



# State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

**Jim Doyle, Governor**  
**Sean Dilweg, Commissioner**

**Wisconsin.gov**

July 13, 2009

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Leslie Krier, Chair, Market Analysis Priorities (D) Working Group  
Office of the Insurance Commissioner  
PO Box 40256  
Olympia, WA 98504-0256

**Sent Via E-mail**  
LeslieK@OIC.WA.GOV

Re: Level 1 and Level 2 Referrals to Collaborative Action Designees (CADs)

Dear Ms. Krier:

Thank you for the opportunity to provide comments regarding the proposed revisions to the automatic email message sent when an analyst selects "We will contact the Collaborative Action Designee (CAD) of other states with similar concerns regarding possible collaborative activity" as the recommendation at the conclusion of a Level 1 or Level 2 review. I apologize for the delay in providing comments on this matter and understand if it is too late to have these comments considered as a part of this process.

We reviewed the proposed revisions to the e-mail and are concerned that the proposed message does not accurately reflect the intent of the recommendation. Specifically, the recommendation indicates that the state "...will contact the Collaborative Action Designee (CAD) of other states with similar concerns regarding possible collaborative activity." We concur with New Jersey's view point that this is an indication that a multi-jurisdictional issue may exist and that the states' anticipated next step will be to communicate with other jurisdictions in order to gather sufficient information to determine if there is multi-jurisdictional issue, and if it rises to the level of a MAWG referral. It does not mean a MAWG referral is imminent.

Based on our analysis process, we suggest that no message be generated based on the selection of this (or any other) recommendation. In Wisconsin, the analysts make recommendations based on the merits of each individual review. They do not consider staffing or other resource issues that may ultimately have an impact on actual next step in the process. Once we complete our routine review cycle, we look at the whole picture by reviewing the list of companies, the recommended next steps, and our available resources. An overall action plan is formulated taking into consideration all of the recommendations and the agencies resources. As the part of this process, it would not be unusual for the actual next step in the process to be different from the recommended next step. If a referral to MAWG was ultimately deemed necessary, contact with the CAD of the domestic state would be done as part of our due diligence in determining the appropriateness of such a referral.

If it is determined that an e-mail is necessary, we would be in favor of the first option offered by New Jersey.

If you have any questions or require additional information, please feel free to contact me at 608-267-9708 or [jo.leduc@wisconsin.gov](mailto:jo.leduc@wisconsin.gov).

Sincerely,

Jo A. LeDuc, CIE, MCM, CPCU  
Deputy Director

JAL:hs

cc: Randy Helder, Market Analysis Manager, NAIC