

WRC and 1st Auto Rehabilitation

Wisconsin Reinsurance Corporation (WRC) is a property and casualty reinsurance company whose clients are mutual insurance companies located in Wisconsin, Arkansas, Illinois, Iowa, Missouri, and South Dakota. As part of WRC, 1st Auto & Casualty Insurance Company (1st Auto) offers direct coverage for personal auto, business auto, and personal/farm umbrella.

1st Auto has **10,257 policies** in force in Wisconsin

WRC reinsures
34 of Wisconsin's 44 town mutual insurance companies

WRC-reinsured town mutual insurance companies have **37,521 policies** in force

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 when the companies reported that they did not have the financial stability to continue operating and meeting their obligations in the foreseeable future.

Rehabilitation Process

On May 23, 2023, OCI filed a petition with the Dane County Circuit Court to place WRC and 1st Auto into rehabilitation. Rehabilitation is a court-supervised process intended to remedy a company's financial condition to protect its policyholders. Justin Schrader has been appointed to serve as the Special Deputy Commissioner to be in charge of the day-to-day affairs of WRC and 1st Auto and the rehabilitation efforts. Learn more about the rehabilitation process and progress at <https://oci.wi.gov/Pages/Companies/WRC-and-1st-Auto-Rehabilitation.aspx>.

What do your constituents need to know?

A Wisconsinite with insurance coverage from 1st Auto should keep an eye out for an important notice from 1st Auto, and they may need to seek coverage from a different insurer. The [Wisconsin Auto Insurance Plan at waip.org](https://www.waip.org) provides auto insurance to people who are unable to find coverage at any price. Any licensed agent can provide a quote and submit applications for coverage with this Plan.

WRC provides reinsurance to town mutual insurance companies. Individuals with town mutual insurance coverage can find out if their insurer has WRC reinsurance by visiting thewrcgroup.com/wrc/mutual-clients-listing. **It's important to note that individuals with coverage from a town mutual insurance company do not need to take any immediate action related to the WRC rehabilitation.**

Resources for Constituents

- [1st Auto Agents and Brokers](#)
- [1st Auto Creditors and Vendors](#)
- [WRC Policyholders](#)
- [1st Auto Policyholders](#)

Constituent Contacts

Legislative offices with questions regarding the rehabilitation of WRC and 1st Auto may contact Jeff Grothman at jeff.grothman@wisconsin.gov or Sarah Smith at sarah.smith2@wisconsin.gov