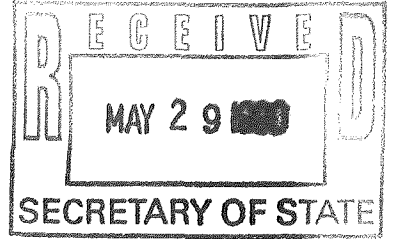


CR 89-191

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MAY 29 1990
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Revisor of Statutes
Bureau



STATE OF WISCONSIN)
OFFICE OF THE COMMISSIONER OF INSURANCE)

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, S. C. DuRose, Deputy Commissioner of Insurance and custodian of the official records of said Office, do hereby certify that the annexed order renumbering, amending, and creating a rule relating to exemption of war risks coverage contained in aircraft insurance policies was issued by this Office on May 29, 1990.

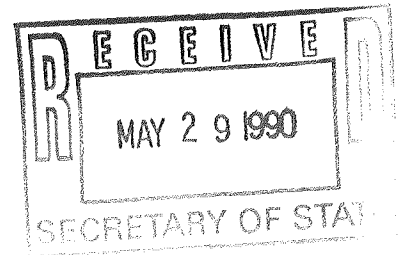
I further certify that said copy has been compared by me with the original on file in this Office and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name in the City of Madison, State of Wisconsin, this 29th day of May 1990.

S. C. DuRose
Deputy Commissioner of Insurance

12450T

8-1-90



ORDER OF THE COMMISSIONER OF INSURANCE
RENUMBERING, RENUMBERING AND AMENDING, AMENDING,
REPEALING AND RECREATING, AND CREATING A RULE

To renumber Ins 6.77 (3) (a), (4), and (5); to amend Ins 6.77 (1) and (2), and to create Ins 6.77 (3) (a) and (d), (4) (b), and (5) (b) relating to exempting war risks coverage contained in aircraft insurance policies from portions of the midterm cancellation statute.

ANALYSIS PREPARED BY THE COMMISSIONER OF INSURANCE

Statutory authority: ss. 601.41 (3), 631.01 (5), and 631.36 (1) (c), Stats.

Statute interpreted: s. 631.36 (1) (c), Stats.

This rule exempts war risks coverage contained in aircraft insurance policies from portions of the midterm cancellation statute, s. 631.36 (2), Stats. War risks coverage provides aircraft-related coverage for bodily injury, mental anguish, medical expenses, or property damage to an aircraft that results from declared or undeclared war, invasion, rebellion, or by seizure or detention of the aircraft by any government.

The commissioner finds that the exemption is necessary to maintain the availability of war risks coverage. Primary insurers provide the coverage

only if it can be 100% reinsured. Reinsurers, however, will not reinsure a policy containing a 10-day cancellation notice as required under s. 631.36 (2) (b), Stats. Thus, aircraft insurers forced to comply with that provision of the midterm cancellation statute cannot find reinsurance, and will not offer war risks coverage.

The commissioner further finds that a 7-day cancellation notice is sufficient for cancellation of war risks coverage. This rule, therefore, replaces the 10-day notice with a 7-day notice.

SECTION 1. Ins 6.77 (1) and (2) are amended to read:

Ins 6.77 (1) PURPOSE. This section is intended to exempt certain classes of insurance contracts from ss. ~~631.36-(2)-(a)~~ 631.36 (2) (b) and (c) and 632.32 (4), Stats., ~~in accordance with~~ This section implements the provisions of ss. 631.01 (5) and 631.36 (1) (c), Stats.

(2) SCOPE. This section applies to all insurers authorized to write umbrella or excess liability insurance policies in Wisconsin, and to all insurers authorized to write aircraft insurance policies in Wisconsin.

SECTION 2. Ins 6.77 (3) (a) is renumbered Ins 6.77 (3) (c).

SECTION 3. Ins 6.77 (3) (a) and (d) are created to read:

Ins 6.77 (3) (a) "Aircraft insurance" has the meaning given in s. Ins 6.75 (2) (e).

