Published under s. 35.93, Wis. Stats., by the Legislative Reference Bureau.

1 COMMISSIONER OF INSURANCE **Ins 1.02**

Chapter Ins 1

FRATERNAL INSURANCE

Ins 1.01 Premiums and surplus refunds for accident and health benefits. (1) SCOPE. This rule shall apply to all contracts issued by fraternal benefit societies which provide any type of accident and health or total and permanent disability benefits as authorized in s. 632.94 (4), 1977 Stats.

(2) PREMIUMS TO BE REASONABLE. The premiums charged for accident and health benefits shall be reasonable in relation to the benefits promised. Benefits will be considered "amply provided for" in compliance with s. 623.15 (2), Stats., if the premiums are determined in accordance with reasonable actuarial assumptions as to morbidity, persistency, interest, and expenses and with sound actuarial margins.

(3) SURPLUS REFUNDS. Any surplus developed in excess of reasonable funding requirements as to contingency and solvency of the society shall be refunded to certificate holders in a reason-ably equitable manner. The society shall maintain adequate records by certificate classes so that experience and refundable surplus may be determined with reasonable equity.

Note: Morbidity tables which will be considered as providing data based on reasonable actuarial assumptions are: Tables based on recent society of actuaries reports regarding experience under individual disability policies or under individual medical expense policies, actual credible morbidity experience of the society providing the benefits, or other credible industry experience.

History: 1–2–56; r. and recr. Register, August, 1970, No. 176, eff. 9–1–70; emerg. am. (1) and (2), eff. 6–22–76; am. (1) and (2), Register, September, 1976, No. 249, eff. 10–1–76; corrections in (1) and (2) made under s. 13.93 (2m) (b) 7., Stats., Register, April, 1992, No. 436.

Ins 1.02 Automatic surrender value in fraternal certificates. Section 614.96, Stats., does not require that sickness insurance certificates shall contain an automatic surrender value.

History: 1–2–56; emerg. am. eff. 6–22–76; am. Register, September, 1976, No. 249, eff. 10–1–76.

Published under s. 35.93, Stats. Updated on the first day of each month. Entire code is always current. The Register date on each page is the date the chapter was last published.

Register, June, 1997, No. 498