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Repeal Modification

2. Administrative Rule Chapter, Title and Number

Ins. 50.01 (9) and 50.155 (1)

3. Date Rule promulgated and/or revised; Date of most recent Evaluation

Ins. 50.01 (9) - 8/1/93; Ins. 50.155 - 1/1/18

4. Plain Language Analysis of the Rule, its Impact on the Policy Problem that Justified its Creation and Changes in Technology, Economic Conditions or Other Factors Since Promulgation that alter the need for or effectiveness of the Rule.

The definition of work papers in Ins. 50.01 (9) will be amended to clarify that work papers includes financial compilations. Additionally, the proposed rule will allow smaller insurers that are not part of a group to be eligible for the small-size exemption from the internal audit function requirements of Ins. 50.155.

5. Describe the Rule's Enforcement Provisions and Mechanisms

This rule shall be enforced through OCI's general enforcement authority under s. 601.64, Stats.

6. Repealing or Modifying the Rule Will Impact the Following	Specific Businesses/Sectors
(Check All That Apply)	Public Utility Rate Payers
State's Economy	Small Businesses
Local Government Units	

7. Summary of the Impacts, including Compliance Costs, identifying any Unnecessary Burdens the Rule places on the ability of Small Business to conduct their Affairs.

It is anticipated that there will be no significant impact on small businesses. Small insurers may realize some reduced costs if they are exempt from certain internal audit functions.

8. List of Small Businesses, Organizations and Members of the Public that commented on the Rule and its Enforcement and a Summary of their Comments.

By October 12, 2022 email, Medica/Dean Health Plan stated that it did not expect the proposed rule to have a financial impact on the organization and that it therefore took no position on the proposed regulatory change. OCI has received no other comments.

9. Did the Agency consider any of the following Rule Modifications to reduce the Impact of the Rule on Small Businesses in lieu of repeal?

Less Stringent Compliance or Reporting Requirements

Less Stringent Schedules or Deadlines for Compliance or Reporting

Consolidation or Simplification of Reporting Requirements

Establishment of performance standards in lieu of Design or Operational Standards

Exemption of Small Businesses from some or all requirements

Other, describe:

10. Fund Sources Affected	11. Chapter 20, Stats. Appropriations Affected
12. Fiscal Effect of Repealing or Modifying the Rule	
No Fiscal Effect	Increase Costs
□ Indeterminate □ Decrease Existing Revenues	Could Absorb Within Agency's Budget
	Decrease Cost
13 Summary of Costs and Benefits of Repealing or Modifying the	Rule

13. Summary of Costs and Benefits of Repealing or Modifying the Rule There are no anticipated costs to small businesses, affected insurers, or OCI. Small insurers may realize some reduced

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costs.

14. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

🗌 Yes 🛛 No

15. Long Range Implications of Repealing or Modifying the Rule

There are no significant long-range implications for OCI, regulated entities, or other stakeholders.

16. Compare With Approaches Being Used by Federal Government $N\!/\!A$

17. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota) See:

Illinois:

Ill. Admin. Code tit. 50, § 925.130 (CPA work papers)

Ill. Admin. Code tit. 50, § 925.141 (Internal audit function requirements)

Iowa:

Iowa Admin Code r. 191-98.12 (CPA work papers) Iowa Admin Code rr. 191-98.2(1), 191.98.16 (Internal audit function requirements)

Michigan:

Mich. Comp. Laws § 500.1021 (CPA work papers)

Mich. Comp. Laws § 500.1028 (Internal audit function requirements)

Minnesota: Minn. Stat. § 60a.1291, subd. 14. (CPA work papers)

Minn. Stat. § 60a.1291, subd. 15a.. (Internal audit function requirements)

18. Contact Name	19. Contact Phone Number
Sharone Assa	(608) 264-8129

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