



CIRCULAR LETTER 1229—June 24, 2019

WISCONSIN GOVERNING BOARD MEETING

Minutes of the Wisconsin Governing Board meeting held in the premises of The Delafield Hotel, 415 Genesee Street, Delafield, WI 53018 on Thursday, June 13, 2019. 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 Tim Riedl from Society Insurance A Mutual Company. Chair of the Governing Board was Pat Williams from United Wisconsin Insurance 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		X
General Casualty Co	George Busche	X	X
SFM Mutual Insurance Co.	Brian Bent	X	X
	Nick Marino	X	X
Secura Insurance Co.	Steve Miller	X	O
Sentry Insurance A Mutual Co.	Scott Lange	X	X
Society Insurance Co.	Tim Riedl	X	X
Travelers Indemnity Co.	Peter Gunn	X	X
United Wisconsin Insurance Co.	Pat Williams	X	X
	Emily Brooks	X	X
West Bend Mutual Insurance Co.	Scott Beaver	X	X
	Brian McEvoy	X	X
Wisconsin Manufacturers & Commerce	Chris Reader	X	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 Medici	O	
	Donna Knepper	O	O
	Stephanie Staring		O

X = Committee member
O = Non-committee member

Also Present:

ORGANIZATION	REPRESENTATIVE	GOVERNING BOARD	RATING COMMITTEE
Accident Fund (Teleconference)	Mike Sekoni	O	
Badger Mutual Insurance Co.	Tylor Protz		O
Office of the Commissioner of Insurance (OCI)	Andrew Stoughton	O	O
Hartford Casualty Ins Co	Wendy Bernard	O	O
Riegel Law	Paul Riegel	O	O
Rural Mutual Insurance Company	Sara Grade	O	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 5, 2019 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.
 - 2018 Audited Year-End/2019 Approved Budget
 - 2018 Approved IT Budget/2018 Audited Year-End Summary
 - 2019 Status Report / 5-31-19
 - Income Report that included years 2017 through May 2019
 - Notice to Carrier Fine Comparison
 - Unit Stat Fine Comparison
 - Hard Copy Fee Comparison

The Board voted to levy an assessment in the amount of \$2,138,612 for the general operating expenses for the WCRB for the third quarter of 2019.

- Administrative affairs, occupancy, general expenses, personnel, etc. – The Board was updated on the following:
 - WCRB currently has an opening for an Inspector it intends to fill and anticipates several more openings to follow within the year due to upcoming retirements.
 - WCRB’s Lean initiatives continue to improve processes internally and benefit all stakeholders.

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- Legislative Update- general discussion among the Board over the Agreed Bill process and potential upcoming legislative issues.
- WWCIP Actuarial Analysis-Milliman provided copies of the actuarial analysis as of 12-31-18. In accordance with the rules of the WWCIP, a disbursement of excess funds will be distributed to WCRB member carriers at year end.
- WWCIP Activity Reports
- WWCIP ANC Participation- the Board approved the WWCIP opt out of the ANC program and changes to the Pool Handbook language for audit noncompliance protocols. These changes will be filed with the Office of the Commissioner of Insurance.
- Nominating Committee-after discussion, the Board voted to form a working group to research the matter further.

The following Committees will report to the Board:

RATING COMMITTEE

UNFINISHED BUSINESS

- Lichtfeld Plumbing- Hearing- the employer did not appeal the decision of the Committee within 30 days to the Office of the Commissioner of Insurance. This item is removed from the agenda.
- Badger State-Hearing- the employer appealed the decision of the Committee within 30 days to the Office of the Commissioner of Insurance. The OCI upheld the decision of the Committee. No further appeal has been filed. This item is removed from the agenda.
- October 1, 2019 Rate Revision- the first half of the rate filing was informally submitted to the Office of the Commissioner of Insurance for review. The rate revision will be formally filed once the full filing is available.

NEW BUSINESS

- Scheduled rating-after discussion, the Committee voted to form a working group for further research. This item is continued on the agenda.

Pending Filings/Actions

- Waiver of subrogation premium algorithm update. This item was approved by the Office of the Commissioner of Insurance. This item is removed from the agenda.

ACTUARIAL SUBCOMMITTEE

The next meeting of the Actuarial Subcommittee will be held in November.

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