security Health Plan of Wisconsin, Inc.
 Southern Pilot Insurance Company
 UCare Health, Inc.
 Unimerica Insurance Company
 UnitedHealthcare of Wisconsin, Inc.
 Wisconsin Collaborative Insurance Company
 Wisconsin Lawyers Mutual Insurance Company
 Wisconsin Municipal Mutual Insurance Company
 Wisconsin Mutual Insurance Company
 Wysh Life and Health Insurance Company



Changes in Corporate Licenses

Wisconsin Insurance Corporations Organized and Licensed January 1, 2023 – December 31, 2023	
Customer First Warranty, Inc.	Montfort, WI
Milestone Protection Corporation	Viroqua, WI
Mirhashemi, Inc.	Green Bay, WI
Northern States Power Company	Eau Claire, WI
SECURA Select Insurance Company	Neenah, WI
Specialty Auto Sales, LLC	Suamico, WI
Summit Administrative Services, Inc.*	Wausau, WI
Summit Administrative Services, Inc.**	Wausau, WI

*Property Service Contract Provider

**Vehicle Protection Product

Insurance Corporations Domiciled in Other States Admitted January 1, 2023 – December 31, 2023	
American Assurance Corporation	Lakewood, CO
American Builders Insurance Company	Dover, DE
American Century Life Insurance Company	Allen, TX
American Underwriters Insurance Company	Little Rock, AR
Amrock Title Insurance Company	Dallas, TX
Asservo National Warranty Protection Corp.	New York, NY
CICA Life Insurance Company of America	Denver, CO
Continental Service Provider, Inc.	Scottsdale, AZ
Cornerstone United, Inc.	Hickory, NC
Dominion Dental Services, Inc.	Arlington, VA
Enphase Energy, Inc.	Fremont, CA
Excess Share Insurance Corporation	Dublin, OH
First National Title Insurance Company	Plano, TX
Florists' Insurance Company	Edwardsville, IL

Insurance Corporations Domiciled in Other States Admitted (Continued)

January 1, 2023 – December 31, 2023

Frontier Warranty Solutions Corporation	New Albany, IN
Greater Mid-Atlantic Indemnity Company	New York, NY
Greater Midwestern Indemnity Company	New York, NY
healthCAR Direct, Inc.	Houston, TX
Jet Insurance Company	Charlotte, NC
Landcar Casualty Company	Draper, UT
Liberty Home Guard LLC	Brooklyn, NY
Lighthouse Life Solutions, LLC	Conshohocken, PA
ManhattanLife of America Insurance Company	Houston, TX
Motorists Mutual Insurance Company	Columbus, OH
National Builders Insurance Company	Dover, DE
New Global Administrators, LLC	Mansfield, MA
Obsidian Pacific Insurance Company	Wilmington, DE
Omaha National Insurance Company	Omaha, NE
Omaha Supplemental Insurance Company	Omaha, NE
Palomar Specialty Insurance Company	Portland, OR
Phenix Mutual Fire Insurance Company	Columbus, OH
Physicians Select Insurance Company	Omaha, NE
Republic Fire and Casualty Insurance Company	Tulsa, OK
RGA Life and Annuity Insurance Company	Chesterfield, MO
SafeTravels Motor Club, LLC	Patterson, NY
Sherwood Management Co., Inc.	Culver City, CA
Titan Warranty Administration, Inc.	Omaha, NE
TRM Specialty Insurance Company	Dallas, TX
TT of First Mile Services, Inc.	Boca Raton, FL
WestGUARD Insurance Company	Omaha, NE

Organizations Licensed as Care Management Organizations

January 1, 2023 – December 31, 2023

None

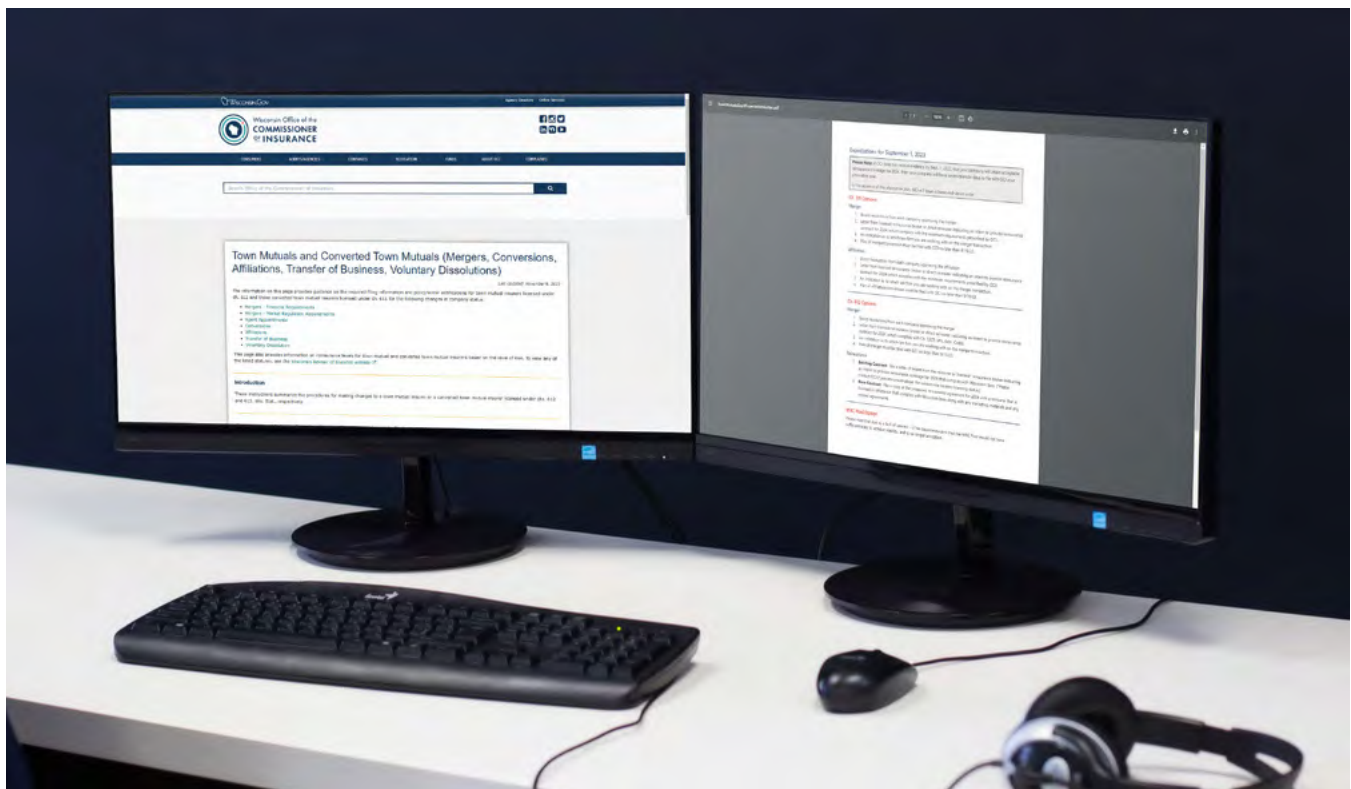
Organizations Licensed as Service Contract Providers

January 1, 2023 – December 31, 2023

American Assurance Corporation	Lakewood, CO
Asservo National Warranty Protection Corp.	New York, NY
Cornerstone United, Inc.	Hickory, NC
Customer First Warranty, Inc.	Montfort, WI
Enphase Energy, Inc.	Fremont, CA
healthCAR Direct, Inc.	Houston, TX
Liberty Home Guard LLC	Brooklyn, NY
Milestone Protection Corporation	Viroqua, WI
Mirhashemi, Inc.	Green Bay, WI
Northern States Power Company	Eau Claire, WI
Sherwood Management Co., Inc.	Culver City, CA
Specialty Auto Sales, LLC	Suamico, WI
Summit Administrative Services, Inc.	Wausau, WI
Titan Warranty Administration, Inc.	Omaha, NE