(3) (d) "War risks coverage" means insurance coverage provided under an aircraft insurance policy for bodily injury, mental anguish, medical expense, or damage or loss to the covered aircraft or a third party's property caused by declared or undeclared war, invasion, rebellion, insurrection or

warlike operations or by an attempt to or the actual seizure or detention of an aircraft by any government, military, naval, or usurped power.

SECTION 4. Ins 6.77 (4) is renumbered s. Ins 6.77 (4) (a).

SECTION 5. Ins 6.77 (4) (b) is created to read:

Ins 6.77 (4) (b) A war risks coverage provision of an aircraft insurance policy is exempt from the requirements of s. 631.36 (2) (b) and (c), Stats.

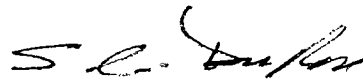
SECTION 6. Ins 6.77 (5) is renumbered s. Ins 6.77 (5) (a).

SECTION 7. Ins 6.77 (5) (b) is created to read:

Ins 6.77 (5) (b) No cancellation under s. 631.36 (2) (a), Stats., of any war risks coverage contained in an aircraft insurance policy is effective until at least 7 days after the 1st class mailing or delivery of a written notice to the policyholder.

EFFECTIVE DATE. Pursuant to s. 227.22 (2) (intro.), Stats., this section shall first take effect on the first day of the month following publication.

Dated at Madison, Wisconsin this 29th day of May, 1990.



S. D. DuRose
Deputy Commissioner of Insurance

**TERMINATION OF ELECTION TO BE SUBJECT TO
RESTRICTIONS (TERMINATION OF OPT-IN)**

State of Wisconsin
Office of the Commissioner of Insurance
P.O. Box 7873
Madison, WI 53707

Ref: s. 609.92, Wis. Stat.

INSTRUCTIONS: A health care provider may elect to be subject to the s. 609.91(1)(c), Wis. Stat., provisions for statutory immunity of HMO participants for health care costs liability. This form is for terminating a prior Election to opt-in to the statutory immunity provisions of s. 609.91, Wis. Stat.

Complete the information requested and file the original with the Office of the Commissioner of Insurance and a photocopy with the HMO. Retain a photocopy for your records.

The termination date may not be earlier than the date this notice is received by the Office.

Legal Name of Provider			
Mailing Address	City	State	Zip Code
Contact Person		Phone Number	
Effective Date of Termination			
HMO for Which Opt-In is Applicable			

The undersigned health care provider hereby elects under s. 609.925 (2), Wis. Stat., to terminate its prior election to "opt-in" (that is to be subject to the s. 609.91(1), Wis. Stat., provisions of statutory immunity for HMO enrollees for health care cost liability) for enrolled participants of the above-specified health maintenance organization insurer. The undersigned has authority to make this election.

Name (Print or Type)	Title
Signature	Date

**SCHEDULE OF COVERED EXPENSES
Health Maintenance Organizations**

State of Wisconsin
Office of the Commissioner of Insurance
P.O. Box 7873
Madison, WI 53707

Ref: s. 601.42(1g)(d) and 609.01, Wis. Stat.

INSTRUCTIONS: List all covered expenses by provider. Covered expenses are those expenditures and outstanding liabilities of the HMO for health care cost for which an enrollee is not liable under s. 609.01, Wis. Stat. Section I of this form is used to report expenses to providers subject to Mandatory Holdharmless. These are expenses subject to s. 609.91 (1) (a), (am), or (lm), Wis. Stat. Section II of this form (reverse) is used to report covered expenses to a provider which are not subject to the Mandatory Holdharmless but for which the provider may "opt-out" of the holdharmless. These generally are expenses to IPAs or hospitals or to selected providers for physician services. Such providers should not be included, however, if the provider has filed an "opt-out" form with the Commissioner. Section II should also include expenses to any other provider which has filed an "opt-in" form with the Commissioner. Attach additional copies of this form if more space is needed. Section III, Line A, should be the total of all covered expenses listed on this form. Expenses are to be reported on a cumulative basis; i.e., second quarter filings should include both first and second quarter expenses. Covered expenses for incurred but not reported expenses should be estimated based on historical data and the best information available to the HMO. Total medical expenses should be the sum of the medical and hospital expenses on "Report #2" of the current financial statement, less reinsurance expenses and incentive pool adjustments.

