

Ins 3

Filed May 15, 1975
3:50 pm B. Paulsen

STATE OF WISCONSIN
DEPARTMENT OF STATE
RECEIVED AND FILED

STATE OF WISCONSIN)
OFFICE OF THE COMMISSIONER OF INSURANCE) ss.

MAY 15 1975

DOUGLAS LAFOLLETTE
SECRETARY OF STATE

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Harold R. Wilde, Commissioner of Insurance and custodian of the official records of said office, do hereby certify that the annexed order amending a rule concerning credit life insurance and credit accident and sickness insurance was issued by this office on May 15, 1975.

I further certify that said copy has been compared by me with the original on file in this office and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name in the City of Madison, State of Wisconsin, this 15th day of May, 1975.



Harold R. Wilde
Commissioner of Insurance

ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE MAY 25 1975

Amending Rules

DOUGLAS LAFOLLETTE
SECRETARY OF STATE

Pursuant to authority vested in the Commissioner of Insurance by section 601.41 (3), Wis. Stats., the Commissioner of Insurance hereby amends a rule as follows:

Section Ins 3.25 (13) (b) of the Wisconsin Administrative Code is amended to read:

Ins 3.25 (13) (b) The rate standard applicable for premiums payable on the basis of monthly outstanding balances shall be computed under the formula described in subdivision 1 below except as provided in subdivision 2:

1. For credit accident and sickness insurance benefit plans issued on an individual or a group basis the premiums payable shall be computed as follows:

$$P_n = \frac{20 P_n}{n + 1}$$

Where n = Original repayment period, in months

P_n = The Monthly Outstanding Balance Premium Rate per \$1000 for an indebtedness repayable in equal monthly instalments with an original repayment period of n months

P_n = The Single Premium Rate per \$100 initial insured indebtedness with an original repayment period of n months, from paragraph (a) above.

The outstanding balance premium rate for an indebtedness with a given original repayment period is applicable to the outstanding balance of this indebtedness at each month during the period, regardless of the remaining repayment period.

2. For credit accident and sickness insurance benefit plans issued

on a group basis, a composite monthly outstanding balance premium rate schedule may be used in lieu of the rate procedure described in subdivision 1 above for each benefit plan, to apply to all outstanding balances each month under such plan, irrespective of the type or duration of loan making up such outstanding balances. Such composite monthly outstanding balance premium rate schedule will be approved for use only if the actuarial consistency of such composite rate with the prima facie maximum credit accident and sickness insurance premium rate standards and basic permissible loss ratios in paragraph (a) above is established, and the reasons for this use in lieu of the rate standard in subdivision 1 above are documented.

3. The rate deviation procedure outlined in subsection (14) shall be applied separately to any business written under subdivision 2 above, and the insurer shall maintain all pertinent data on such business separately.

Dated May 15, 1973.



Harold R. Wilde
Commissioner of Insurance