Changed Company Type

Bloomington Farmers Mutual Insurance Company	Property and Casualty
Green County Mutual Insurance Company	Property and Casualty
Mt. Pleasant-Perry Middleton Insurance Company	Property and Casualty
Point Excess and Surplus Insurance Company	Domestic Surplus Lines
Reedsburg-Westfield Mutual Insurance Company	Property and Casualty
River Valley Mutual Insurance Company	Property and Casualty
Sugar Creek Mutual Insurance Company	Property and Casualty
Theresa Mutual Insurance Company	Property and Casualty
Wisconsin River Mutual Insurance Company	Property and Casualty



Insurance Corporation Mergers, Dissolutions, Withdrawals, Rehabilitations, Liquidations, Revocations, Redomestications or Name Changes

January 1, 2023 – December 31, 2023

Mergers		
Non-Surviving Company Name	Merged into Surviving Company Name	Date
AXA Insurance Company	Coliseum Reinsurance Company	10/23/2023
Baptist Life Association	GBU Financial Life	12/31/2022*
Barron Mutual Insurance Company	Eagle Point Mutual Insurance Company	1/1/2023
Berry and Roxbury Mutual Insurance Company	Wisconsin River Mutual Insurance Company	1/1/2023
Ellington Mutual Insurance Company	Homestead Mutual Insurance Company	12/31/2023
Fall Creek Mutual Insurance Company	Mutual of Wausau Insurance Corporation	12/31/2023
Farmers Town Mutual Insurance Company	Arlington Mutual Insurance Company	1/1/2023
Holland Mutual Fire Insurance Company	Theresa Mutual Insurance Company	1/1/2023
Independent Order of Vikings	GBU Financial Life	7/20/2022*
Luck Mutual Insurance Company	Eagle Point Mutual Insurance Company	1/1/2023

Mergers (continued)		
Non-Surviving Company Name	Merged into Surviving Company Name	Date
Marcellon-Courtland-Springvale Mutual Insurance Company	Mt. Morris Mutual Insurance Company	9/1/2023
Mutual Trust Life Insurance Company, A Pan-American Life Insurance Group Stock Company	Pan-American Life Insurance Company	12/31/2022*
Nationwide Mutual Fire Insurance Company	Nationwide Mutual Insurance Company	1/1/2023
Northeastern Mutual Insurance Company	Homestead Mutual Insurance Company	12/31/2023
Pella Mutual Insurance Company	Mutual of Wausau Insurance Corporation	1/1/2023
ProAssurance Casualty Company	ProAssurance Indemnity Company, Inc.	12/31/2023
Southeast Mutual Insurance Company	Sugar Creek Mutual Insurance Company	1/1/2023
Trade Lake Mutual Insurance Company	River Falls Mutual Insurance Company	12/31/2023
Washington Town Mutual Insurance Company	Homestead Mutual Insurance Company	12/31/2023
Yorkville and Mt. Pleasant Mutual Insurance Company	Mutual of Wausau Insurance Corporation	12/31/2023

* Information not reported in prior Wisconsin Insurance Report

Dissolutions	
Company Name	Date
Dental Protection Plan, Inc.	4/24/2023
Health Tradition Health Plan, Inc.	9/20/2023
Northwestern National Insurance Company of Milwaukee, Wisconsin	12/5/2023
Preferred Insurance Affiliates, Inc.	3/16/2023

Withdrawals	
Company	Date
Advantage Plus, Inc.	6/30/2023
Dell Marketing L.P.	12/31/2022*
George Vetesnik Motors, Inc.	12/31/2022*
Inclusa, Inc.6/1/2023	6/1/2023
Milestone Protection Corporation	9/29/2023

Withdrawals (continued)	
Company	Date
My Choice Wisconsin Inc.	9/1/2023
North American Insurance Company	12/31/2023
Old Republic Home Protection Company, Inc.	12/31/2022*
Quest Towing Services, LLC	10/13/2023
Republic Credit Indemnity Company	8/30/2023
Residential Warranty Services, Inc.	12/31/2022*
Valspar Corporation, The	12/31/2022*
Vehicle Protection, Inc.	12/31/2022*

* Information not reported in prior Wisconsin Insurance Report

Rehabilitations	
Company	Date
1st Auto & Casualty Insurance Company	6/21/2023
Order of United Commercial Travelers of America	6/7/2023
Wisconsin Reinsurance Corporation	6/21/2023

Liquidations	
Company	Date
MutualAid eXchange	8/22/2023

Revocations	
Company	Date
Foresight Services Group, Inc.	4/30/2023

Redomestications			
Company	From	To	Effective Date
American Century Life Insurance Company	TX	OH	12/1/2023
American Specialty Health Insurance Company	IN	FL	1/26/2023

Redomestications (continued)			
Company	From	To	Effective Date
AmGUARD Insurance Company	PA	NE	9/20/2023
Auto Help Line of America, Inc.	NY	OK	9/22/2000*
Bantry Insurance Company	MN	IL	4/20/2023
Clear Blue Insurance Company	IL	TX	12/22/2022*
Clear Spring Property and Casualty Company	TX	IN	12/19/2023
CM Regent Insurance Company	PA	WI	1/1/2023
Colony Specialty Insurance Company	OH	IL	8/2/2023
EastGUARD Insurance Company	PA	NE	9/20/2023
Florists' Insurance Company	IL	WI	12/31/2023
Florists' Mutual Insurance Company	IL	WI	12/31/2023
Merit Life Insurance Co.	TX	OK	5/8/2023
Noblr Reciprocal Exchange	CO	TX	9/29/2023
NorGUARD Insurance Company	PA	NE	9/20/2023
North American Insurance Company	WI	OK	12/31/2023
R.V.I. America Insurance Company	CT	DE	3/22/2023
Republic Mortgage Assurance Company	FL	NC	4/18/2023
Rock Ridge Insurance Company	IN	TX	1/1/2023
Root Property & Casualty Insurance Company	DE	OH	7/1/2023
SILAC Insurance Company	UT	IN	9/22/2023
Toyota Motor Insurance Company	IA	AZ	9/28/2023
United Mutual Insurance Company	WI	OH	10/1/2023
WestGUARD Insurance Company	PA	NE	9/20/2023
WFG National Title Insurance Company	NC	FL	11/6/2023

*Information not available in prior Wisconsin Insurance Report.

Name Changes

Previous Name	New Name
21st Century Advantage Insurance Company	Bantry Insurance Company
American Country Insurance Company	Curative Insurance Company of Illinois
American Insurance Company, The	Pie Insurance Company, The
Attorneys' Title Guaranty Fund, Inc.	Advocus National Title Insurance Company
Catholic Holy Family Society	Catholic Fraternal Life
Continental Service Provider	Continental Service Provider, Inc.
Discover Property & Casualty Insurance Company	TravCo Personal Insurance Company
DSM USA Insurance Company, Inc.	DentaQuest National Insurance Company, Inc.
KSKJ LIFE, American Slovenian Catholic Union	KSKJ Life
Langhorne Reinsurance (Arizona) Ltd	Entrada Life Insurance Company
Merrimac Lodi Mutual Insurance Company	Wisconsin River Mutual Insurance Company
Ohio National Life Assurance Corporation	Augustar Life Assurance Corporation
Ohio National Life Insurance Company	Augustar Life Insurance Company
Pavonia Life Insurance Company of Michigan	Revol One Insurance Company
UniCARE Life & Health Insurance Company	Wellpoint Life and Health Insurance Company



October 26, 2023

Via E-mail

Kirsten E. Spira
Attorney
BoardmanClark
1 S Pickney St, Ste 410
Madison, WI 53701
kspira@boardmanclark.com
608-257-9521

Dear Ms. Spira,

I am writing in response to the filing dated September 9, 2023, pursuant to s. 612.23, Wis. Stat., regarding the proposed conversion of Wisconsin River Mutual Insurance Company from a ch. 612 town mutual insurance company into a ch. 611 mutual insurance company. Pursuant to s. 612.23 (2), Wis. Stat., the plan of conversion is hereby approved.

