



# Wisconsin Insurance News

Issue 1 - Winter 2010

## Readability of Insurance Contracts, A Consumer Protection Issue

By Sean Dilweg, Commissioner of Insurance



Last fall, I created an advisory council that is examining the issue of insurance policy readability. I charged the Readability Working

Group—whose members include representatives of health and property and casualty insurers and consumer advocates—with providing recommendations aimed at improving the readability of health insurance and property and casualty policy documents. Life insurers were not included. Wisconsin is a member of the Interstate Insurance Product Regulation Commission (IIPRC), which has established its own standards for life insurance product readability. The current IIPRC readability standards are set at an easier readability level than existing state law requires.

Readability of documents is most commonly measured using the Flesch-Kincaid Grade Level and the Flesch Reading Ease score. Both tests are available as part of most grammar or editing software offered today such as Microsoft Word.

OCI has not modified its administrative rule regarding the readability of insurance policies since 1980. Our current readability policy, set by administrative rule in s. Ins 6.07, Wis. Adm. Code,

requires a minimum Flesch reading ease score of 40. According to the Flesch test, this score is considered “difficult” as it is comparable to the reading level of a first- year college student.

Most Wisconsin residents, however, do not read at this high of a level. Reading insurance contracts can be confusing and time consuming. Frustration with policy format further complicates the matter. Consumers are often asked to refer to several different pages of a contract in order to understand coverages, contract exclusions and limitations. Additionally, direct to consumer marketing—especially over the internet—means that more consumers are purchasing their insurance without the aid of an insurance agent. Agents explain important policy details to consumers and help tailor policies to suit consumer needs. Without the assistance of an agent, consumers are left reading the fine print on their own. As this trend continues, it is critical that policies are written in a way easily understood by most consumers.

At the November working group meeting, it was determined that the full working group would split into two subgroups: a Health Subgroup and a Property and Casualty Subgroup.

The Health Subgroup is discussing moving to a required Flesch score of 50, from the current score of 40. A score of 50 represents a 10<sup>th</sup> grade reading level. Other issues under

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discussion include requiring benefit summaries to reflect a Flesch score of 50, requiring a single section in a policy document that lists specific limitations, requiring policy documents to be made available electronically and requiring that policy documents be written in an active voice, to the extent practicable.

The Property and Casualty Subgroup is also discussing Flesch score and format of Contract Summary documents and the Declarations Page. The subgroup is also working on a draft Policy Update recommendation, similar to the current Minnesota law relating to requiring that complete policy updates be available every 2-5 years. Additionally, the subgroup is discussing a requirement for an "Outline of Coverage" document, similar to the Florida law.

Each subgroup will report recommended administrative rule changes to the full Readability Working Group in May. ●

## Emergency Rules Promulgated in 2010

### **Ins 3.36—Relating to treatment of autism spectrum disorders.**

Under 2009 Wisconsin Act 28, the Commissioner is required pursuant to s. 632.895 (12m), Stats., to define four terms: intensive-level services, nonintensive-level services, qualified, and paraprofessionals; and may draft rules that relate to the interpretation or administration of the section.

The proposed rule includes definitions of intensive-level behavioral therapy and nonintensive-level therapy. The proposed rule also contains criteria necessary for one to be considered qualified provider, qualified professional, qualified therapist and qualified paraprofessional.

OCI issued a Frequently Asked Questions (FAQ) on Mandated Coverage for Autism Services. The Wisconsin Department of Health Services also

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## Administrative Rule Changes for Agent Licensing

### **Variable Life/Variable Annuity, Crop and Surety Qualifications**

Changes to agent licensing requirements were adopted last year to conform to NAIC model requirements for licensing and regulation of insurance agents. OCI now offers the qualifications of variable life/variable annuity, crop, and surety to bring Wisconsin in conformance with the lines in the NAIC model.

In order to sell or service variable products, agents can solicit under either the current licensing requirements or the new ones during the transition period. Agents who have not been provided the variable life/variable annuity qualification by March 31, 2010, will be unable to solicit or service those products after that date. The application process is separate from license renewal and requires a separate application and fee. If you have not applied for this qualification, you can do so by logging on to [www.sircon.com/wisconsin](http://www.sircon.com/wisconsin), select Apply for a License, and follow the prompts.

### **On-line Prelicensing Education**

We now allow online, self-study and correspondence course credits to satisfy the existing prelicensing education requirements. Multiple providers have or are in the process of filing the necessary application materials for approval, and several courses are available.

