

Ins 6

Filed May 3, 1976
8:20 am O. J. P. R.

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

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 adopting a rule concerning discrimination based on sex - unfair trade practice was issued by this office May 3, 1976.

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 3rd day of May, 1976.



Harold R. Wilde
Commissioner of Insurance

STATE OF WISCONSIN
DEPARTMENT OF STATE
RECEIVED AND FILED

MAY 3 1976

DOUGLAS LAFOLLETTE
SECRETARY OF STATE

ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE

MAY 3 1976

Adopting 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 adopts a rule as follows:

Section Ins 6.55 of the Wisconsin Administrative Code is adopted to read:

Ins 6.55 Discrimination based on sex - unfair trade practice.

(1) PURPOSE. The purpose of this rule is to eliminate the act of denying benefits or refusing coverage on the basis of sex, to eliminate unfair discrimination in underwriting criteria based on sex, and to eliminate any differences in rates based on sex which cannot be justified by credible supporting information. This rule interprets and implements sections 207.04 (1) (g), 207.09 (1), and 601.01 (3), Wis. Stats.

(2) DEFINITIONS. (a) Insurer has the meaning defined in section 600.03 (27), Wis. Stats., and in addition includes nonprofit service plans or service insurance corporations.

(b) Contract means any insurance policy, plan, certificate, subscriber agreement, statement of coverage, binder, rider or endorsement offered by an insurer subject to Wisconsin insurance law.

(3) APPLICABILITY AND SCOPE. (a) This rule shall apply to all contracts delivered in Wisconsin, or issued for delivery in Wisconsin on or after the effective date of this rule and to all existing group contracts subject to Wisconsin insurance law which are amended or renewed on or after the effective date of this rule.

(b) This rule shall not affect the right of fraternal benefit societies to determine eligibility requirements for membership.

(4) AVAILABILITY REQUIREMENTS. (a) It is an unfair trade practice for an insurer to:

1. refuse or cancel coverage or deny benefits on the basis of the sex of the applicant or insured;
2. restrict, modify, or reduce the benefits, term, or coverage on the basis of the sex of the applicant or insured.

(b) Examples of unfair trade practices defined by paragraph (a) and prohibited by this rule are:

1. denying coverage to females gainfully employed at home, employed part-time, or employed by relatives when coverage is offered to males similarly employed;
2. denying benefits offered by policy riders to females when the riders are available to males;
3. denying, under group contracts, dependent coverage to husbands of female employees, when dependent coverage is available to wives of male employees;
4. denying disability income coverage to employed women when coverage is offered to men similarly employed;
5. treating complications of pregnancy differently from any other illness or sickness under a contract;
6. restricting, reducing, modifying, or excluding benefits payable for treatment of the genital organs of only one sex;
7. offering lower maximum monthly benefits to women than to men who are in the same underwriting, earnings or occupational classification under a disability income contract;

8. offering more restrictive benefit periods and more restrictive definitions of disability to women than to men in the same underwriting, earnings or occupational classification under a disability income contract;

9. establishing different conditions by sex under which the policyholder may exercise benefit options contained in the contract.

(5) RATES. When rates are differentiated on the basis of sex, the insurer must:

(a) File a brief letter of explanation along with a rate filing.

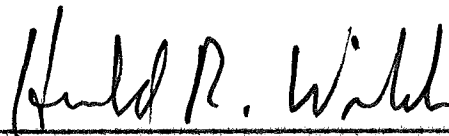
(b) Maintain written substantiation of such rate differentials in its home office.

(c) Justify in writing to the satisfaction of the commissioner the rate differential upon request.

(d) Base all such rates on sound actuarial principles or a valid classification system and actual experience statistics.

(6) PENALTY. Violation of this rule shall subject the insurer to the penalties set forth in section 501.64, Wis. Stats.

Dated at Madison, Wisconsin, this 3rd day of May, 1976.



Harold R. Wilde
Commissioner of Insurance