Upon a separate vote by the members of the company in favor of the conversion, please provide this office with the reports required under s. 612.23 (5), Wis. Stat. After receipt of these reports, we will record the conversion on its effective date and issue a new license.

If you have any questions or concerns, please call me at (608) 261-8562.

Sincerely,

Amy J. Malm

Amy J. Malm
Administrator, Division of Financial Regulation

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



June 26, 2023

VIA E-MAIL

Ashley Kleemeier
Assistant General Counsel
UnityPoint Health
1776 West Lakes Parkway, Suite 400
West Des Moines, Iowa 50266
515-298-0584
Ashley.kleemeier@unitypoint.org

Re: Case No. 23-C45005, 23-C45006, and 23-C45007 – In the Matter of the Acquisition of Control of Quartz Health Plan Corporation, Quartz Health Insurance Corporation, and Quartz Health Benefit Plans Corporation by SummitOne Enterprises, Inc.

Dear Ms. Kleemeier:

Enclosed is a copy of the Final Decision and Order in the above-referenced matter.

Any appeal to circuit court for review of this Final Decision must be served on the Commissioner of Insurance, 125 South Webster Street, Madison, Wisconsin 53703.

Sincerely,

Amy J. Malm

Amy J. Malm
Hearing Examiner

Enclosure

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



Companies in Liquidation or Rehabilitation

Northwestern National Insurance Company of Milwaukee, Wisconsin, in Liquidation

Northwestern National Insurance Company of Milwaukee, Wisconsin (NNIC) was placed in liquidation by Judge Richard G. Niess of the Dane County Circuit Court on May 2, 2019. The court appointed then-Wisconsin Commissioner of Insurance, Mark V. Afable, and his successors in office or any of their delegees as Liquidator, and Amy J. Malm, as Special Deputy Liquidator. The Order of Liquidation established a bar date, the last date on which a claim may be filed, of November 2, 2019.

NNIC was incorporated as a Wisconsin domestic

stock property and casualty insurance corporation on February 20, 1869. NNIC wrote both direct insurance and reinsurance. In 1986, the company began a runoff operation. Since that time, except for mandatory writings, including guaranteed renewable accident and health insurance policies, assignments, and retroactive adjustments and endorsements to prior year policies, NNIC has written no new business.

On March 8, 2007, NNIC was placed into rehabilitation upon recommendation of the Wisconsin Office of the Commissioner of Insurance (OCI) and approval of the Dane County Circuit Court. The Rehabilitation Order established a general account for its reinsurance and a segregated account for its direct insurance. The principal purpose of the rehabilitation was to crystalize the claims of each of its reinsurance claimants into a fixed dollar amount and to subordinate the reinsurance claims to direct insurance claims. This objective having been

completed, on January 20, 2012, NNIC exited from rehabilitation.

The financial condition of NNIC continued to deteriorate, such that liquidation became necessary. OCI worked with the National Conference of Insurance Guaranty Funds, Inc. and the National Organization of Life and Health Guaranty Associations to minimize disruption for claimants. In further preparation for liquidation, on March 14, 2019, by Stipulation and Order approved by the commissioner of insurance and agreed by NNIC's management, OCI was granted full custody and control of all NNIC's assets.

On March 22, 2019, by Stipulation and Order approved by the commissioner of insurance and agreed by NNIC's management, the segregated and general account of NNIC was merged. The small amount of funds earmarked for the benefit of the reinsurance claimants in the general account continued to be accounted for and reserved for their benefit.

At the time of the liquidation on May 2, 2019, the only insurance policies written by NNIC that were still in force were accident and health policies that were guaranteed renewable by their terms. NNIC also wrote worker's compensation, general liability, product liability, and commercial automobile policies. All policies except the guaranteed renewable A&H policies had long since expired, but some of the expired policies still have open claims.

At the time of its liquidation, NNIC was only licensed to do business in the following nine states: California, Connecticut, Delaware, Minnesota, New Hampshire, New Jersey, Pennsylvania, Texas, and Wisconsin. However, when the company was placed in runoff in January 1986, it was licensed to do business in all U.S. states, the District of Columbia, and Puerto Rico. Accordingly, guaranty fund coverage would apply to any policies written at the time the company was licensed, subject to limitations on coverage established by each state or other jurisdiction.

As of May 2, 2019, NNIC had reinsurance relationships with various captive reinsurers

sponsored mainly by large, well-known industrial or hospitality firms. Attorneys for the Liquidator have concluded commutation arrangements with 16 of these captive reinsurers or their sponsoring corporation, whereby the captive reinsurer or the sponsoring corporation assumed full responsibility for current and future claim obligations in exchange for NNIC's return of collateral it held. Such commutations reduce the tail exposure for the affected state guaranty funds and often reduce the number of claims that the affected state guaranty funds would otherwise have to administer. This will have the effect of increasing the percentage of Class 3 loss claims that will ultimately be distributed. The advantage for the captive's sponsoring corporation is the retention of their existing claim administration, avoidance of reinsurance billings from either the Liquidator or one or more guaranty funds, and a return of collateral.

Before the bar date of November 2, 2019, the Liquidator received a total of 255 proofs of claim, tentatively broken down by the highest applicable level of priority, which is subject to revision by the Liquidator, as follows:

Quantity	Proofs of Claim
50	Class 1 Proofs of Claim (Administration Costs)
82	Class 3 Proofs of Claim (Loss Claims)
3	Class 3 Proofs of Claim (Loss Claims – Highlands Contingency)
1	Class 3c Proof of Claim (Federal Government Claims not in Class 3)
4	Class 4 Proofs of Claim (Unearned Premiums and Small Loss Claims)
5	Class 5 Proofs of Claim (Residual Classification with Some Security)
109	Class 5 Proofs of Claim (Residual Classification - Unsecured)
1	Class 8 Proofs of Claim

Additionally, the Liquidator has deemed filed 27 Class 4 claims for unearned premium, for which no proofs of claim were required, in addition to three Class 4 proofs of claim included in the four noted above that were filed despite the lack of any requirement to do so.

Proofs of claim received after November 2, 2019, have been identified as late filed and will be administered accordingly. To date, the Liquidator has received 17 late-filed proofs of claim, which, subject to revision by the Liquidator, include eight Class 3 proofs of claim and seven Class 5 proofs of claim.

On August 8, 2019, with the cooperation of OCI, NNIC was placed into ancillary receivership under the jurisdiction of the Superintendent of Financial Services of the State of New York by the Decision and Order of Justice W. Franc Perry of the Supreme Court of the State of New York for New York County. The August 8, 2019, Decision and Order established a bar date of November 2, 2019, to coincide with the bar date established by the Dane County, Wisconsin Circuit Court. This ancillary receivership was resolved following the August 8, 2019, Decision and Order and the matter was formally disposed of by an Amended Decision and Order of Justice W. Franc Perry on January 27, 2020.

Neither the Liquidator nor OCI has been informed of the commencement or contemplation of any other ancillary receivership proceedings.

Over the course of the liquidation, the Liquidator recovered the following for claims-paying resources:

Type	Amount
Letters of Credit	\$1,064,735.00
Statutory Deposits	\$2,605,883.65
Reinsurance	\$1,126,162.97
Commutations	\$428,502.28
Sale of Compass Insurance Company	\$100,000.00

On September 18, 2023, the Liquidator sent all claimants who received a Determination Notice denying their claim based on a lack of claim-paying resources a Notice of Status and Intent to Close the Liquidation, informing them that the Liquidator had sought all available assets justifying the expenses of collection and determined that no filed proof of claim will be paid in whole or in part. Then on September 29, 2023, the Liquidator filed with the court seeking a motion to distribute the estate's assets in accordance with the Plan of Distribution. On October 16, 2023, the court approved the Plan of Distribution and assets were distributed to the Guaranty Associations on October 18, 2023, while retaining a portion of assets to close the estate.