### **Fingerprinting**

Another change will require that agents applying for a resident license submit fingerprint identification for crime checks. Our office is currently working with the Wisconsin Department of Justice to create an online reporting tool. This requirement will be implemented sometime after April 1, 2010.

Please refer to our Web site for bulletins regarding these changes, specifically at [oci.wi.gov/bulletin/0809variable.htm](http://oci.wi.gov/bulletin/0809variable.htm) and [oci.wi.gov/bulletin/0709aglic.htm](http://oci.wi.gov/bulletin/0709aglic.htm). ●

## Print Your Own Licenses

Effective last September, licensees are able to print their own license at our Web site. Our office no longer mails licenses to new applicants and those who renew their existing licenses.

Those persons without access to a computer are able to request a copy from our office. Keep an eye on our Web site for further updates as they become available.

Miss an issue of the WIN?

No problem. We have old issues of Wisconsin Insurance news dating back to 2002 on our Web site:  
[http://oci.wi.gov/ins\\_rev.htm](http://oci.wi.gov/ins_rev.htm)

# Continuing Education

## Basic Requirements

All agents who hold a license in any of the major lines of property, casualty, personal lines P&C, life, accident and health insurance, or the limited line of automobile, must complete a total of 24 credits each biennium, 3 of which must be in the ethics of insurance. Your compliance/expiration date is printed on your license.

Course credits may be completed at any time during the two-year period. Carryover of credits from one reporting period to another is not allowed. Please refer to your on-line transcript to confirm your assigned compliance period.

A list of approved providers and courses is available at Sircon's Web site through a link at OCI's Web site by logging on to

oci.wi.gov, or you can log on directly to www.sircon.com/wisconsin. You can also use a query tool available at their site to determine course availability and location.

Transcripts are mailed to licensees who have yet to achieve compliance 90 days prior to their expiration date. It is imperative that you do not wait until the last few weeks of your reporting period to complete your continuing education for the biennium. By rule, your continuing education providers have 10 days to electronically bank your credits, and paper confirmation is not acceptable.

## Internet Transcripts Available from Sircon

To request a free copy of your most current Licensee Continuing Education

Transcript log on to www.sircon.com/wisconsin. The transcript will permit you to take any action that is necessary to add, delete, or change information that is inaccurate. To correct credit discrepancies, agents are required to contact their continuing education provider(s) directly. These discrepancies can only be resolved between the agent, the provider and Pearson VUE.

## Who to Call

Contact Pearson VUE for answers to general questions, to gain information on course availability, and to confirm if credits have been banked in an agent's individual record. They may be reached at (800) 274-4679. Reminder: Dial the (800) prefix whenever using this number. ●

## Electronic License Renewals

As in the past, pursuant to s. 20.905 (1), Wis. Stat., licensees must renew online either by credit card, debit card, or electronic check. No other method of payment is acceptable. OCI previously paid all service fees associated with payments received at Sircon, however, as of last March, no longer does so. Individuals and firms have three options to make these payments as follows:

**SIRCON**—Sircon is OCI's software vendor. All payments made at this site are made in real time to OCI and updates a Wisconsin-licensee's record immediately. Resident or nonresident individual or firm licenses currently held in one or more states can be renewed at this site by credit or debit card (VISA, MasterCard or American Express), or by electronic check. Persons are charged a \$5 transaction fee in addition to the renewal fee. A license can be printed online at Sircon's site immediately following receipt of payment, free of charge up to 30 days thereafter.

**Office of the Commissioner of Insurance (OCI)**—Resident or nonresident individual or firm licenses held in Wisconsin can be renewed at this site by credit or debit card only (VISA or MasterCard). Payments can be made Monday through Friday only, excluding holidays. You are charged a \$1 transaction fee in addition to your renewal fee. Payment information is transferred to Sircon in an overnight batch process and generally posted the next business day. A license can be printed free of charge. Those making payments within 5 days of the expiration date are required to use Sircon to avoid license cancellation.

**National Insurance Producer Registry**—Resident or nonresident individual licenses currently held in one or more states can be renewed at this site by credit or debit card only (VISA, MasterCard or American Express). Persons are charged a \$5 transaction fee in addition to the renewal fee. Payment information is transferred to Sircon in an overnight batch process and generally posted the next business day. Those making payments within 10 days of the expiration date are required to use Sircon to avoid license cancellation. ●

## Updated Publications

OCI has recently updated several publications. Choose the "Publications" link from the Quick Links located at the top left side of our homepage, oci.wi.gov, then "Consumer Publications" to view, print or request a copy.

