The State Life Insurance Fund (SLIF) was created in 1911 to provide low-cost individual life insurance to Wisconsin residents. It is self-funded through premiums and investment earnings and is administered by the Office of the Commissioner of Insurance (OCI).

SLIF operates under specific statutory restrictions, including a prohibition on employing commissioned agents and a limitation on coverage of $10,000 for any insured individual. SLIF prepares its financial statements in accordance with financial reporting requirements prescribed by the Wisconsin Commissioner of Insurance, but not in accordance with generally accepted accounting principles. The Commissioner of Insurance prescribes that SLIF follow the statutory accounting practices established by the National Association of Insurance Commissioners.

Audit Results
We found SLIF’s regulatory basis financial statements to be fairly presented in accordance with financial reporting requirements prescribed by the Wisconsin Commissioner of Insurance. Therefore, we have provided an unmodified opinion on SLIF’s financial statements prepared on a regulatory basis. We have also provided an adverse opinion on SLIF’s financial statements based on generally accepted accounting principles. Our report also includes the Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters.

Key Findings
We found:

- The number of life insurance policies in effect declined to 23,860 as of December 31, 2018.
- The amount of life insurance in force also declined to $185.1 million as of December 31, 2018.
- SLIF’s surplus-to-assets ratio has been within the statutorily specified range since 2014 and was 7.6 percent as of December 31, 2018. The dividend scale was adjusted as of January 1, 2019, in an effort to maintain the surplus-to-assets ratio within the statutorily specified range.

Legislative Audit Bureau
www.legis.wisconsin.gov/lab
(608) 266-2818
22 East Mifflin Street
Suite 500
Madison, Wisconsin 53703

Mobile Version
Printer Friendly Version

Legislative Audit Bureau
www.legis.wisconsin.gov/lab
(608) 266-2818
22 East Mifflin Street
Suite 500
Madison, Wisconsin 53703