



Wisconsin Compensation Rating Bureau

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CIRCULAR LETTER 1215—MARCH 26, 2018

WISCONSIN GOVERNING BOARD MEETING

Minutes of the Wisconsin Governing Board meeting held in the premises of the Wisconsin Compensation Rating Bureau, 20700 Swenson Drive, Waukesha, WI 53186 on Tuesday, March 6, 2018. The meeting was called to order at 8:30 AM.

A list of attendees at the March Rating Committee and Governing Board meetings follows. The Chair of the Rating was David Young from Employers Mutual Casualty Co. Chair of the Governing Board was Ira Feuerlicht from American Home Assurance Company. The Chair of the Governing Board, Ira Feuerlicht, presided over both meetings.

ORGANIZATION	REPRESENTATIVE	GOVERNING BOARD	RATING COMMITTEE
American Home Assurance	Ira Feuerlicht	X	X
Associated General Contractors of Greater Milwaukee	Dan Burazin	X	X
Employers Mutual Casualty Co.	Mike Lester	O	X
SFM Mutual Insurance Co.	Brian Bent	X	X
	Nick Marino	X	X
Society Insurance Company	Holly Lifke	X	X
Travelers Indemnity Co.	Matt Massaro	X	X
United Wisconsin Insurance Co.	Scott Beaver	X	X
	Pat Williams	X	X
West Bend Mutual Insurance Co.	Tom Vanderbusch	X	X
	Brian McEvoy	X	X
Wisconsin Compensation Rating Bureau	Bernie Rosauer	O	O
	Tad Cleveland	O	O
	Nancy Kierzek	O	O
	Beth Nickel	O	O
	Jaclyn de Medicci	O	O
	Donna Knepper	O	O

X = Committee member
O = Non-committee member

Also Present:

ORGANIZATION	REPRESENTATIVE	GOVERNING BOARD	RATING COMMITTEE
Department of Workplace Development (DWD)	Frank LaSee	O	O
Riegel Law	Paul Riegel	O	O
The Hartford	Wendy Bernard	O	O

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Attending via Teleconference:

Employers Insurance of Wausau	Steve Ginsburg	X	X
Office of the Commissioner of Insurance (OCI)	Andrew Stoughton	O	O
Secura Insurance Co.	Steve Miller	X	O
Sentry Insurance A Mutual Co.	Mike Schimke	X	X
	Matt Simonson	X	X
Wisconsin Manufacturers & Commerce	Chris Reader	X	X

Members Absent or Excused

General Casualty Co

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 December 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.
 - 2017 Estimated Year-End/2018 Proposed Budget
 - 2017 Approved IT Budget/2017 Estimated Year-End Summary
 - Income Report that included years 2015 through February 2018
 - Notice to Carrier Fine Comparison
 - Unit Stat Fine Comparison
 - Hard Copy Fee Comparison
 - Information Technology 2018 Approved Budget
 - 2018 Budget Changes Preliminary to Proposed
- The Board voted to levy an assessment in the amount of \$2,127,579 for the general operating expenses for the WCRB for the second quarter of 2018.
- Administrative affairs, occupancy, general expenses, personnel, etc. – The Board was updated on the following:

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- WCRB Waste Management/Lean Initiative continues to encourage staff to identify problems and propose solutions
- Rating Committee/Governing Board expansion. The Rating Committee and Governing Board proposed revision to s. 626.31(b), Wis Stat which expands the number of member carriers represented on the Rating Committee has been written and awaits Senate approval as part of the Technical Bill. If the proposed revision becomes law, the changes to the Rating Committee and Governing Board will be made to the WCRB by-laws. WCRB will then send a copy of the revised by-laws to all member companies for signature.
- WWCIP Reports – WCRB provided the quarterly WWCIP summary reports.

The following Committees will report to the Board:

RATING COMMITTEE

UNFINISHED BUSINESS

- Notice to Government Entity of Cancellation or Material Change Endorsement – This endorsement fulfills federal law on government projects to provide notice to the government entity. The committee voted to adopt the Operations Subcommittee recommendation and the item will be filed for approval.
- WCRB Carrier Election Form and Reporting Process-WCRB adopted the changes recommended by the Committee. These changes include fields added to indicate effect date and clarification of NCCI or Bureau ID numbers. This item is removed from the agenda.
- NCCI Item B-1436 - Revisions to Basic Manual Classifications and Appendix E- Classifications by Hazard Group-the proposed filing extends over two hundred pages and across five industries, including Printing, Drones, Auto Body Repair and Service Writers, etc. The Committee voted to adopt the recommendations of the Operations Subcommittee. This item will be filed.

NEW BUSINESS

- Prime Mechanical of Wisconsin- Hearing. The employer withdrew their request for hearing. This item is removed from the agenda.
- NCCI Item B-1405 - Revisions to Experience Rating Plan Manual Rules and the Notification of Change in Ownership Endorsement. The Committee voted to bifurcate and adopt the Notification of Change in Ownership Endorsement portion of the proposal. The PEO and split experience proposals were not adopted. This item will be filed.

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- The Basic Manual rule change regarding the Interchange of Labor rule was adopted. This item will be filed.

Pending Filings/Actions

- WCPAP Rule Change- the filing was approved by the Office of the Commissioner of Insurance. This item is removed from the agenda.

ACTUARIAL SUBCOMMITTEE

The Actuarial Subcommittee met on February 14th and discussed the 2018 rate filing. No changes in methodology were proposed.

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