Health Insurance for Small Employers and Their Employees (2010) (PI-206)

ANSI Codes

Insurance Coverage and AIDS (PI-064)

Medicare Supplement Insurance Approved Policies (PI-010)



## Resident Address Change

Wisconsin law requires that you provide our office with your current resident and/or mailing address. Please make sure your current license copy contains your most up-to-date address information.

If you have a residence and/or mailing address change, you have the following options available to you to make that change:

- Log on to [www.sircon.com/wisconsin](http://www.sircon.com/wisconsin) and select "Update your Name or Address." This option also allows you to add or maintain your e-mail address, or
- Log on to [www.nipr.com](http://www.nipr.com) and select "Address Change Request," or
- Notify the Agent Licensing Section in writing at P.O. Box 7872, Madison, Wisconsin 53707-7872, by fax at (608) 267-9451, or by e-mail at [ociagentlicensing@wisconsin.gov](mailto:ociagentlicensing@wisconsin.gov). **Please include your name, license number, and new address.** Telephone requests for change of address are not accepted. ●

## E-mail Correspondence

We would like to remind our constituents that we do respond to e-mail correspondence from consumers and from companies, and those contacts are often the quickest way to get questions answered or transact business. However, please note that e-mail that you send us is not necessarily secure against interception. Therefore, please do not send us any e-mail with sensitive information like your Social Security number. If you must provide us with such information contact us in writing by U.S. mail.



## NAIC/NIPR Attachments Warehouse for the Electronic Filing of Insurance Producer Licensing Documents

The Office of the Commissioner of Insurance (OCI) continues its efforts to utilize and participate in the national license database in collaboration with the National Association of Insurance Commissioners (NAIC) and the National Insurance Producer Registry (NIPR) in order to be more efficient and to streamline filing requirements. Applicants or licensees are permitted to electronically file required documents when applying for or renewing an insurance license and allow licensees to satisfy the statutory requirements regarding notification and reporting of all administrative and criminal actions as required under s. Ins 6.61 (16), Wis. Adm. Code.

OCI will also recognize the reporting of the action to the Attachments Warehouse, the subsequent e-mail alert

to the division, and the state's ability to retrieve, review, and download the attachment as fulfilling the requirement of a producer to notify and report an action under the same administrative rule identified above.

### Attachments Warehouse

The Attachments Warehouse is a secure regulatory database that electronically receives, stores, and shares licensing documents with the states that are submitted with respect to an application or renewal of an insurance producer license through the NIPR, a nonprofit affiliate of the NAIC. If supplemental documentation is required with respect to an individual application, renewal, or notification of any criminal or administrative action, this documentation may be submitted via the Attachments Warehouse.

### Notification and Reporting of Actions (ROA)

The Attachments Warehouse may be used for an insurance producer to satisfy the requirements for the notification and reporting of administrative and criminal actions to the Commissioner under s. Ins 6.61 (16), Wis. Adm. Code. An insurance producer may send the required notification and documents to the Attachments Warehouse electronically instead of faxing or mailing the information to OCI.

For further information regarding the use of the Attachments Warehouse, contact the Agent Licensing Section at (608) 266-8699 or [ociagentlicensing@wisconsin.gov](mailto:ociagentlicensing@wisconsin.gov), or visit the NIPR Web site at [www.nipr.com](http://www.nipr.com). ●

## Renewal/Continuing Education/Reapplication

Pursuant to s. Ins 6.58 (5), Wis. Adm. Code, renewal notices are mailed 60 days prior to fees being due. To continue conducting insurance business in the state of Wisconsin, you must pay the biennial regulation fee. All notices are sent by first class mail to the mailing address on file with our office and are now in a postcard format. The law does not require proof of delivery.

Those individuals who have a license expiring at the end of April should expect their renewal notice in early March; those expiring in May will receive their notice in early April, and so on. As identified, renewal fees must be paid by credit card, debit card, or electronic check. Those licensees without Internet access can contact our office directly for assistance in entering their payment.