HMO Name	As of Date		
SECTION I - MANDATORY HOLDHARMLESS PROVIDERS			
A. Hospitals			
Name	Amount	Name	Amount
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
B. IPAs			
Name	Amount	Name	Amount
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
C. Selected Providers			
Name	Amount	Name	Amount
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____

SECTION II - OTHER PROVIDERS

A. Hospitals

Name	Amount	Name	Amount
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____

B. IPAs

Name	Amount	Name	Amount
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____

C. Selected Providers

Name	Amount	Name	Amount
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____

D. Other "Opted-In" Providers

Name	Amount	Name	Amount
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____

SECTION III

- A. Total Covered Expenditures (Total of Section I and II) \$ _____
- B. Estimated Covered IBNR \$ _____
- C. Total Covered Expenses (Sum of Lines A and B) \$ _____
- D. Total Medical and Hospital Expenses (Annual or Quarterly Statement Page 4, Line 20 minus Lines 17 and 19) \$ _____
- E. Percentage (C/D) x 100 _____%

ELECTION OF EXEMPTION (OPT-OUT)

State of Wisconsin
 Office of the Commissioner of Insurance
 P.O. Box 7873
 Madison, WI 53707

Ref: s. 609.91(1)(b), Wis. Stat.

INSTRUCTIONS: Except as provided in s. 609.93, Wis. Stat., a health care provider may elect to be exempt from the s. 609.91(1)(b), Wis. Stat., provisions for statutory immunity of HMO participants for health care costs liability. The health care provider must submit to the Office of the Commissioner of Insurance a separate Election of Exemption form for each individual HMO insurer to which the exemption is to apply. The Election may be terminated by either providing a termination date on this form or by filing a Termination of Election form with the Commissioner. A provider under this contract with the HMO must give this notice to the Commissioner within 30 days of entering the contract. If you are filing Election of Exemption for services which are not under contract, Election must be received by the Office 60 days in advance if it is to be effective in 1990 or 90 days in advance if it is to be effective in 1991 or subsequent years.

NOTE: A member of an IPA may not file this Election. Only the IPA may file this Election for health care provided by members of the IPA.

Insert requested information and send original to the Office of the Commissioner of Insurance, a photocopy to the subject HMO, and retain a photocopy for your records.

Legal Name of Provider			
Mailing Address	City	State	Zip Code
Contact Person	Phone Number		
Does This Election Apply to a Contract With the HMO			
		Yes_____	No_____
Date Contract Was Entered Into (Attach a Copy of the Contract)			
HMO for Which Opt-Out is Applicable			

The undersigned health care provider hereby elects under s. 609.92, Wis. Stat., to opt-out; that is to be exempt from the s. 609.91(1)(b), Wis. Stat., provisions of statutory immunity for HMO enrollees for health care cost liability for enrolled participants of the above-specified health maintenance organization insurer. The undersigned has authority to make this election. This election may be terminated only by giving written notice to the specified HMO and the Commissioner of Insurance, if no stated date of termination is provided here:

Termination Date (Optional)	
Name (Print or Type)	Title
Signature	Date

**ELECTION TO BE SUBJECT TO RESTRICTIONS
(OPT-IN)**

State of Wisconsin
Office of the Commissioner of Insurance
P.O. Box 7873
Madison, WI 53707

Ref: s. 609.925, Wis. Stat.