On November 3, 2023, the Liquidator filed a Motion for a Final Liquidation Order and Discharge. The court issued the Final Liquidation Order on December 5, 2023, closing the liquidation with the dissolution of NNIC and providing the Liquidator with six months to distribute the remaining assets and pay remaining administrative costs.

Time Insurance Company, in Liquidation

Time Insurance Company (Time) was placed into liquidation effective September 1, 2022. Before liquidation, Time was placed into rehabilitation on July 29, 2020, by Judge Stephen E. Ehlke of the Dane County Circuit Court. The court appointed then-Wisconsin Commissioner of Insurance Mark V. Afable, and his successor in office or any delegates as Rehabilitator, and Mark H. Femal, as Special Deputy Commissioner.

Time is a Wisconsin domestic, stock, life, accident, and health insurance company. Time was originally licensed as an insurer on February 4, 1910, and over the years wrote direct business of life, annuities, long-term care, and various health products with the later years focusing solely on health insurance. When Time was actively writing business it was licensed in all states except New York, District of Columbia, and Puerto Rico. In late 2014, the ultimate controlling person of Time, Assurant, Inc., decided to exit the accident and health segment of the insurance market to

focus on other business segments, and it made the decision to discontinue operations of Time and put the company into run-off. Since 2014, Time has been in runoff with many of its policies covered under a 100% coinsurance basis with financially strong and accredited reinsurers. At the time of rehabilitation, Time had approximately 100 policies that were not covered by any reinsurance.

On October 7, 2018, the Office of the Commissioner of Insurance (OCI) approved the acquisition of Time by Haven Holdings, Inc. (Haven), its redomestication to Puerto Rico, and its merger with Haven Insurance Company II with Time being the survivor of the merger. In Puerto Rico, Time was licensed under the name of Time Insurance Company II. On December 5, 2018, the Puerto Rico Office of the Commissioner of Insurance (PR OCI) approved the acquisition, merger, and redomestication, and approved the surviving entity, Time Insurance Company II, as a Class 5 International Insurer.

Following the redomestication and merger, Time began efforts to recapture its fully reinsured life and long-term care policies. On July 2, 2019, Time filed a transaction with PR OCI to recapture the long-term care block of business reinsured by John Hancock Life Insurance Company (John Hancock). On July 16, 2019, OCI issued a cease-and-desist order preventing the reinsurance recapture transaction and preventing Time from writing new business in the State of Wisconsin. Several other states issued similar cease-and-desist orders.

In December 2019, OCI amended its cease-and-desist order that continued to prohibit Time from engaging in any reinsurance recapture transaction and finding that the transfer of risk for the long-term care policies from a solvent reinsurer to a financially distressed, international insurer was not in the best interest of Wisconsin insureds and the public. States continued to object to the recapture transaction, preventing Time from completing the recapture. Time then indicated that it would seek to convert from a Puerto Rico International Insurer and redomicile as a life, accident, and health insurer in another U.S. jurisdiction.

On February 28, 2020, the acting Puerto Rico insurance commissioner, Time, and the Wisconsin insurance commissioner agreed that Time would redomesticate back to Wisconsin pursuant to a stipulation and order that included Time potentially entering a retrocession transaction for the long-term care insurance block. Time redomesticated back to Wisconsin, and OCI reissued a Certificate of Authority for Time Insurance Company as a Wisconsin domestic insurer effective February 28, 2020. On May 6, 2020, PR OCI confirmed the redomestication. The stipulation and order were then amended on March 31, 2020, allowing Time to propose alternative forms of the transaction.

On March 12, 2020, Time submitted a plan to OCI where the key component was a novation transaction where the existing reinsurance agreement could be novated to Haven Reinsurance (an affiliate of Haven), and Haven Reinsurance would assume all obligations under the reinsurance agreement. On May 15, 2020, OCI determined the proposal was contrary to the interest of policyholders, Time's creditors, and the public. Under the submitted plan, the long-term care reinsurer no longer would be obligated to bear any risk and the transaction was dependent on the capital and surplus of Time and Haven Reinsurance, which OCI determined there would be insufficient surplus available to support the reserves.

On May 18, 2020, OCI petitioned the Court to place Time into rehabilitation, which was ordered on July 29, 2020. On September 25, 2020, the commissioner filed a proposed Rehabilitation Plan that was approved on October 15, 2020. The plan included working with reinsurers to enter assumption agreements for the blocks of business they reinsured. The commissioner entered into assumption agreements as follows:

Reinsurer	Type of Policy	Effective Date	Policyholders
National Health Insurance Company	Health and Life	October 1, 2020	92,356
Assurity Life Insurance Company	Disability	November 1, 2020	12
Loyal American Life Insurance Company	Medicare Supplement	February 1, 2021	55
John Hancock Life Insurance Company (USA)	Long-Term Care	July 1, 2022	25,020
Talcott Resolution Life and Annuity Insurance Company	Life and Annuities	July 1, 2022	47,638

After the reinsurers assumed the blocks of business they were reinsuring, OCI filed to place Time into liquidation on July 13, 2022, with an effective date of September 1, 2022. On August 30, 2022, Judge Stephen E. Ehlke of the Dane County Circuit Court signed the order approving the end of the rehabilitation and putting Time into liquidation. Proof of claims against the estate were due by March 1, 2023.

Before the bar date of March 1, 2023, the Liquidator received a total of 28 proofs of claim, tentatively broken down by the highest applicable level of priority, which is subject to revision by the Liquidator, as follows:

Quantity	Proofs of Claim
1	Class 1 Proofs of Claim (Administration Costs)
15	Class 3 Proofs of Claim (Loss Claims)
10	Class 5 Proofs of Claim (Residual Classification with Some Security)
2	Class 8 Proofs of Claim (Miscellaneous)
1	Class 8 Proof of Claim (Late Filed)

As of December 31, 2023, the financial status of Time could only be estimated with substantial deficiencies in the availability of information that was beyond the Liquidator's control. As time progresses, it is anticipated that the financial statements will attain improved accuracy, as settlement amounts are finalized and state guaranty funds, direct claimants of Time not eligible for guaranty fund coverage, and creditors. Subject to the foregoing qualifications, as of December 31, 2023, Time Insurance Company had assets of \$6,631,232, liabilities of \$7,396,093, and surplus of \$(764,861), and net income of \$769,544.



Wisconsin Reinsurance Corporation, in Rehabilitation and 1st Auto & Casualty Insurance Corporation, in Rehabilitation

Wisconsin Reinsurance Corporation (WRC) and 1st Auto & Casualty Insurance Company (1st Auto) were placed into rehabilitation by Judge Stephen E. Ehlke of the Dane County Circuit Court effective June 21, 2023. The court appointed Nathan Houdek, and his successors in office or any of their delegates as Rehabilitator, and Justin C. Schrader as Special Deputy Commissioner.

WRC was incorporated on December 15, 1972, as a mutual reinsurance company under the name of Mutual Spread Loss Reinsurance, Inc. (MSLR), the successor to Mutual Spread Loss Association that was organized in 1942 to be a mechanism where each member insurer ceded excess loss risks and participated in pooled reinsurance assumption. On December 31, 1982, Wisconsin Town Mutual Reinsurance Company merged into

MSLR and subsequently changed the name of MSLR to Wisconsin Reinsurance Corporation. WRC converted from a mutual to a stock company effective January 1, 1991.

1st Auto was organized in 1991 and commenced business on September 25, 1991, as a wholly owned subsidiary of WRC.