If you are a resident licensee required to complete continuing education, a separate notice is mailed to those who are deficient in course credits 90 days prior to their expiration date showing the number of credits banked and instructions on how to access their transcript as well as current course offerings at [www.sircon.com/wisconsin](http://www.sircon.com/wisconsin). **Please note that your credits must be BANKED (not taken) by your expiration date to avoid license cancellation.** By law, providers have 10 days to bank your credits following completion of a course; therefore, you need to schedule accordingly. We suggest licensees not wait until the last few weeks of a reporting period to complete their requirements.

### Application Procedures Following License Cancellation

Persons who fail to pay their fees and/or comply with continuing education requirements will have their license

revoked on their expiration date. Reapplication procedures are as follows:

**Residents** who held a major-line or limited-line license have one year from their expiration date to reapply without having to complete any preclicensing education or examinations, as long as any outstanding continuing education requirements are met. Download the application (OCI 11-041R Resident Insurance Agent License Application Without Examination) at [oci.wi.gov/ociforms.htm#agent](http://oci.wi.gov/ociforms.htm#agent). The instructions and fee schedule are printed on the form. An electronic reinstatement process is not available at this time.

Residents wishing to reapply for a major-line license after one year would be required to complete all of the preclicensing education for each line previously held and also take the law portion of each examination. A list of preclicensing education schools is located at [www.sircon.com/wisconsin](http://www.sircon.com/wisconsin) and basic examination information is available at [oci.wi.gov/agentlic/specprov.htm](http://oci.wi.gov/agentlic/specprov.htm). Residents holding a limited line license would need to take the entire examination. The Candidate Handbook is available through a link at our Web site at [oci.wi.gov/agentlic.htm](http://oci.wi.gov/agentlic.htm).

**Nonresidents** have two ways to reapply:

Log on to [www.sircon.com/wisconsin](http://www.sircon.com/wisconsin) to apply electronically and pay by credit card. This process generally takes 1-5 days. Or, log on to [oci.wi.gov/ociforms.htm#agent](http://oci.wi.gov/ociforms.htm#agent) to complete our nonresident paper application (OCI 11-041N). The fee schedule and instructions are printed on the form. A letter of certification is NOT required, however, paper applications can take anywhere from 4-10 weeks to process. ●

### Suspension Period Eliminated

With the passage of legislation in 2008, the 60-day suspension period imposed following failure to comply with continuing education or payment of the biennial regulation fees was eliminated. Individuals who have not paid their biennial fee or failed to comply with resident continuing education requirements by their expiration date are revoked. ●

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posted an FAQ for families receiving services through CLTS Waviers. These FAQ's can be accessed through OCI's Web site at [oci.wi.gov/ocirules.htm#2010emer](http://oci.wi.gov/ocirules.htm#2010emer). The emergency rule is effective March 3, 2010.

### Ins 3.75—Relating to continuation of group health insurance policies.

In December 2009 Congress enacted section 1010 of the federal department of defense appropriations act, 2010 (DOD Act). This section extended the federal health insurance premium subsidy provided under the American Recovery and Reinvestment Act of 2009 (ARRA), provided for retroactive extension of coverage for a transition period, and required that notice of the extended subsidy and retroactive coverage and premium payment be given to assistance-eligible individuals.

The DOD Act extended the federal premium reduction eligibility period for two months until February 28, 2010, and increased the maximum period for receiving the subsidy for an additional 6 months (from 9 to 15 months). Congress has since extended the ARRA subsidy program through March 31, 2010. This rule makes it clear that these rights must also be extended to assistance-eligible individuals who are or were eligible for coverage under state law, either under s. 632.897, Stats., or s. Ins 3.75, Wis. Adm. Code.

The emergency rule became effective on January 6, 2010. The emergency rule can be found on OCI's Web site at [oci.wi.gov/ocirules.htm#2010emer](http://oci.wi.gov/ocirules.htm#2010emer). ●

### Administrative Actions

OCI does not include its administrative actions in the Winter edition of the Wisconsin Insurance News.

Administrative actions taken by OCI for the previous period are available for review at:

[oci.wi.gov/ins\\_rev/0709\\_1209admact.pdf](http://oci.wi.gov/ins_rev/0709_1209admact.pdf)

## Flood Prevention and Safety in Wisconsin

### Now It's Time To Educate Your Clients on Flood Prevention and Safety

Flooding has cost the most damage in Wisconsin's recorded history. Just because a community hasn't experienced a flood in the past, doesn't mean it won't in the future. Flood risk isn't just based on history. It's also based on a number of factors: rainfall, river-flow data, topography, flood-control measures, and changes due to building and development. Nearly 25% of all claims paid by the National Flood Insurance program come from low- to moderate-risk areas.

