

## Wisconsin car insurance industry opposes Doyle plan

by AP-News

A provision buried in Gov. Jim Doyle's budget plan would cause car insurance rates to skyrocket and force people to drop their coverage, the insurance industry said Thursday. The Wisconsin Insurance Alliance objects to Doyle's proposal to require a higher level of minimum coverage. Trial attorneys support it. Wisconsin and New Hampshire are the only states that don't require drivers to carry car insurance. Doyle does not propose changing that. However, Wisconsin law does require those who purchase insurance to have a minimum amount. The lowest level a person can get provides \$25,000 for injuries to each person in a car accident, with up to \$50,000 in total coverage. The minimum property damage coverage is \$10,000. Doyle proposed in his budget to increase the lowest possible coverage available \$100,000 per person, \$300,000 total and \$25,000 for property damage. That would make Wisconsin's minimums the highest in the country, Wisconsin Insurance Alliance president Andy Franken said. Only four states have minimums higher than what Wisconsin requires now, he said. Raising the levels as Doyle proposes would result in more money paid out, which in turn would raise insurance rates, Franken said. Those who can barely afford insurance now will simply drop their policies, leading to more uninsured drivers, which drives up costs for those who have insurance, he said. About 15 percent of Wisconsin drivers don't have insurance, Franken said. "There's no need to raise it," he said. Trial attorneys supports the increase, saying the minimum coverage levels set 30 years ago have not kept up with inflation. Higher limits also will place the burden of covering car accident claims on liability insurance, instead of health insurance like Medicaid and the state's BadgerCare program, said Keith Clifford, a Madison trial lawyer representing the Wisconsin Association of Justice. The old limits were presumed to be enough to cover emergency room and health care costs stemming from car accidents decades ago, but they fall short now, Clifford said. The Wisconsin Insurance Alliance said if Doyle gets his way on this proposal and others affecting car insurance, rates will increase between 33 percent and 43 percent. Clifford disputed that, saying he thought rates might decrease. The bulk of what drives a premium's cost is based on factors other than minimum coverage, such as drivers' credit rating, he said. Doyle did not mention the proposal in his budget address to the Legislature on Tuesday.

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