



Wisconsin Compensation Rating Bureau

262-796-4540 • Fax 262-796-4400 • www.wcrb.org

P.O. Box 3080 • Milwaukee, WI 53201-3080

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

CIRCULAR LETTER 3023—FEBRUARY 11, 2008

TO: Members of the Bureau

FROM: Donna Knepper

RE: Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA)

Pursuant to ch 626, Wis. Stats., the State of Wisconsin, Office of the Commissioner of Insurance has advised that the action taken by the Rating Committee has been approved.

The following endorsements reflect the requirements of the Terrorism Risk Insurance Extension Act (TRIEA), as revised by TRIPRA and are approved for use effective January 1, 2008:

- Terrorism Risk Insurance Program Reauthorization Act Endorsement (WC 00 01 13A)
- Foreign Terrorism Premium Endorsement (WC 00 04 22)
- Domestic Terrorism, Earthquakes and Catastrophic Industrial Accidents Premium Endorsement (WC 00 04 21B)

(NOTE: Terrorism Risk Insurance Extension Act Endorsement (WC 00 01 13) and Domestic Terrorism, Earthquakes and Catastrophic Industrial Accidents Premium Endorsement (WC 00 04 21A) are obsolete.)

These endorsements can be found in Forms on wcrb.org and must be attached to all policies with effective dates of January 1, 2008 and later.

The Wisconsin Premium Algorithm has been amended to replace “Terrorism Risk Insurance Act (TRIA) of 2002—Certified Losses” with “Foreign Terrorism”. No changes to the charges associated with terrorism or changes to the statistical reporting codes are contemplated in this filing.

An example of how a carrier may show the premium for the terrorism portion of Domestic Terrorism, Earthquakes and Catastrophic Industrial Accidents (DTEC) is as follows:

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The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plans. All information required below is subject to verification and change by audit.

(Assuming the carrier is charging \$0.03 for foreign terrorism and \$0.01 for DTEC)

Classifications	Code No.	Premium Basis Total Estimated Annual Remuneration	Rate Per \$100 of Remuneration	Estimated Annual Premium
Nursing Home	8829	\$1,000,000	\$3.06	\$30,600
		Subject Premium		\$30,600
		Experience Modification		1.00
		Standard Premium		\$30,600
		Premium Discount	9.1%	\$ 1,875
		Expense Constant		\$ 220
		Terrorism	\$0.03	\$ 300
		DTEC* Terrorism	\$0.003	\$ 30
		Earthquakes and Catastrophic Industrial Accidents	\$0.007	\$ 70
		Estimated Annual		\$29,345

*Domestic terrorism as a percent of DTEC is estimated to be 30% of the total charge. The remaining 70% is estimated for earthquakes and catastrophic industrial accidents.