

CR86-177

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

STATE OF WISCONSIN
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DOUGLAS LA FOLLETTE
SECRETARY OF STATE

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Randy Blumer, Deputy Commissioner of Insurance and custodian of the official records of said office, do hereby certify that the annexed order repealing and recreating a rule relating to premiums for the Health Insurance Risk-Sharing Plan was issued by this office on November 17, 1986.

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 17th day of November, 1986.



Randy Blumer
Deputy Commissioner of Insurance

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DOUGLAS LA FOLLETTE
SECRETARY OF STATE

ORDER OF THE COMMISSIONER OF INSURANCE

REPEALING AND RECREATING A RULE

To repeal and recreate Ins 18.07 (5) (b) 1.

Relating to premiums for the Health Insurance Risk-Sharing Plan

ANALYSIS BY THE COMMISSIONER OF INSURANCE

The repeal and recreation of s. Ins 18.07 (5) (b) 1. implements and interprets ss. 619.14 (5) and 619.17, Stats. Ins 18.07 (5) (c) requires the commissioner to set premiums for the Health Insurance Risk-Sharing Plan by rule. The Actuarial Advisory Committee for the Health Insurance Risk-Sharing Plan reports to the Board that current rates may be close to 15% above those required by statute. Section 619.14 (5) (a) requires that rates not exceed 150% of the rate which a standard risk would be charged under an individual policy providing substantially the same coverage and deductibles as provided under the plan. The Committee recommended that rates be maintained at their current level for one year to ensure that any market changes which have taken place are not temporary changes which would show temporarily lower rates.

The Board of Governors, based on the evidence produced by the Actuarial Committee, is proposing that rates be decreased by 10% according to the statutory requirement. The rates for Plan 2, Medicare Plan, will not be changed.

This rule may have an effect on small businesses. Lower rates may contribute to deficits which are made up for by assessments on insurers. Insurers are allowed to pass these expenses on to their policyholders, many of which are small businesses.

Pursuant to the authority vested in the commissioner of insurance by ss. 601.41 (3) and 619.14 (5) (a), Stats., the commissioner hereby repeals and recreates a rule interpreting ss. 619.14 (5) and 619.17, Stats., as follows:

SECTION 1. Ins 18.07 (5) (b) 1. is repealed and recreated to read:

Ins 18.07 (5) (b) 1. The schedule of premiums, based on data compiled from the health insurance industry, shall be as follows:

MAJOR MEDICAL PLAN

Male

<u>Age Group</u>	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>
	Zone 1		
0-18	\$ 676	\$ 338	\$169
19-29	676	338	169
30-39	820	410	205
40-44	996	498	249
45-49	1,216	608	304
50-54	1,468	734	367
55-59	1,784	892	446
60-64	2,140	1,070	535

215R3
10/08/86

Zone 2

0-18	\$ 576	\$ 288	\$144
19-29	576	288	144
30-39	700	350	175
40-44	848	424	212
45-49	1,036	518	259
50-54	1,248	624	312
55-59	1,516	758	379
60-64	1,810	910	455

FEMALE

<u>Age Group</u>	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>
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Zone 1

0-18	\$ 676	\$ 338	\$169
19-29	1,040	520	260
30-39	1,192	596	298
40-44	1,320	660	330
45-49	1,420	710	355
50-54	1,540	770	385
55-59	1,660	830	415
60-64	1,904	952	476

Zone 2

0-18	\$ 576	\$ 288	\$144
19-29	884	442	221
30-39	1,012	506	253
40-44	1,120	560	280
45-49	1,208	604	302
50-54	1,312	656	328
55-59	1,412	706	353
60-64	1,620	810	405

MEDICARE PLAN

	<u>Annual</u>	<u>Semiannual</u>	<u>Quarterly</u>
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Zone 1

All Policyholders	\$1,135	\$568	\$284
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Zone 2

All Policyholders	\$964	\$482	\$241
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As provided in s. 227.22 (2) (intro.), Stats., this rule shall take effect on the first day of the month following its publication.

Dated at Madison, Wisconsin, this 17th day of November, 1986.



Randy Blumer
Randy Blumer
Deputy Commissioner of Insurance

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11/17/86



The State of Wisconsin
Office of the Commissioner of Insurance

Thomas P. Fox
Commissioner
(608) 266-3585

DATE: November 17, 1986
TO: Gary Poulson
FROM: Mary Grossman, Director
Office of Policy Analysis
SUBJECT: Ins 18.07, Clearinghouse No. 86-177

Enclosed are two copies of an Order of the Commissioner of Insurance repealing and recreating Ins 18.07, Clearinghouse No. 86-177 relating to premiums for the Health Insurance Risk-Sharing Plan.

MG:LH:jmf
Enclosure
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