INSTRUCTIONS: A provider who is not under contract or not a selected provider may elect to be subject (opt-in) to the provisions of s. 609.91(c), Wis. Stat., for statutory immunity of HMO participants for health care costs liability. The health care provider must submit to the Office of the Commissioner of Insurance a separate Election form for each individual HMO insurer to which the Election is to apply. The Election may be terminated by either providing a termination date on this form or by filing a Termination of Election (Opt-in) form with the Commissioner.

Insert requested information and send original to the Office of the Commissioner of Insurance, a photocopy to the subject HMO, and retain a photocopy for your records.

Legal Name of Provider			
Mailing Address	City	State	Zip Code
Contact Person	Phone Number		
HMO for Which Opt-In is Applicable			

The undersigned health care provider hereby elects under s. 609.925, Wis. Stat., to "opt-in"; that is to be subject to s. 609.91(1)(c), Wis. Stat., provisions of statutory immunity for HMO enrollees for health care cost liability for enrolled participants of the above-specified health maintenance organization insurer. The undersigned has authority to make this election. This election may be terminated only by giving written notice to the Commissioner of Insurance, if no stated date of termination is provided here:

Termination Date (Optional)	
Name (Print or Type)	Title
Signature	Date

**TERMINATION OF EXEMPTION
(TERMINATION OF OPT-OUT)**

State of Wisconsin
Office of the Commissioner of Insurance
P.O. Box 7873
Madison, WI 53707

Ref: s. 609.92, Wis. Stat.

INSTRUCTIONS: Except as provided in s. 609.93, Wis. Stat., a health care provider may elect to be exempt from the s. 609.91(1)(b), Wis. Stat., provisions for statutory immunity of HMO participants for health care costs liability. This form is for terminating a prior Election to opt-out from the statutory immunity provisions of s. 609.91, Wis. Stat.

Complete the information requested and file the original with the Office of the Commissioner of Insurance and a photocopy with the HMO. Retain a photocopy for your records.

The termination date may not be earlier than the date this notice is received by the Office.

Legal Name of Provider			
Mailing Address	City	State	Zip Code
Contact Person	Phone Number		
Effective Date of Termination			
HMO for Which Opt-Out is Applicable			

The undersigned health care provider hereby elects under s. 609.92 (4), Wis. Stat., to terminate its prior election to "opt-out" (that is to be exempt from the s. 609.91(1)(b), Wis. Stat., provisions of statutory immunity for HMO enrollees for health care cost liability) for enrolled participants of the above-specified health maintenance organization insurer. The undersigned has authority to make this election.

Name (Print or Type)	Title
Signature	Date

**TERMINATION OF ELECTION TO BE SUBJECT TO
RESTRICTIONS (TERMINATION OF OPT-IN)**

State of Wisconsin
Office of the Commissioner of Insurance
P.O. Box 7873
Madison, WI 53707

Ref: s. 609.92, Wis. Stat.

INSTRUCTIONS: A health care provider may elect to be subject to the s. 609.91(1)(c), Wis. Stat., provisions for statutory immunity of HMO participants for health care costs liability. This form is for terminating a prior Election to opt-in to the statutory immunity provisions of s. 609.91, Wis. Stat.

Complete the information requested and file the original with the Office of the Commissioner of Insurance and a photocopy with the HMO. Retain a photocopy for your records.

The termination date may not be earlier than the date this notice is received by the Office.

Legal Name of Provider			
Mailing Address	City	State	Zip Code
Contact Person	Phone Number		
Effective Date of Termination			
HMO for Which Opt-In is Applicable			

The undersigned health care provider hereby elects under s. 609.925 (2), Wis. Stat., to terminate its prior election to "opt-in" (that is to be subject to the s. 609.91(1), Wis. Stat., provisions of statutory immunity for HMO enrollees for health care cost liability) for enrolled participants of the above-specified health maintenance organization insurer. The undersigned has authority to make this election.

Name (Print or Type)	Title
Signature	Date