WRC is a property and casualty reinsurance company whose clients are mutual insurance companies located in Arkansas, Illinois, Indiana, Iowa, Missouri, Montana, North Dakota, South Dakota, and Wisconsin. In Wisconsin, WRC was the reinsurer for 34 of Wisconsin's 44 town mutual insurers. As part of WRC, 1st Auto offered direct coverage for personal auto, business auto, and personal/farm umbrella to approximately 23,000 policyholders in Arkansas, Illinois, Iowa, Missouri, South Dakota, and Wisconsin, with the vast majority being in Illinois, Missouri, and Wisconsin.

Many Wisconsin insurers, including WRC, experienced higher-than-expected losses in 2022 as severe storms damaged property across the state. By the end of the year, WRC and 1st Auto reported that they did not have the financial stability to continue operating and to meet their obligations in the foreseeable future.

In 2023, efforts to find additional capital to stabilize the financial position of WRC and 1st Auto did not materialize while their financial position continued to deteriorate. Due to these developments, the Office of the Commissioner of Insurance (OCI) determined it was appropriate to take action to protect 1st Auto’s policyholders and town mutual insurers who get reinsurance from WRC by controlling assets of the company through a rehabilitation process.

On July 11, 2023, the Rehabilitator filed a Rehabilitation Plan with the court to rehabilitate WRC and 1st Auto, which was approved by the court on July 27, 2023. The Rehabilitation Plan included:

- WRC
 - Transition from a reinsurer of the town mutual industry to a direct writer of insurance policies, and
 - Administer a reinsurance pool of town mutual insurance companies.
- 1st Auto
 - Continue to re-underwrite its book of business under improved underwriting standards, and
 - Seek rate increases where appropriate.

There was no interest expressed in the Rehabilitation Plan from July through October resulting in the Rehabilitator determining that the Rehabilitation Plan was not viable. On November 1, 2023, the Rehabilitator filed a Petition to Terminate Rehabilitation and for Order for Liquidation with the court. The liquidation of WRC and 1st Auto was granted with an effective date of January 1, 2024.

As of December 31, 2023, the financial status of WRC and 1st Auto could only be estimated with substantial deficiencies in the availability of information that was beyond the Liquidator’s control. As time progresses, it is anticipated that the financial statements will attain improved accuracy, as settlement amounts are finalized and state guaranty funds, direct claimants of WRC and 1st Auto not eligible for guaranty fund coverage, and creditors. Subject to the foregoing qualifications, as of December 31, 2023, Wisconsin Reinsurance Corporation, and 1st Auto & Casualty Insurance Company had:

	WRC	1st Auto
Assets	\$34,398,465	\$12,431,810
Liabilities	22,072,623	7,905,747
Surplus	12,325,842	4,526,063
Net Income (Loss)	(4,843,002)	(1,692,334)

Division of Market Regulation and Enforcement

The Division of Market Regulation and Enforcement (DMR) consists of five sections: Consumer Affairs, Rates and Forms, Market Analysis, System Support, and Agent Licensing.

DMR is responsible for the administration and enforcement of laws and rules relating to all market conduct activities of insurers and agents. To complete its duties, the division conducts market analysis and targeted market conduct examinations of insurers in the areas of:

- underwriting and rating
- marketing, advertising, and sales
- claims

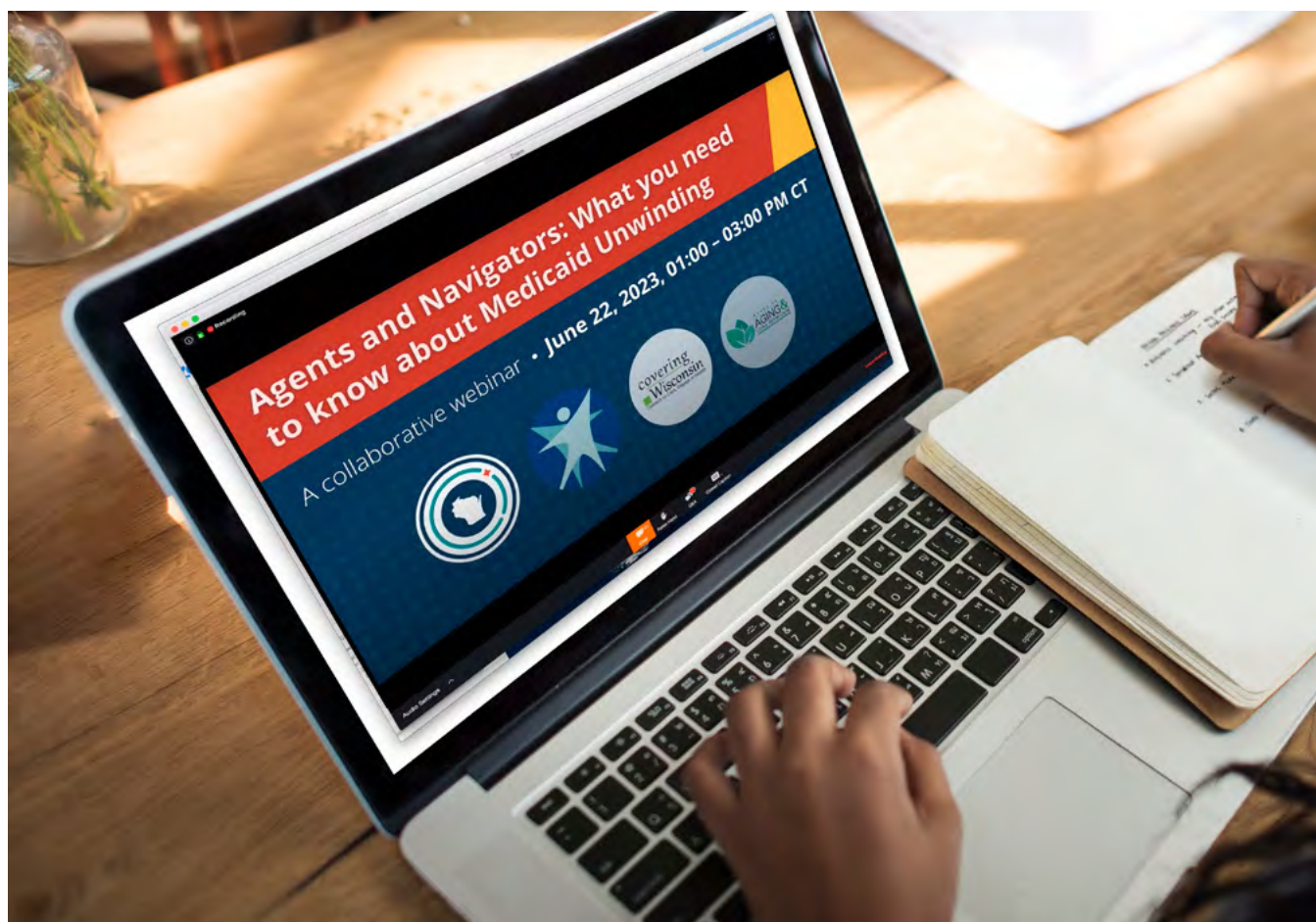
- form review
- policyholder services and grievances

In 2023, the division investigated and resolved 3,117 written consumer complaints and inquiries and answered over 21,000 telephone or email inquiries. The division received 3,076 rate and rule filings, 4,768 form filings, and 302 advertising material filings.

Major Accomplishments

Public Health Emergency - Medicaid Unwinding Continuing Education Training

OCI partnered with the Department of Health Services, the Board on Aging & Long-Term Care, and Covering Wisconsin to present a continuing education training designed to give agents and navigators in Wisconsin valuable information as they prepared to assist consumers during the Medicaid unwinding.





Increased Complaint Portal Usage

OCI's complaint portal allows insurance companies to receive electronic notification of an insurance complaint and provides online access so companies can review the complaint and upload their responses directly to the complaint portal. As of 2023, there were a total of 812 insurance companies with access to the complaint portal. This reduces physical mail delivery delays and makes it easier for industry and OCI staff to work remotely.

