



WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2017 Wisconsin Act 192
[2017 Senate Bill 274]

Life Insurance
Death Master File Comparison

2017 Wisconsin Act 192 relates to unclaimed life insurance and annuity benefits.

The Act requires an insurer to compare its life insurance policies, annuity contracts, and retained asset accounts against the federal Social Security Administration's death master file at least two times per year and to make good faith efforts to confirm a death and locate beneficiaries.

The Act specifies certain standards and parameters for the search against the death master file. These include requirements to account for initials, other name variations, and transposed dates of birth, a requirement to complete a good faith effort to confirm a death within 90 days of a match in the death master file, and a prohibition on charging a fee for any costs associated with a death master file comparison or verification of a death. A comparison is required for a group insurance policy only if the insurer maintains certain records regarding individuals who are covered under a group policy or certificate.

The Act specifies that repeated failure to meet the requirements in a manner that constitutes a general business practice is a violation of the prohibition on unfair marketing practices.

The Act allows the Office of the Commissioner of Insurance (OCI) to exempt an insurer or to reduce the comparison frequency for an insurer, upon a demonstration of hardship by the insurer. The Act also allows OCI to issue an order that limits an insurer's comparison to its electronically searchable files, or to approve a plan and timeline for conversion of files to an electronically searchable format.

Effective date: The Act takes effect May 1, 2019, except that OCI may issue an order that approves an insurer's plan and timeline to phase in compliance with the Act's requirements.

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May 3, 2018

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <http://www.legis.wisconsin.gov>.