



# State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

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## FREQUENTLY ASKED QUESTIONS (FAQs) COMPANY APPOINTMENT BILLING (updated 09/29/2015)

This FAQ is for information purpose only. The intent is to help insurers with frequently asked questions regarding the appointment billing process.

- **Will OCI continue to process company appointments after SBS transition?**  
No. Effective December 14, 2015, NIPR will begin centralized processing for Wisconsin appointments and terminations. This methodology administers Wisconsin business rules against all appointment and termination transactions. The result of this transaction filtering will be that only valid transactions will be received into SBS.
- **Our company uses a third-party vendor for appointments and terminations; does the company need to switch its current process to NIPR?**  
No. A company would still be able to submit appointment/termination transactions through NIPR Authorized Business Partners ([http://www.nipr.com/index\\_authorized\\_business\\_partners.htm](http://www.nipr.com/index_authorized_business_partners.htm)).
- **Can a company submit an appointment/termination during the SBS transition period?**  
No. Effective 11:59 p.m. CST on Monday, November 23, 2015, processing of all Wisconsin Gateway transactions will be temporarily suspended to prepare for the SBS transition. Any transactions submitted during this period will be declined until Gateway processing resumes on Monday, December 14, 2015.
- **How are the appointment fees established?**  
The appointment fees are established under s. 601.31 (1) (n), Wis. Stat., and s. Ins 6.57 (4), Wis. Adm. Code.
- **What fees are applicable for appointment of insurance agents?**  
The fee for appointing an agent is \$16 for resident agents or \$40 for nonresident agents regardless of the number of lines of authority. NIPR will assess a 1% renewal transaction fee of the total state fees charged. The minimum transaction fee is \$5.00 and the maximum is \$1,000. Fees are non-refundable.
- **How can the insurer obtain a list of its active agents?**  
Before November 24, 2015, the insurer can obtain a list of its agents online at [oci.wi.gov/agentlic/agentlist.shtml](http://oci.wi.gov/agentlic/agentlist.shtml). On or after December 14, 2015, companies with a NAIC CoCode wishing to reconcile their appointments with OCI may obtain a list of agents via the Company Appointment Report (CAR). This application is available to NIPR subscribers. If you are not a subscriber or need to verify that you are subscribed to this product, please contact NIPR at (816) 783-8467 or [marketing@nipr.com](mailto:marketing@nipr.com) for subscription information.
- **What is the deadline to submit an appointment termination before the appointment renewal invoices are generated for 2016?**  
The deadline to submit an appointment termination is by 5:00 p.m. CST on December 31, 2015.
- **My company merged; do I need to pay for the appointment renewal fee for the non-surviving company?**  
Agent's appointments must be terminated by 5:00 p.m. CST on December 31, 2015. No reconciliation will be allowed on or after January 1, 2016.

- **How will the company receive the initial and/or annual appointment invoice?**

The appointment billing process begins on January 11, 2015. The appointment invoice and a list of agents associated with the invoice will be available on the NIPR Web site at [www.nipr.com](http://www.nipr.com) beginning 8:00 a.m. CST, January 11, 2016, through 5:00 p.m. CST, March 15, 2016.

NIPR will turn off all appointment transactions on December 31, 2015, at 5:00 p.m. CST. Appointment processing will be turned back on January 11, 2016, at 8:00 a.m. CST. Any transactions submitted during this period will be declined until Gateway processing resumes on Monday, January 11, 2016. The appointment/termination transaction will display January 11, 2016, as the effective date.

- **How can I submit my company payment?**

Insurers will be able to submit payment by credit card, electronic check or PayPal account.

- If you are paying by credit card (Visa, MasterCard, or American Express) the process will be entirely electronic. There is a \$60,000 limit on credit card payments. If your invoice exceeds \$60,000, the company must choose an alternative payment method.
- A few banks or credit unions may not participate in electronic check services. If the bank needs a pre-authorization to use the electronic check service please provide the financial institution with this information: NIPR ACH-9431763793. There is a \$25.00 returned check charge for any electronic check that does not clear the insurer's bank.

- **Will OCI continue to renew agent's appointments automatically on December 31<sup>st</sup> annually?**

If the insurer fails to pay the renewal appointment invoice by the March 15, 2016, deadline, all agent appointments will automatically be canceled. The company would be required to reappoint the agents. If the company fails to pay the initial appointment invoice by the March 15, 2016, deadline, the insurer could be subject to administrative action.

- **When is the payment due?**

All payments are due by March 15, 2016.

- **Will the company continue to use the same license number to submit or terminate agent appointments?**

No. Starting on December 14, 2015, agents will use the National Producer Number (NPN) as their license number instead of the Wisconsin license number. If transactions are submitted with the old license number, the transaction will decline.

- **How will OCI invoice for new appointments after SBS transition?**

Effective December 14, 2015, insurers will submit new appointments on NIPR or may also utilize the services of NIPR Authorized Business Partners ([http://www.nipr.com/index\\_authorized\\_business\\_partners.htm](http://www.nipr.com/index_authorized_business_partners.htm)). Insurers will pay the initial appointment fee at the time of submission.

- **Will there be any changes to the backdating guidelines for Wisconsin agent appointments and terminations?**

No. The insurer must appoint the agent within 15 days after the earlier of the date the agent contract is executed or the first insurance application is submitted (whichever comes first) and must show the lines of authority being requested by the agent. Appointment is required immediately if the agent plans to sell long-term care insurance or annuities. Notice of an insurer's termination of appointment of an agent must be filed with OCI electronically prior to, or within 30 calendar days of, the agent's termination date.

- **Our company currently submits appointment transactions directly to OCI; will this process continue after the transition to SBS?**

No. Companies who have qualified for OCI exemption from the electronic appointment process will need to set up an account directly with NIPR to submit their appointment transactions. OCI will stop accepting appointment and termination paper forms on November 23, 2015.

If you still have questions regarding the appointment billing or invoices, please contact the Agent Licensing Section by e-mail at [ociagentlicensing@wisconsin.gov](mailto:ociagentlicensing@wisconsin.gov).