Outreach

Consumer Affairs continued to seek opportunities to provide education and outreach. This includes a new and growing collaboration with the Milwaukee Public Library and continued partnerships with the Department of Health Services and Covering Wisconsin. In 2023, Consumer Affairs provided information to over 500 individuals in a variety of settings, including guest speaker roles, participation on expert panels,

and staffing informational booths at large events. In addition to direct contact at event booths, OCI's presence provided opportunities for increased awareness of the office and its role in insurance regulation to over a thousand collective attendees.

Some outreach events include:

- Milwaukee Public Library presentations on Life Insurance, Small Business Insurance, and Health Insurance
- Wisconsin Women's Business Initiative Corp. (WWBIC) presentation on Insurance Considerations for Small Businesses
- Staffed booths at:
 - Wisconsin Realtors Conference – provided information on flood insurance
 - Society for Human Resource Management (SHRM) Conference - provided information on health insurance

Remote Exam Proctoring

OCI continues to make remote proctoring for agent licensing exams available. As per previous

years, over half of the exams taken in 2023 used the remote proctoring platform.

Provided Over 120 Reports

The division provided 129 domestic company market regulation analysis reports for the Division of Financial Analysis examinations. OCI continues to refine the use of the OnBase information management platform to improve the sharing of intra-divisional reports between the Financial and Market Regulation divisions.

Consumer Reports

Division staff are heavily involved in the updating and revision of a variety of consumer publications available from OCI.

Centers for Medicare & Medicaid Services

Division staff continued the collaboration with the federal Centers for Medicare & Medicaid Services to respond to insurer, agent, and consumer questions regarding ongoing changes to the federal Affordable Care Act.

NAIC Activity

- Participated in the NAIC Market Certification Working Group to help facilitate the development of market conduct certification standards.
- Participated in the Market Conduct Annual Statement program, collecting and analyzing data on claims, complaints, and underwriting in life, annuities, health, LPI, private flood, homeowners, and auto insurance, and using the data in our market analysis process.
- Served on several NAIC committees, task forces, and working groups including active roles in the Market Conduct Annual Statement (MCAS) Blanks Working Group, the Mental Health Parity and Addiction Equity Act Working Group and the NAIC Market Regulation Handbook Working Group.
 - A complete list of NAIC committees, task forces, and working groups where OCI is an active participant is on [page 31](#).
- Participated in editing the Market Regulation Handbook chapter on Mental Health Parity

Addiction and Equity Act.

Meeting Participation and Assistance

Staff participated in the Wisconsin Insurance Plan and the Wisconsin Automobile Insurance Plan meetings, quarterly meetings with the Worker's Compensation Rating Bureau and the Department of Workforce Development and provided technical assistance to Wisconsin Emergency Management.

Market Conduct Annual Statement

The Market Conduct Annual Statement (MCAS) is an analysis tool that state regulators use to review the market activity of the entire insurance marketplace and to identify companies whose practices fall outside normal/average ranges. If the MCAS shows that a company is an outlier in one or more areas, the Market Analysis group will review for potential action along the regulatory continuum including follow-up interrogatories, or a Level 1/Level 2 review. The project collects data on an industry-wide basis.

Currently, there are nine individual statements: Annuity, Life, Health, Disability Income, Homeowners, Private Passenger Auto, Long-Term Care, Lender-Placed Home/Auto, and Private Flood. In 2023, travel insurance and short-term limited duration insurance were reported for the first time with 2022 data.

For 2023, the following Market Conduct Annual Statements were submitted:

- 31 Health
- 75 Disability Income
- 220 Life
- 131 Annuity
- 153 Private Passenger Auto
- 145 Homeowners
- 86 LTC (including Stand-Alone, Life/LTC Hybrid, and Annuity/LTC Hybrid)
- 14 Lender-Placed Home/Auto
- Three Private Flood
- 22 Travel
- 11 Short-Term Limited Duration

Market Analysis Section

The Division's Market Analysis section is responsible for monitoring the insurance market to identify issues through Level 1 and Level 2 company reviews, Market Conduct Annual Statement analysis, desk audits, and market conduct examinations. Market analysis of insurers is performed under a process established by NAIC. Market analysis includes a review of information collected in the financial statements and other NAIC databases to identify companies for additional review. Examiners conducted additional reviews, identified companies for further action, and recorded the results of the reviews in the NAIC Market Analysis Review System (MARS). This process is used to identify companies for further review up to and including market conduct examinations.

Level 1 and Level 2 Market Analysis

Analysis was completed on 36 insurance companies for 11 lines of business: group accident and health, group annuity, group life, homeowners, individual accident and health, individual

annuity, individual life, long-term care, Medicare supplement, private passenger auto, and worker's compensation.

Baseline Market Conduct Annual Statement Analysis

Analysis was completed on 594 companies for three lines of business: individual accident and health, private passenger auto, and homeowners.

Analysis Trends

Market Analysis has identified trends to monitor regarding cybersecurity, the use of artificial intelligence, pharmacy benefit manager operations, and network adequacy.

Market Analysis currently monitors cybersecurity breaches reported to OCI by insurers. The section is participating in the development of an online reporting tool for security incidents. They also participate in the annual cybersecurity certification process and have developed an interrogatory specifically for cybersecurity.



Form Submissions and Rate Filings

The following tables summarize the form submission data for 2022 and 2023. Table I shows the number of form submissions received in 2022 and 2023 by line of business for each type of insurance. Table II shows the number of rate filings received for each type of insurance.

Table I - Number of Form Submissions Received - By Line of Business in 2022 and 2023

Product Category	Total for 2022	Total for 2023
Health and Life		
Continuing Care Retirement Community	4	4
Credit Life	6	7
Group Accident and Health	230	216
Group Annuity	54	52
Group Life	30	28
Health and Life – Other	126	133
Health Maintenance Organization	278	156
Individual Accident and Health	48	67
Individual Annuity	80	91
Individual Life	13	16
Group Long-Term Care	3	6
Individual Long-Term Care	5	5
Long-Term Care – Other	0	1
Annuities – Other	23	26
Total Health and Life	<u>900</u>	<u>808</u>
Property and Casualty		
Aviation	32	31
Bonds	99	121
Commercial Property and Multiperil	304	327
Commercial Motor Vehicle	232	228
Credit Property	3	7
Homeowner's	201	205

Product Category	Total for 2022	Total for 2023
Property and Casualty (continued)		
Inland Marine	208	180
Liability	890	1,315
Mortgage Guaranty	5	3
Other Lines	1,041	1,208
Personal Farm owners	58	63
Personal Motor Vehicle	99	72
Property	174	173
Public Adjuster contract	33	46
Title	23	18
Worker's Compensation	17	9
Total Property and Casualty	<u>3,386</u>	<u>3,960</u>
Grand Total	<u>4,286</u>	<u>4,768</u>

Table II - Rate Filings Received

Product Category	Total for 2023
Accident and Health Section	
Credit Life	5
Health Maintenance Organization	76
Health – Other	58
Group Long-Term Care	3
Individual Long-Term Care	31
Long Term Care – Other	7
Total Accident and Health Section	<u>180</u>
Property and Casualty Section	
Aviation	15
Bonds	83
Commercial Property and Multiperil	346

