



DATE: September 28, 2023

TO: All Insurers Authorized to Write Credit Life and/or Credit Accident and Sickness Insurance

FROM: Nathan Houdek, Commissioner of Insurance

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

Section Ins 3.25 (13) (c), Wis. Adm. Code, provides that on or before October 1, 1990, and each three years after that the Commissioner shall give written notice to all authorized insurers specifying the prima facie rates to be effective for the three-year period beginning on the next January 1.

The periodic adjustment of the credit life rates is based only on differences in claim costs. The result is a new basic loss ratio that fulfills the presumption that benefits are reasonable to the premiums charged, as required by s. 424.209 (1), Wis. Stat. Therefore, please consider 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.

Prima Facie Credit Life Insurance Premium Rates

Single premium straight-line decreasing single life insurance—\$0.43 per annum per \$100 of initial insured indebtedness

Single premium level life insurance on a single life—\$0.80 per annum per \$100 of initial insured indebtedness

Monthly premium rate on the outstanding insured balance basis for term insurance on a single life—\$0.662 per month per \$1,000 of outstanding insured indebtedness

Joint life insurance—167% of the corresponding single life premium rate, which develops corresponding joint life rates of:

Joint uniformly decreasing term—\$0.72 per annum per \$100 of initial insured indebtedness

Joint level life—\$1.34 per annum per \$100 of initial insured indebtedness

Joint monthly outstanding balance—\$1.106 per month per \$1,000 of outstanding insured indebtedness

Prima Facie Credit Accident and Sickness Premium Rates

14-Day Retroactive Coverage—Multiply the existing prima facie rates by an adjustment factor of 0.79, rounded to the nearest cent

14-Day Nonretroactive Coverage—Multiply the existing prima facie rates by an adjustment factor of 0.79, rounded to the nearest cent

30-Day Retroactive Coverage—Multiply the existing prima facie rates by an adjustment factor of 2.02 rounded to the nearest cent

30-Day Nonretroactive Coverage—Multiply the existing prima facie rates by an adjustment factor of 2.02 rounded to the nearest cent

[A table of credit accident and sickness rates is available on our website.](#)

Before January 1 of the year the new rates become effective, insurers who use these rates are required to make a rate filing adopting these rates. No documentation is required. Use the NAIC uniform transmittal document to submit both initial rate filings and subsequent rate change filings. It is recommended that rate filings for credit life and disability be submitted no less than 30 days before the requested effective date. (See s. Ins. 3.25 (12), Wis. Adm. Code.)

Any questions regarding rate filings should be directed to Brian Brown at Brian.Brown@Wisconsin.gov. Thank you for your cooperation.