

**Wisconsin Compensation Rating Bureau****CIRCULAR LETTER 1208—JUNE 30, 2017****WISCONSIN GOVERNING BOARD MEETING**

Minutes of the Wisconsin Governing Board meeting held in the premises of Lake Lawn Resort, 2400 East Geneva Street, Delavan, WI 53115 on Thursday, June 15, 2017. The meeting was called to order at 8:30 AM.

A list of attendees at the June Rating Committee, WWCIP and Governing Board meetings follows. The Chair of the Rating and Acting Chair of the WWCIP Committees was Dave Young from Employers Mutual Casualty Co. Vice Chair of the Governing Board was Steve Miller from Secura Insurance A Mutual Company.

ORGANIZATION	REPRESENTATIVE	GOVERNING BOARD	RATING COMMITTEE	WWCIP
American Home Assurance (Teleconference)	Ira Feuerlicht	X	X	O
Associated General Contractors of Greater Milwaukee	Dan Burazin	X	X	O
Employers Insurance of Wausau	Steve Ginsburg	X	X	O
Employers Mutual Casualty Co.	Dave Young	O	X	X
	Mike Lester	O	X	X
General Casualty Co	George Busche	X	X	X
Middlesex Insurance Co.	Bev Beigel	O	O	X
SFM Mutual Insurance Co.	Brian Bent	X	X	O
	Nick Marino		X	O
Secura Insurance Co.	Steve Miller	X	O	O
	Colleen Martenson	X		
Sentry Insurance A Mutual Co.	Steve Bandy	X	X	O
Society Insurance Co.	Holly Lifke	X	X	X
Travelers Indemnity Co.	Matt Massaro	X	X	X
United Wisconsin Insurance Co.	Scott Beaver	X	X	O
West Bend Mutual Insurance Co.	Tom Vanderbusch	X	X	X
	Brian McEvoy	O	O	O
Wisconsin Manufacturers & Commerce	Chris Reader	X	X	O
Wisconsin Compensation Rating Bureau	Bernie Rosauer	O	O	O
	Tad Cleveland	O	O	O
	Nancy Kierzek	O	O	O
	Michael Mann	O	O	O
	Beth Nickel	O	O	O
	Jaclyn de Medici	O	O	O
	Donna Knepper	O	O	O

X = Committee member

O= Non-committee member

Also Present:

ORGANIZATION	REPRESENTATIVE	GOVERNING BOARD	RATING COMMITTEE	WWCIP
Accident Fund	Mike Sekoni	O		
Arthur Gallagher	Sherry Rowin		O	O
Department of Workforce Development (DWD)	BJ Dernbach		O	O
Office of the Commissioner of Insurance (OCI)	Christina Keeley	O	O	O
	Andrew Stoughton	O	O	O
Riegel Law	Paul Riegel	O	O	O

Also Present for Part of Meeting:

Bryce's Lawn Service

Bryce Satterfield

Tina Satterfield

Avid Risk Solutions, Inc.

Greg Erickson

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

“This Board 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.”

- Approved the Minutes for the March 7, 2017 meeting.
- Bureau Operations – Industry Issues
 - Budget Update - The Board members were presented with the following budget reports and were given the opportunity to ask questions on the information presented.
 - 2016 Audited Year-End/2017 Approved Budget
 - 2016 Approved IT Budget/2016 Audited Year-End Summary
 - 2017 Status Report / 5-31-17
 - Income Report that included years 2015 through May 2017
 - Notice to Carrier Fine Comparison
 - Unit Stat Fine Comparison
 - Hard Copy Fee Comparison
 - Information Technology 2017 Approved Budget

The Board voted to levy an assessment in the amount of \$2,015,204 for the general operating expenses for the WCRB for the third quarter of 2017.