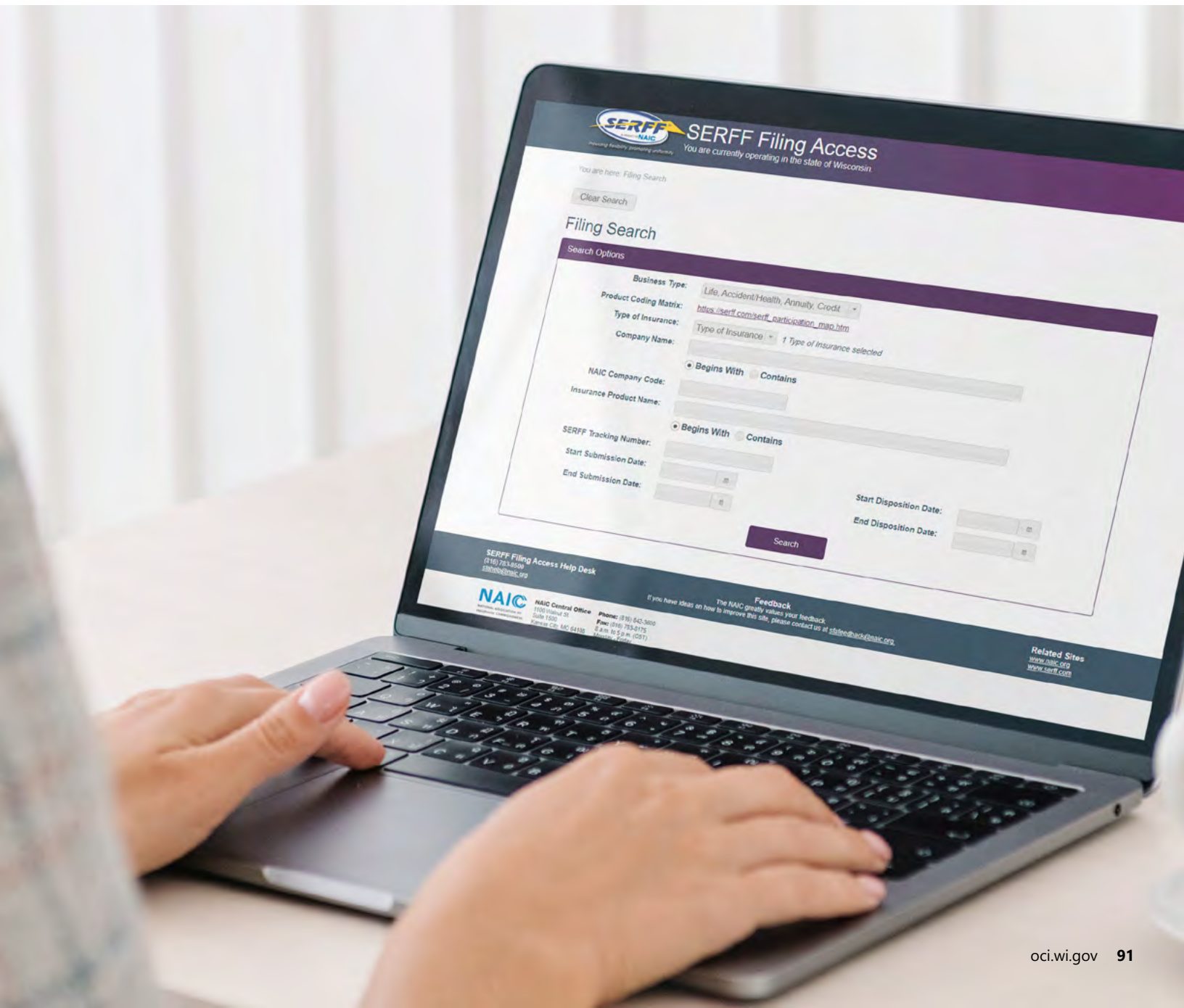
Product Category	Total for 2023
Property and Casualty Section (continued)	
Commercial Motor Vehicle	396
Credit Property	5
Homeowners	360
Inland Marine	63
Liability	766
Mortgage Guaranty	1
Other Lines	109
Personal Farmowners	78
Property	286
Personal Motor Vehicle	356
Title	20
Worker's Compensation	<u>12</u>
Total Property and Casualty Section	<u>2,896</u>
Grand Total	<u>3,076</u>

Table III - Form/Rate Filings Received

Product Category	Total for 2023
Individual Health – Dental	11
Individual Health – Disability Income	17
Individual Health – Hospital Indemnity	6
Individual Health - Other	3
Individual Long-Term Care	6
Long-Term Care – Other	0
Indiv. Medicare Supp. – Standard Plans 2010	1
Medicare Supp – Other 2010	3
Total Form/Rate Filings	<u>48</u>

Table IV - Advertising Filings

Product Category	Total for 2023
Individual Long-Term Care	6
Individual Health – Other	2
Med. Supp. – Other	15
Indiv. Med. Supp. – Medicare Select 2010	1
Medicare Supplement – Other 2010	<u>278</u>
Total Advertising Filings	<u>302</u>



Consumer Affairs Section

The division's Consumer Affairs section is responsible for responding to inquiries and investigation of complaints filed against insurance companies and agents. The division works closely with legal counsel to pursue enforcement actions when appropriate.

In 2023, complaints related to property and casualty insurance were the most common, followed by health insurance. Among property and casualty inquiries and complaints received, the majority were related to homeowners, tenants, or farmowners insurance. Among health insurance complaints received, the majority were related to group health insurance coverage. The majority of complaints received overall were related to claim handling. These complaint patterns have remained consistent for several years.

In 2023, OCI continued to encourage insurance companies to register with our online complaint portal. In 2023, 812 insurance companies had

complaint portal access. OCI's complaint portal allows insurance companies to receive electronic notification of an insurance complaint, and review and respond to the complaint. This reduces delays related to physical mail delivery.

In 2023, Wisconsin's new public adjuster law became effective, adding public adjusters to the type of entities OCI regulates and about which OCI may receive complaints.

The following tables summarize OCI complaint data.

Table I shows complaint activity over the last six years. A complaint may be closed in a different year than it is received. A complaint is defined as a written expression of dissatisfaction with an insurance company or agent. Contact may initially be received in person, by telephone, by email, or in writing, but to be considered a formal complaint, initiating an investigation, the complaint must be in writing. The data presented is based on formal complaints.



To: Missie L.Rodriguez
Office of Commissioner of Insurance

Dear Missie,
I would be remiss if I did not send a thank-you.
I tried for months to resolve my situation, and it
was resolved quickly after reaching out to you
(your office).

Truly, thank-you.

Table I - Total Complaint Files

Year	Received	Closed
2018	3,136	3,520
2019	2,807	3,285
2020	2,589	2,980
2021	2,127	2,467
2022	2,475	2,678
2023	2,886	3,117

In addition to formal complaints received, the division also handled 21,000 phone calls, emails, and written requests for information in 2023.

Table II shows 2022 and 2023 complaints by type of insurance.

Table II - Complaints Filed By Type of Insurance*

Type of Insurance	2022	2023
Accident and Health		
Group Accident and Health	400	457
Individual Accident and Health	285	313
Medicare Supplement	87	108
Long-Term Care	60	52
Total Accident and Health	832	930
Property and Casualty		
Automobile	525	592
Homeowners, Tenants, Farmowners	454	597
Fire, Allied Lines, Other Property	49	57
General Liability/Liability	47	40
Worker's Compensation	53	54
All Other Lines	200	217
Total Property and Casualty	1,328	1,557
Life, Including Credit and Annuities	307	389
Grand Total	2,467	2,876

Table III shows the general reason the complaint was filed. Sixty-two percent of the complaints involved claim problems. Policyholder service was the second most common complaint reason at approximately 19%.

Table III - Reasons for Complaints*

Basis for Complaint	Through 4th Quarter 2022	% of Total	Through 4th Quarter 2023	% of Total
Claim Handling	1,773	63.4%	1,987	61.8%
Policyholder Service	576	20.6%	603	18.8%
Marketing and Sales	243	8.7%	383	11.9%
Underwriting	205	7.3%	240	7.5%

*A complaint may have more than one basis.

