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Located at 20700 Swenson Drive, Suite 100, Waukesha, WI 53186

GENERAL CIRCULAR LETTER 490—MAY 31, 2006

TO: ALL MEMBERS OF THE BUREAU

SPECIAL ATTENTION: UNIT STAT PERSONNEL

RE: UNIT REPORTS INCLUDING ESTIMATED EXPOSURES

In our continuing effort to improve the quality of Wisconsin statistical data, we have instituted a revised procedure for handling unit reports submitted with estimated exposures.

Our Wisconsin Workers' Compensation Statistical Plan Manual currently states:

"Payrolls reported must be audited payrolls even on minimum premium risks. When a final audit has not been made at the time of filing a report, the policy condition field, Estimated Exposures, should be marked with the symbol "Y" and without further request MUST be replaced by a revised report as soon as audited payrolls are available."

This statement has been amended to remove the words "without further request", as we will now follow up with data providers to be sure that a revision is received, or an explanation as to why no change will be forthcoming.

Internally, unit reports will be flagged if the Policy Condition Indicator is "Y" (yes) to indicate an Estimated Exposure. We will continue to accept and use the unit reports for experience rating and ratemaking, but our system will generate an Estimated Unit Letter (1st notice) that will be sent to the data provider. The letter will advise the data provider that we are aware of the estimated condition and that we need either a revised unit report or a written explanation.

The notices will be followed up on until a response is received. The follow-up may be through a 2nd notice letter, or through direct communication with the data provider.

If you have any questions regarding this change/procedure, please contact Kay Higgins at kay.higgins@wcrb.org or Nancy Kronenberg at nancy.kronenberg@wcrb.org.