



CIRCULAR LETTER 3240—APRIL 14, 2022

PROCEEDINGS OF THE WISCONSIN RATING COMMITTEE

TO: Members of the Bureau

FROM: Jaclyn Medicci-Bruneau

RE: Proceedings of the Wisconsin Rating Committee
Revisions to the Experience Rating Plan Manual Rule III.D.4(f) -
Aggravated Inequity

Pursuant to ch. 626, Wis. Stat., the Office of the Commissioner of Insurance has approved the following revisions to the WI Experience Rating Plan Manual rules for Aggravated Inequity, effectively immediately:

- Adding the specific term “aggravated inequity” to the Plan Manual language
- Removing the requirement for prior WCRB approval of the recalculation if all conditions are met
- Clarifying the 30 day window requirement

EXPERIENCE RATING PLAN MANUAL Rule III.D.4(f)

~~f) If, up to thirty days after the effective date of an experience modification, a claim closes at a significantly lower incurred loss value than was indicated on the latest unit statistical report, the WCRB may be notified. After the WCRB verifies the closure date and the incurred value at closure, it will call for the issuance of a special corrected unit report if the closed claim value would result in a change in the experience modifier. This report is not a required part of the normal filing sequence for unit statistical reports and will be used only for revision of the experience modification.~~

f) Aggravated Inequity – If, up to thirty days after the effective date of an experience modification, a claim closes at a lower incurred loss value than was indicated on the latest unit statistical report, the carrier may send a correction type A to the original unit statistical report. The correction to the experience modification is allowed if all the following criteria are met:

- 1) The open claim(s) are closed up to 30 days after the experience modification effective date;
- 2) The claim(s) closed for amounts less than the reserved amounts;
- 3) The change is enough to produce a reduction in the original modification.

The revision will only pertain to the most recent rating released by the WCRB.