The division tracks the amount of money recovered for consumers resulting from a complaint filed with OCI. In 2023, the office assisted complainants in recovering \$6,063,427 from insurers as follows:

Table IV - Amounts Recovered for Complainants by Types of Coverage and Complaint Reason

Coverage Type	Claim Handling	Policyholder Service	Marketing and Sales	Underwriting	Total
Group Health	\$ 864,296	\$ 1,647	\$ 1,205	\$ 0	\$ 867,148
Ind. Accident and Health	794,667	103,140	45,211	0	943,018
Automobile	665,864	19,007	2,384	8,726	695,981
Life, Including Credit and Annuities	689,893	477,107	482,060	58,692	1,707,752
Homeowners, Tenants, Farmowners	1,154,543	20,369	967	1,385	1,177,264
Fire, Allied Lines, Other Property	275,779	6,085	115,000	0	396,864
General Liability/Liability	7,643	0	0	0	7,643
All Other Lines	<u>232,552</u>	<u>17,264</u>	<u>1,746</u>	<u>15,194</u>	<u>267,756</u>
Total	<u>\$4,686,238</u>	<u>\$664,619</u>	<u>\$648,573</u>	\$83,997	<u>\$6,063,427</u>

Complainants may request an additional complaint review following the outcome of the division's initial complaint investigation if the complaint was not resolved to the complainant's satisfaction and the complainant has new information that should be considered. The additional complaint review process allows a complainant to have their complaint reviewed by an advanced-level examiner or a supervisor.

Table V reflects the number of requests for additional complaint reviews. Due to the low number of such requests, trend analysis is difficult. However, the goal of this review process is to ensure that OCI has reviewed all relevant information and that complainants are provided with a complete and detailed explanation of the outcome of their complaint.

Table V - 2023 Complaint Additional Reviews by Line of Business

	Accident & Health	Property & Casualty	Life & Annuities	Total
Number of Additional Reviews in 2023	20	37	0	57

Additional Review status regarding complaints received in the period of review.

Independent Review Process

Under Wisconsin law, individuals have the right to an independent review of their health insurer's adverse determination or an experimental treatment determination. These reviews are carried out by Independent Review Organizations (IROs) registered with OCI. Wisconsin's independent review program began in 2002. Federal law also has an independent review process.

The table below summarizes the total number of IRO determinations under both the state and federal process, the percentage of insurers' decisions that were upheld, and the percentage reversed in whole or in part by the IROs as reported by health insurers.

	Total	Upheld	Reversed
2021	203	71.4%	28.6%
2022	233	75.9%	24.1%
2023	346	78.3%	21.7%

IRO's Determination

	Reversed	Reversed in Part	Upheld	Annual Total
Adverse Determination	61	0	205	266
Experimental	14	0	64	78
Rescission	0	0	1	1
Pre-existing	0	0	1	1
Total	75	0	271	346

- Adverse Determination – The health insurance carrier determines treatment is not medically necessary or appropriate and denies, reduces, or terminates a benefit.
- Experimental – The treatment was determined to be experimental and thus the benefit was denied.
- Rescission – The health insurance carrier rescinds the policy – meaning the policy is cancelled back to the date it was first effective.
- Pre-Existing – A claim is denied on the basis that the condition being treated was present before the policy began.

Agent Licensing Section

The Agent Licensing section provides oversight of the professional licensing testing services and administration of prelicensing and continuing education programs which are handled by a third-party vendor. Specifically, this section is responsible for:

- Reviewing license applications, issuing and denying insurance licenses and registrations to individuals and business entities
- Annual company agent appointment billings
- Approves and denies 1033 waivers to individuals
- Issuing forfeiture orders and warning letters for nondisclosures, failing to timely report, and misstatements on applications
- Bond cancellations/riders for public adjusters, pharmacy benefit managers, and employee benefit plan administrators
- Manages disclosures to the state from both licensees, other state regulators, and CMS
- Licensing Updates (name, address, email, phone, drlp changes, etc.)
- Manages changes in residency status
- Approves and denies prelicensing waivers and continuing education exemptions
- Serve as witnesses in legal proceedings
- Handling secondary review of provider/course denials

Agent Licensing - Licensee Counts as of December 31, 2023

Licensee Type	Quantity
Employee Benefit Plan Administrator	383
Intermediary Agent Individual	219,830
Resident	33,946
Nonresident	185,884
Intermediary Firm	10,489
Life Settlement Broker	29
Life Settlement Firm	16

Licensee Type	Quantity
Managing General Agent Firm	68
Managing General Agent Individual	121
Navigator Business Entity	7
Navigator Individual	34
Public Adjuster	207
Pharmacy Benefit Manager	23
Reinsurance Intermediary Broker	42
Reinsurance Intermediary Firm	29
Reinsurance Intermediary Manager	6
Surplus Lines	2,451
Temporary Insurance Intermediary	1
Travel Insurance Firm	45

Licensing Exams

In 2023, 12,170 individuals took a Wisconsin insurance licensing exam. Of those, 5,789 took the remotely proctored exam and 6,381 took the exam in person at a physical test site. The overall pass rate for a remote proctored exam was 50.96% and 49.58% for an exam taken in person.

Providers and Education Courses

- Approved one new prelicensing education provider
- Approved 29 new prelicensing education courses
- Approved 21 new continuing education providers
- Approved 2,763 new continuing education courses

Company Agent Appointment Billing

Agent licensing collected \$26,056,264.00 from 1,179 insurers for our 2023 annual company appointment billing cycle. A total of 62 companies failed to pay the invoice due.



Other Agent Licensing 2023 Achievements

- Manually reviewed and processed 10,695 licensing applications that were deferred to the state for additional review, a 7.68% decrease from the previous year.
- The agent licensing section offered chat functionality via our website for individuals and agents to have an additional method to reach out to our office. Chat functionality went live on September 5, 2023.
- Continued to take administrative actions against agents. A complete list of administrative actions can be found at oci.wi.gov/AdminActions.
- Jointly with our vendor, PSI Services LLC, held an annual exam review workshop where subject matter experts participated in the development and administration of the Wisconsin insurance examinations. Also, held the annual Industry Day Presentation with education providers to discuss updates and areas of concern.
- Participated in the NAIC's Producer Licensing Task Force, Adjuster Licensing Working Group, Producer Licensing Uniformity (D) Working Group, Public Adjuster Licensing Working Group, and Uniform Education Working Group to assist in improving the effectiveness, efficiency, and uniformity of state licensing processes.



Rates and Forms Section

Wisconsin's insurance laws support a functional competition approach to insurance regulation for the health insurance market. Functional competition is defined as competition wherein all participants, including consumers, have access to the market on a level playing field. Functional competition in the marketplace supports the pricing of health insurance products at premium rates that reasonably reflect the medical costs, demographics, and utilization patterns of health care delivery in Wisconsin and is therefore critical to a well-functioning market.

The Rates and Forms section is responsible for establishing and enforcing rate filing requirements, reviewing comprehensive individual and small group rate filings, and monitoring trends in the Wisconsin comprehensive health insurance marketplace.

Wisconsin law requires that health insurance rates used to develop premiums for individual

policies, including individually underwritten policies sold through associations, and fully insured group policies issued to employers with two to 50 employees (small group policies) be filed with OCI. Filings are required to be submitted in a standardized format. Filings are reviewed for compliance with all applicable laws and regulations, as well as to determine whether there is any indication the premium rates filed are unreasonable. Wisconsin insurance laws provide that rates are not unreasonable if a sufficient level of functional competition exists in the market.

Current health premium rate filings made with OCI can be found on our website.

Rates and Forms Additional Activities

Data from individual and small group health rate filings is collected and aggregated, when possible, to produce enrollment totals and insurer maps which inform and assist consumers and insurers of choices and enrollment activity.



Wisconsin Office of the
COMMISSIONER
OF INSURANCE

Wisconsin Office of the Commissioner of Insurance

125 South Webster Street, P.O. Box 7873 | Madison, WI 53707-7873

p: 608-266-3585 | p: 1-800-236-8517 | f: 608-266-9935

ociinformation@wisconsin.gov | oci.wi.gov

Connect with Us

[Subscribe to OCI News](#) | [View the OCI Newsroom](#)