Governor Doyle has proclaimed March 15-19, 2010, as Wisconsin Flood Safety Awareness Week. *ReadyWisconsin* urges you to take a strong proactive role in your communities in advocating flood protective and safety knowledge.

*ReadyWisconsin* is a year-round state-wide campaign run by Wisconsin Emergency Management with collaboration from a wide range of emergency preparedness stakeholders. The program asks individuals and families to take personal responsibility for taking preventive measures and being prepared for emergencies.

A unique feature of *ReadyWisconsin* is the wide array of free outreach materials that can be customized and branded for use by any governmental entity, volunteer organization or emergency preparedness stakeholder.

Items like the following can be used, customized and branded and new materials are continually being developed:

- Pre-produced television and radio messages addressing dozens of themed preparedness issues
- Brochures
- Posters
- Checklists and templates
- Hazard and need-specific handouts
- PowerPoint presentations
- Children's materials

### What Can You Do?

- ◆ Mitigation measures
  - Reach out to all your home insurance policyholders with informational materials about risk factors and the importance of flood insurance
  - Direct them to FloodSmart: [www.floodsmart.gov/](http://www.floodsmart.gov/)
  - Direct them to Wisconsin's Floodplain Management program: [dnr.wi.gov/org/water/wm/dsfm/flood/](http://dnr.wi.gov/org/water/wm/dsfm/flood/)
- ◆ Flood safety awareness
  - Direct your policy holders to [ReadyWisconsin.wi.gov](http://ReadyWisconsin.wi.gov)
  - Incorporate flood safety awareness information in your outreach materials. *ReadyWisconsin* has plenty of templates.
  - Collaborate with local safety officials in promoting Wisconsin Flood Safety Awareness Week
- ◆ All year
  - Keep a link to *ReadyWisconsin* in your outreach materials
  - Visit the Web site frequently to keep abreast of preparedness issues and materials
  - Urge your own employees to be prepared. Experience among employers demonstrates that unprepared employees are far less likely to show up for work during an emergency.

For daily preparedness messages and valuable links to additional resources, see:

Facebook: [www.facebook.com/#/ReadyWisconsin?ref=ts](http://www.facebook.com/#/ReadyWisconsin?ref=ts)

Twitter: [twitter.com/WI\\_EOC](http://twitter.com/WI_EOC).

YouTube: [www.youtube.com/readywis](http://www.youtube.com/readywis).

For additional information, a presentation or help with customizing materials, contact:

Susan Burleigh at *ReadyWisconsin*  
[susan.burleigh@wisconsin.gov](mailto:susan.burleigh@wisconsin.gov)  
 608-242-3324 •

## Think Flood Insurance

Insurance Commissioner Sean Dilweg is encouraging property and casualty insurance agents in Wisconsin to talk with their clients about the need for flood insurance.

Governor Jim Doyle has proclaimed March 15-19, 2010, as Flood Safety Awareness Week in Wisconsin. Commissioner Dilweg is encouraging all homeowners to evaluate their need for flood insurance before the spring snowmelt and storm season. This is where an agent can be an invaluable source of advice.

Of critical importance is the 30-day waiting period before a flood insurance policy takes effect. Most people are unaware of this waiting period.

Significant winter snowfall and high water tables in southern Wisconsin illustrate a very real concern that flooding will occur again in Wisconsin this spring. Without flood insurance, consumers face significant financial loss for property damage and loss of building contents.

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### What's a FIRMette?

One of the biggest issues facing homeowners, bankers and insurance agents is determining a structure's or property's level of risk from flooding. The Flood Insurance Rate Map (FIRM) shows those areas at greatest risk. However, the FIRM's size makes them difficult to store or duplicate and often only a portion of the map is needed. FEMA has developed a tool called the FIRMette to eliminate some of these problems. A FIRMette is an official copy of a FIRM and can be produced in letter, legal or 11 x 17 sizes. For directions on how to create a FIRMette go to [dnr.wi.gov/org/water/wm/dsfm/flood/communities.htm](http://dnr.wi.gov/org/water/wm/dsfm/flood/communities.htm) or contact Miriam G. Anderson, Floodplain Management Specialist at [miriam.anderson@wisconsin.gov](mailto:miriam.anderson@wisconsin.gov).