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- Administrative affairs, occupancy, general expenses, personnel, etc. – The Board was updated on the following:
 - WCRB solicited agenda items for this meeting from member carriers. This will become standard practice for all future Rating Committee and Governing Board meetings.
 - WCRB started an educational program in February for all employees. These are monthly classes. The first two classes explained the history of worker's compensation insurance and the role WCRB plays in the system. The ultimate goal is to provide independent study modules on the WCRB web site.
- Rating Committee/Governing Board expansion. WCRB will be sending a copy of the revised by-laws to all member companies. An authorized representative of every individual carrier will need to sign a copy for Bureau records. WCRB's intent is to make this a fully electronic process.

WCRB legal counsel continues to work with the Office of the Commissioner of Insurance to make necessary amendments to Ch. 626, Wis. Stats.

- Rating Committee/Governing Board meeting schedule. WCRB will outline the purpose of all regularly scheduled Committee and Board meetings and create an inter-dependency chart for each meeting.

The following Committees will report to the Board:

RATING COMMITTEE

UNFINISHED BUSINESS

- Audit Noncompliance – Several issues were raised regarding ANC for the Pool. There is no further action needed by the Rating Committee. This item is removed from the agenda.
- Skiing Wisconsin – Hearing - No appeal of the committee's decision has been filed with the Office of the Commissioner of Insurance. This item is removed from the agenda.
- G&G Specialized Carriers, LLC – Hearing - No appeal of the committee's decision has been filed with the Office of the Commissioner of Insurance. This item is removed from the agenda.
- Mike Hartmann Construction, Inc. - No appeal of the committee's decision has been filed with the Office of the Commissioner of Insurance. This item is removed from the agenda.

NEW BUSINESS

- Bryce's Lawn Service – Hearing

Bryce Satterfield, Founder & CEO of Bryce's Lawn Service, requested the Rating Committee of the Wisconsin Compensation Rating Bureau ("WCRB") change the classification for his business from Classification Code 0042 – Landscape Gardening & Drivers to Classification Code 9102 – Park NOC – All Employees & Drivers on their policy of workers compensation insurance.

After reviewing the classifications involved and the request made by the Bryce's Lawn Service, the Rating Committee agreed the risks associated with the lawn maintenance provided by Bryce's Lawn Service were most similar to those businesses classified under Classification Code 0042. The operations include other services in addition to lawn cutting such as thatching, edging, aerating, and Spring and Fall clean-up. Similarly situated employers in Wisconsin are assigned to class code 0042. The request for reassignment was denied.

- Recent Class Code Review Changes – Clarification - In conjunction with the recent WI class code exception review, code 5651 was expired and reassigned to code 5403 effective 10-1-16. A few clean-up issues were recently identified under codes 5403 and 5645.

Because 8602 requires that the operations must be conducted as a separate and distinct business, codes 2702 and 2709 need to be corrected to eliminate reference to code 8602.

- Wisconsin Apprenticeship Credit Program. – WCRB presented a proposed apprenticeship credit program. This item was referred to the Operations Subcommittee.

Pending Filings/Actions

- NCCI Proposal Item B-1435 – Revisions to Basic Manual Classifications and Appendix E – Classifications by Hazard Group, Including Trucking and Towing - This item was approved by the Office of the Commissioner of Insurance effective 10-1-17. This item is removed from the agenda.
- Revised ACORD form 130 2017-05 - This item was approved by the Office of the Commissioner of Insurance effective 5-1-17. This item is removed from the agenda.

ACTUARIAL SUBCOMMITTEE

The first part of the 10-1-17 rate filing has been filed with the OCI. The remaining part of proposed rate filing is on track to be filed with the OCI about two weeks sooner than 2016.

WWCIP COMMITTEE

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- ANC Reporting Issues – WCRB reported on reporting issues with quarterly reporting of the ANC charges in the Pool. This item is tabled for next Governing Board meeting.
- WWCIP Activity Report
- The Committee next discussed the need to continue as a separate subcommittee of the Governing Board. After discussion, the Committee voted to disband and report Pool issues at the Governing Board meetings.

All votes taken at the Rating Committee and Governing Board meetings were unanimous.