



Wisconsin Compensation Rating Bureau

CIRCULAR LETTER 1028 – SEPTEMBER 24, 2001

PROCEEDINGS OF THE WISCONSIN GOVERNING COMMITTEE

TO: MEMBERS OF THE BUREAU

Minutes of the Wisconsin Governing Committee meeting held in the premises Sentry Insurance A Mutual Company, 1800 North Point Drive, Stevens Point, WI 54481 on Wednesday, September 12, 2001. The meeting was called to order at 8:30 A.M. with the following members present:

ORGANIZATION

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

Wisconsin Compensation Rating Bureau

REPRESENTATIVE

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

Member Absent or Excused:

Secura Insurance Company

Also Present:

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

West Bend Mutual Insurance Company

Paul Riegel
Peter Strauss
Laura Andreasson
Jo LeDuc
Pam Allison

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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. Vice President Kierzek presented the following information
 - Estimated year-end totals. It is expected that WCRB will come in under the 2001 approved budget by approximately 2.4%.
 - Preliminary 2002 budget. The preliminary figures reflect a 0.8% overall decrease from the 2001 approved budget and a 1.6% increase in the 2001 estimated year-end, which includes the filling of a policy processing position.
 - The Committee voted to levy an assessment for the fourth quarter of \$1,441,166.

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 provided updates on the following issues:

- The market conduct examination will resume in October. The OCI will complete the market conduct portion of the exam and begin the financial portion.
- The WCRB will be relocating at the end of November. The new address is:

Crossroads Corporate Center VIII
20700 Swenson Drive
Waukesha, WI 53186

- The proposed change to the current WCRB quarterly assessment was reviewed. The Committee will be furnished with a prototype of the revised statements for review at the next meeting.
- Received eight responses to the ratemaking RFP's. The RFP's have been forwarded to the Actuarial Subcommittee for review.
- Website enhancements.
 - Experience modification and premium calculators are available.
 - Experience Rating Worksheets will be available to the current carrier.

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3. Outstanding Issues
 - a. Workers Compensation Research Institute update. President Herrmann provided the Committee with a request for additional funding. The Committee requested that the WCRB gather additional information.
 - b. The Committee was updated on the Reliance Insurance Group rehabilitation.

This item will be continued on the agenda to provide updates on financially impaired carriers.
 - c. The Committee was updated on the Unit Statistical Report direct data option. The NCCI has reversed their decision and will be charging carriers for filing data.
 - d. The Committee was furnished with a copy of the results of a Customer Survey conducted earlier in the year.
 - e. The Committee concurred with the recommendation of the Pool Committee to file a revised Pool Application with the Office of the Commissioner of Insurance for approval.
 - f. The Committee was advised that the change in the Pool financial quarterly reports resulted in a truing up of approximately \$2,000,000, to be returned to the affected servicing carriers. The Committee concurred with the recommendation of the Pool Committee and approved the one-time adjustment.
4. Vice President Siekierski provided the Committee with the following A.C.C.C.T. status report:
 - Spectrum
 - ACCCT Website Activity
 - Bureau Entry and Edit Package (BEEP)
 - Policy Entry and Edit Package (PEEP)
 - EDI Project

The next regular Governing Committee meeting is schedule for December 5, 2001 at 9:00 A.M.

Donna Knepper
Executive Secretary