

Ins 1

Filed July 29, 1970
10:15 am

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

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, S. C. DuRose, Commissioner of Insurance, and custodian of the official records of the Office of the Commissioner of Insurance, do hereby certify that the annexed repeal and recreation of a section of the Wisconsin Administrative Code relating to premiums and surplus refunds for accident and health benefits was duly approved and adopted by this office on July 29, 1970.

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.

Office of the Commissioner of Insurance



S. C. DuRose
Commissioner of Insurance

Dated July 29, 1970.

ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE

Repealing and Adopting Rules

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

Section Ins 1.01 of the Wisconsin Administrative Code is repealed and recreated to read:

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 section 208.162, Wis. 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 section 208.15 (2), Wis. Stats., if the premiums are determined in accordance with reasonable actuarial assumptions as to morbidity, persistency, interest, and expenses and with sound actuarial margins.

(2) 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 reasonably 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.

The repeal and recreation contained herein shall take effect on September 1, 1970, as provided in section 227.026 (1), Wis. Stats.

Office of the Commissioner of Insurance



S. C. DuRose
Commissioner of Insurance

Dated July 29, 1970