

Form Filing Checklist - --Automobile Insurance

Section 632.32, Wis. Stat., applies to automobile policies providing liability coverages .

See Ins 6.05, Wis. Adm. Code, For Requirements to File Insurance Forms

DISCLOSURE

The form filing checklists are intended only as guides for submitting various policy forms to the Office of the Commissioner of Insurance. The checklists are summaries, and are not intended as an OCI directive nor to interpret or address technical legal questions. Although efforts have been made to ensure that the checklists are current and accurate, information is subject to change on a regular basis without prior notice.

ALL P&C Coverages, applicable to Wisconsin, as set forth in the NAIC Uniform Property & Casualty Product Coding Matrix. The matrix can be found at https://www.naic.org/documents/industry_pcm_p_c_2019.pdf. **

THE FOLLOWING CHECKLIST IS **IN ADDITION TO** THE P&C FORM FILING CHECKLIST WHICH CAN BE FOUND AT: <http://oci.wi.gov/ociforms/pcfcheck.pdf>

Section 632.32, Wis. Stat., applies to motor vehicle insurance policies providing liability coverages.

(Unless otherwise noted, the citations referenced in the second column are Wisconsin statute numbers.)

Automobile Insurance – Additional Policy Form Requirements	Reference	Comments
Minimum liability limits	344.01(2)(d)	Effective 11/1/11, the minimum liability limits are 25/50/10 or 60 CSL.
Mid-term cancellation for loss of driver’s license	631.36 (2) (a) 2 and Ins 6.54 (3) (a), Wis. Adm. Code	A mid-term cancellation of an auto policy for a suspension, revocation, or loss of a driver's license satisfies this section of 631.36 as long as the suspension, etc., occurred within 180 days prior to the effective date of the policy and is a result of a motor vehicle violation vs. a non-motor vehicle violation.
Coverage applies to all persons responsible for use (no named driver exclusion)	632.32 (3) (a)	Coverage applies in the same manner for insured and any person legally responsible for use of the vehicle. Policies for physical damage <u>only</u> can exclude drivers and must show this exclusion.
Uninsured Motorist (UM)	632.32 (2) (f) & (g)	Auto policy language must use these definitions for uninsured motorist coverage and uninsured motor vehicle. UM coverage must be included with limits of at least 25/50 in any personal or commercial auto policy providing liability coverage.
Medical Payments Coverage	632.32 (2) (am) & (4)	Excluding a policy written by a town mutual organized under ch. 612, Medical payments coverage must be included with limits of at least \$1,000 in any personal or commercial auto policy providing liability coverage, unless the insured rejects medical payments coverage. Medical payments coverage must include chiropractic coverage.
Underinsured Motorist (UIM)	632.32 (2)(d) & (4m)	Auto policy language must use this definition for underinsured motorist coverage. UIM must be offered and provided with limits of at least 50/100 for personal and commercial auto policies providing liability coverage, unless the insured rejects UIM coverage.
Exemptions from Med Payments, Uninsured Motorist & Underinsured Motorist Coverage requirements	632.32 (4)(d) & (4m)(e)	Commercial liability policies with incidental motor vehicle coverage that is limited to non-owned vehicles and umbrella/excess liability policies are exempt from the Medical Payments, UM and UIM requirements. Commercial automobile liability policies are <u>not</u> exempt from the requirements.

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Permissive use	632.32 (5) (a)	Policy may limit coverage to use of vehicle with permission of named insured or adult member of insured's household.
Coverage for motor vehicle handlers when policy issued to others	632.32 (5) (b)	Policy issued to other than motor vehicle handlers may limit coverage for motor vehicle handlers to the financial responsibility minimums required by s. 344.01 (2) (d), Wis. Stat.
Coverage for others when policy issued to motor vehicle handlers	632.32 (5) (c)	Policy issued to motor vehicle handler may limit coverage to anyone other than the motor vehicle handler to the financial responsibility minimums required by s. 344.01 (2) (d), Wis. Stat.
Anti-stacking allowed	632.32(5)(f) & (g)	Auto policy language may prohibit stacking.
UM or UIM liability reducing clause	632.32 (5)(i)	UM or UIM coverages may be reduced by amounts paid or payable from other sources including the amounts paid or payable under the liability coverage of the policy.
Drive Other Car Exclusions - All coverages	632.32(5)(j)	Allows “drive-other-car” exclusions as long as the vehicle meets all of the following conditions: 1) is owned by the named insured, spouse, or relative living in the named insured’s household, 2) is not described in the policy, and 3) is not a newly acquired or replacement vehicle as defined in the policy.
Coverage for motor vehicle handlers’ officers, agents or employees	632.32 (6) (b)	Policy issued to a motor vehicle handler may not exclude coverage for its officers, agents or employees when using customer’s vehicle.
Intra-family liability exclusion prohibited	632.32 (6) (b) 1	Intra-family liability exclusion is not allowed. Policy may not exclude coverage for persons related by blood, marriage or adoption to the insured.
Named insured or passengers exclusion prohibited	632.32 (6) (b) 2	Policy cannot exclude named insured or passengers in or on the insured vehicle.
Age exclusion prohibited	632.32 (6) (b) 3	Policy cannot exclude persons solely for reasons of age if old enough to drive.
Unlawful purposes exclusions prohibited	632.32 (6) (b) 4	Policy cannot exclude coverage for use of motor vehicle for unlawful purposes, transportation of liquor, or while driver is under the influence of an intoxicant or a controlled substance.
Notice of accident	632.32 (6) (c)	May not limit time for giving notice of accident to less than 20 days.
Prohibited rejection, cancellation and non-renewal	632.35	May not reject, cancel or non-renew because of age, sex, residence, race, color, creed, religion, national origin, ancestry, marital status or occupation.
Rating for accidents in the course of business or employment	632.36	An insurer may charge a higher rate, cancel or nonrenew a motor vehicle liability policy on the basis of an accident which occurs while the insured is operating a motor vehicle in the course of the insured’s business or employment <u>only if</u> the policy covers the insured for liability arising in the course of the insured’s business or employment.
Prohibited basis for assessing risk	632.355	An insurer may not place an applicant or insured in a high-risk category on the basis that the applicant or insured has not previously had motor vehicle insurance.
Applications	Ins 6.54 (3) (a) and (b), Wis. Adm. Code	Applications should not ask about criminal convictions unless the crime relates to the risk.
Exclusions relating to family members of the named non-owner prohibited	Court Case	Cannot exclude coverage for family members of the named non-owner insured per the Wisconsin Supreme Court decision, <u>Bindrim v. Colonial Insurance Company</u> , 190 Wis. 2d 525.

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Intentional acts exclusion – auto liability coverage	Court Case	Pursuant to Wisconsin Supreme Court decision, Ludwig v. Dulian and Germantown Mutual Insurance Company, 217 Wis. 2d 782, insurers may not exclude intentional acts unless the injury or damage is “substantially certain” to follow from what the insured does. OCI will allow exclusion language that is substantially similar to the following: “Bodily injury or property damage caused intentionally by, or at the direction of, and substantially certain to follow from the act of an insured person, even if the actual injury or damage is different than that which was expected or intended.”