



### CIRCULAR LETTER 1218—July 2, 2018

#### 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 14, 2018. 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 Committee was Matt Massaro from Travelers Indemnity Co. Chair of the Governing Board was Steve Miller from Secura Insurance A Mutual Company.

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

X = Committee member  
O = Non-committee member

Also Present:

<b>ORGANIZATION</b>	<b>REPRESENTATIVE</b>	<b>GOVERNING BOARD</b>	<b>RATING COMMITTEE</b>
Accident Fund	Mike Sekoni	O	
Department of Workforce Development (DWD)	Frank LaSee	O	O
Office of the Commissioner of Insurance (OCI)	Andrew Stoughton	O	O
The Hartford	Wendy Bernard	O	O
Riegel Law	Paul Riegel	O	O
Secura Insurance Co.	Jill Uitenbroek	O	
Society Insurance Co.	Ken Stephani	O	

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 6, 2018 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 Audited Year-End/2018 Approved Budget
    - 2017 Approved IT Budget/2017 Audited Year-End Summary
    - 2018 Status Report / 5-31-18
    - Income Report that included years 2016 through May 2018
    - Notice to Carrier Fine Comparison
    - Unit Stat Fine Comparison
    - Hard Copy Fee Comparison
    - 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 third quarter of 2018.

- Administrative affairs, occupancy, general expenses, personnel, etc. – The Board was updated on the following:
  - WCRB offered the AmComp WCP (Worker’s Compensation Professional) designation course to all internal staff. Nine staff members elected to enroll and all nine successfully completed the course. A third of all Bureau employees have now earned this designation.

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- WCRB's internal education program, Bureau U, transitioned to voluntary participation in its sophomore year. Attendance and participation remain high.
- Legislative Update- general discussion among the Board over the Agreed Bill process and potential upcoming legislative issues.
- WWCIP Actuarial Analysis
- WWCIP Activity Reports

The following Committees will report to the Board:

### RATING COMMITTEE

#### UNFINISHED BUSINESS

- WCRB Carrier Election Form and Reporting Process- The Committee was updated on the progress of the changes being made in the electronic reporting process.
- October 1, 2018 Rate Revision- the first half of the rate filing was informally approved by the Office of the Commissioner of Insurance, pending receipt of the second half.

#### NEW BUSINESS

- Classification for fireplace installers Code 5535 vs Code 5537- The Committee voted to change the fireplace installers classification from 5535 to the more appropriate code 5537 and include analogy language. This item will be filed with the Insurance Commissioner with a 10-1-18 effective date.
- Wisconsin Limited Other States Insurance Endorsement WC 48 0301 C - The Committee voted to remove the endorsement from use in the voluntary market and make edits clarifying its use and purpose in the Wisconsin Worker's Compensation Insurance Pool.
- Class Code Cleanup- 9083 Restaurant: Fast Food – The Committee voted to accept and file the analogy language clean up changes. Banks and trust companies cafeterias language was removed from 9083 and would be assigned under 8855. Underground utility locating contractors was removed from 8601 and will be assigned under 8602. This item will be filed with the Insurance Commissioner with a 10-1-18 effective date.
- Waiver of Subrogation- item added to the agenda. This item was referred to the Operations Subcommittee for further discussion.

Pending Filings/Actions

- Notice to Government Entity of Cancellation or Material Change Endorsement. This item was approved by the Office of the Commissioner of Insurance effective 3-15-18. This item is removed from the agenda.
- NCCI Item B-1436 – Revisions to Basic Manual Classifications and Appendix E-Classifications by Hazard Group. This item was approved by the Office of the Commissioner of Insurance effective 10-1-18. This item is removed from the agenda.
- NCCI Item E-1405 Revisions to Experience Rating Plan Manual Rules and the Notification of Change in Ownership Endorsement. This item was approved by the Office of the Commissioner of Insurance effective 1-1-19. This item is removed from the agenda.
- Basic Manual rule change- Interchange of Labor. This item was approved by the Office of the Commissioner of Insurance effective 10-1-18. This item is removed from the agenda.

ACTUARIAL SUBCOMMITTEE

The first part of the 10-1-18 rate filing has been filed with the OCI. The remaining part of proposed rate filing is on track to be filed with the OCI.

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