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Brigadier General Don Dunbar, the Adjutant General of Wisconsin, has seen first hand the devastation caused by flooding. "Since 2007, floods in Wisconsin have caused hundreds of millions of dollars in damages to homes, businesses, local infrastructure and agricultural assets," said Dunbar. "However, less than one percent of households in the state have flood insurance."

The standard homeowner's policy does not cover property and possessions in the event of a flood. Just a few inches of flood water can cause thousands of dollars in damage. "Many people think their home or business is covered from flood damage but without flood insurance, whether you are renting or own the home or business, you are responsible for the losses," said Wisconsin Emergency Management Administrator Ed Wall.

Flood insurance is relatively inexpensive and is available under the National Flood Insurance Program (NFIP), a federally backed program managed by the Federal Emergency Management Agency (FEMA). According to the FEMA Web site, the average cost of the policy is slightly more than \$300 a year for approximately \$100,000 of coverage.

Under the flood insurance program, coverage may be purchased as long as the property is located in a community that participates in the NFIP. To verify if a community participates, check with a property insurance agent or visit the FEMA Web site at [www.fema.gov/business/nfip](http://www.fema.gov/business/nfip). Information on the program can be obtained by calling 800-427-2419 or visiting [www.floodsmart.gov](http://www.floodsmart.gov). ●

### Floodplain Map Determinations

The Winnebago County Zoning Office will provide assistance to persons inquiring about floodplain property within the **unincorporated** area of the County. The information must be obtained in person in order to locate the property. The following information will be provided:

- Community Number
- Panel Number
- FIRM suffix
- Date of the FIRM's index (cover panel)
- Base Flood Elevation
- Elevation datum system
- Copies of Elevation Certificates: (available at the zoning office for all floodplain construction since 1990)

The Winnebago County Zoning Office is located at 448 Algoma Blvd., 2nd Floor, Oshkosh, Wisconsin. Walk-in office hours are **8 - 10 a.m.** and **1 - 2 p.m.** with other hours by appointment.

## Displaying Net Premiums Based on Estimated or Anticipated Dividends

The Office of the Commissioner of Insurance has been made aware that insurers and agents are marketing property and casualty risks, primarily worker's compensation insurance policies, with dividend plans which may be contrary to Wisconsin insurance laws.

OCI has been seeing an increase in the number of insurers and agents who are displaying net premiums, after crediting estimated or anticipated dividends against the unearned premium, in a proposal or as part of a sales presentation. **Proposals should not show billing plans, collections arrangements, or the total estimated premium using a net premium based on estimated or anticipated dividends.** Insurers and agents are not prevented from showing estimated or anticipated dividends in a regular proposal or sales presentation, so long

as the proposal or sales presentation complies with this position. In addition, every reference to estimated or anticipated dividends should clearly indicate that a dividend cannot be guaranteed and must be declared by the Board of Directors of the insurer.

Insurers and agents are also reminded that estimated or anticipated dividends cannot be used to reduce the initial premium paid on insurance policies. For more information, refer to the July 2, 1998, Bulletin To Insurers (on the OCI Web site at [oci.wi.gov/bulletin/60298wc.htm](http://oci.wi.gov/bulletin/60298wc.htm)) regarding this prohibited practice. Related articles are in the June 1997 issue of the *Wisconsin Commissioner's Insurance Review* ([oci.wi.gov/ins\\_rev/insrev06\\_97.pdf](http://oci.wi.gov/ins_rev/insrev06_97.pdf)) and the November-December 1982 issue of *The Bulletin* ([oci.wi.gov/ins\\_rev/bulletin11\\_82.pdf](http://oci.wi.gov/ins_rev/bulletin11_82.pdf)). Note - Although these publications

reference only worker's compensation insurance, the law that is applicable to policyholder dividends applies to all lines of insurance, other than life and annuities.

Our position is based on ss. 631.51 (2), 628.34 (1) and 628.34 (2) (a), Wis. Stat., as such practices appear to represent that the dividend is guaranteed which is considered misleading and is an unfair inducement, both which constitute unfair marketing practices. An insurer or agent engaging in a marketing practice contrary to this position is subject to administrative action by this office.

Questions regarding policyholder dividend plans may be directed to Ronnie Demergian at (608) 266-7077 or [ronnie.demergian@wisconsin.gov](mailto:ronnie.demergian@wisconsin.gov). ●



**Governor:**  
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