



Wisconsin Compensation Rating Bureau

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Located at 2200 North Mayfair Road, Wauwatosa, WI 53226

**CIRCULAR LETTER 1018 – DECEMBER 20, 2000**

**PROCEEDINGS OF THE WISCONSIN GOVERNING COMMITTEE**

**TO: MEMBERS OF THE BUREAU**

Minutes of the Wisconsin Governing Committee meeting held in the premises of the Wisconsin Compensation Rating Bureau, 2200 North Mayfair Road, Wauwatosa, WI 53226 on Wednesday, December 6, 2000. The meeting was called to order at 9:30 A.M. with the following members present:

ORGANIZATION

Society Insurance A Mutual Company, Chair  
Fire & Casualty Insurance Company of CT  
Fireman’s Fund Insurance Company  
Employers Insurance of Wausau A Mutual Company  
Secura Insurance Company  
Sentry Insurance A Mutual Company  
Travelers Insurance Company

Wisconsin Compensation Rating Bureau

REPRESENTATIVE

Rick Levin  
Mike Smith  
Jim Vandenberg  
Steve Ginsburg  
Gary Gudex  
Janet Fagan  
Alan Carpenter  
Todd Owen  
Ralph Herrmann  
Richard Colvin  
Christine Siekierski  
Nancy Kierzek  
Michael Mann  
Donna Knepper

Member Absent or Excused:

General Casualty Insurance Company of WI

Also Present:

Michael Best & Friedrich  
National Council on Compensation Insurance  
Office of the Commissioner of Insurance

Paul Riegel  
Peter Strauss  
Jo LeDuc

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The Chairperson read the following opening statement before convening the meeting:

“This Committee meeting has been called to discuss the items of mutual interest and concern to the members of the Wisconsin Compensation Rating Bureau. In accordance with both Federal and Wisconsin State Anti-trust Laws, this Committee is prohibited from any discussion or action which constitutes any form of boycott, coercion or intimidation.”

1. The Committee discussed the Bureau budget for the year 2001. The Committee concurred with the recommendation of the Finance Subcommittee to adopt the proposed budget of \$5,533,500 for 2001.
2. Following approval of the 2001 Bureau budget, the Committee voted to levy an assessment of \$1,398,875 to cover the Bureau expenses for the first quarter of 2001.

**NOTE:** Since the direct premium writings of the current calendar year do not become available until the following calendar year, the net direct premium writings of the preceding calendar year shall be used as a temporary basis for the apportionment of this assessment.

2. The usual discussion centering around administrative affairs, occupancy, general expenses, salaries, personnel, etc.

President Herrmann outlined several issues such as:

- Website enhancements. A Frequently Asked Questions area has been added to the website. Other future enhancements include:
    - Experience Rating mod calculation worksheet
    - Building a protected “members” area
    - WCPAP explanation and worksheet
    - Customer Survey
- Current NTC and USR fining procedures. The Bureau will be working with carriers in an effort to reduce the number of notices and fines levied to member carriers.
- Staffing and Structure. Bureau management is in the process of redefining some of the current positions.

The Committee also discussed:

- a. Home Insurance Company’s request for distribution of surplus funds. Legal counsel, Paul Riegel, reported that the last distribution is in the process of being calculated. The Wisconsin Automobile Insurance Plan will be reimbursed money owed by Home Insurance prior to the final distribution.

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- b. Hartford Underwriters Insurance Company's resignation as a Pool servicing carrier. The Bureau reported that the run-off of Hartford Pool business is nearly complete.
  - c. Workers Compensation Research Institute update. President Herrmann reported that a multi-state analysis is expected to be released by the end of January, 2001.
  - d. Alternative Voting Methods. The Operations Subcommittee of the Governing Committee reported that they had reviewed several alternative voting methods. After discussion, the Committee concurred with the recommendation to retain the current process. The Bureau will release a Circular Letter detailing the voting process and requesting that any members interested in filling a vacancy notify the Bureau in advance.
  - e. Bureau legal counsel, Paul Riegel, reported that a Proof of Claim for \$2,217 was filed with the Bankruptcy Court with regard to Superior National Insurance Company
4. Vice President Siekierski provided the Committee with an A.C.C.C.T. status report.

By the unanimous consent, this item was added to the agenda.

5. Pool Financial Reporting

President Herrmann reported that there are inconsistencies with the way the servicing carriers have been reporting written Pool premium. The Committee concurred with the recommendation to amend reporting requirements from an annual written premium basis to an invoiced premium basis. The change may result in a truing up of funds in the amount of \$2-3 million. This change is proposed to be effective January 1, 2001.

The next Governing Committee meeting is scheduled for March 14, 2001.

Donna Knepper  
Executive Secretary