



Wisconsin Compensation Rating Bureau

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

CIRCULAR LETTER 1097—MAY 28, 2008

PROCEEDINGS OF THE WISCONSIN GOVERNING BOARD

TO: MEMBERS OF THE BUREAU

Minutes of the Wisconsin Governing Board meeting held in the premises of the Wisconsin Compensation Rating Bureau, 20700 Swenson Drive, Waukesha, WI 53186 on Thursday, May 15, 2008. The meeting was called to order immediately following the Annual Meeting with the following members present:

ORGANIZATION

Society Insurance A Mutual Company, Chair
American Home Assurance Company
Employers Insurance of Wausau
General Casualty Insurance Company, Chair

Secura Insurance Company
Sentry Insurance A Mutual Company
Travelers Insurance Company
United Wisconsin Insurance Company

Wisconsin Compensation Rating Bureau

REPRESENTATIVE

Rick Levin
Ira Feuerlicht
Steve Ginsburg
Jim Vandenberg
Mike Schimke
Phil Biwan
Christine Kienbaum
Bruce Kaufenberg
Emil Pfenninger
Paul Hingtgen
Ralph Herrmann
Tad Cleveland
Nancy Kierzek
Christine Siekierski
Michael Mann
Donna Knepper

Governor Appointed Members

Dan Burazin (Associated General Contractors of Greater Milwaukee)
John Metcalf (Wisconsin Manufacturers & Commerce)

Also Present:

Amcomp Assurance Corporation
Employers Mutual Casualty Company
Integrity Mutual Insurance Company
Milliman USA
Office of the Commissioner of Insurance
Riegel Law, S.C.
SFM Mutual Insurance Company
West Bend Mutual Insurance

Debbie Towler
Mike Lester
Paul Enterline
Gary Josephson
Ronnie Demergian
Paul Riegel
Nick Marino
Joel Christ

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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.”

A Special Rating Committee meeting was called to discuss the October 1, 2008 rate filing. The following items were recommended by the Rating Committee:

- Retain the current rating methodology utilizing 50% weight to the indication based on paid losses with two year loss development factors and 50% weight to the indication based on paid plus case with three year loss development factors.
- Defense & Cost Containment Expense (DCCE) indications. Included the 50% paid/50% paid plus case methodology in the rate filing but selected a 75% paid/25% paid plus case methodology for the overall rate revision.
- Propose an overall increase in rate level of 3.36%.

The Governing Board accepted the recommendation for filing with the Office of the Commissioner of Insurance.

Donna Knepper
Executive Secretary