



Wisconsin Compensation Rating Bureau

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**CIRCULAR LETTER 2889 – FEBRUARY 25, 2002**

PROCEEDINGS OF THE WISCONSIN RATING COMMITTEE

TO: Members of the Bureau

FROM: Donna Knepper

RE: Proceedings of the Wisconsin Rating Committee  
Circular Letter 2885 – December 7, 2001  
Item Number 3832 WI Benefit Change Effective 1-1-02

Pursuant to ch. 626, Wis. Stats., the State of Wisconsin, Office of the Commissioner of Insurance has advised that the action taken by the Rating Committee has been approved effective January 1, 2002, applicable to new, renewal and outstanding business. Attached is a revision to the Miscellaneous Values Page that was effective July 1, 2001. The only changes that have been made are the references to the rules in the Basic Manual and the USL&HW percentage.

Effective January 1, 2002

EXHIBIT I

MISCELLANEOUS VALUES

Basis of premium applicable in accordance with the footnote instructions for Code 7370 -- "Taxicab Co.":		
Employee operated vehicle		\$44,748.00
Leased or rented vehicle		\$29,832.00
Expense Constant applicable in accordance with Basic Manual Rule 3-A-11		\$210.00
In accordance with state special Basic Manual Rule 2-B-1, the value of lodging received by employees as a part of their pay shall be \$79.90 per week or \$11.41 per day. The value of meals received by employees as a part of their pay shall be \$71.92 per week or \$3.42 per meal.		
Maximum Payroll applicable in accordance with Basic Manual Rule 2-E-1 -- "Executive Officers"		\$873.00
Minimum Payroll applicable in accordance with Basic Manual Rule 2-E-1 -- "Executive Officers"		\$175.00
Per Passenger Seat Surcharge - In accordance with the footnote instructions for classification Code 7421, the surcharge is		
maximum surcharge per aircraft		\$1,000.00
per passenger seat		\$100.00
Premium Determination for Partners and Sole Proprietors in accordance with Basic Manual Rule 2-E-3		\$30,300.00
Work Study Coverage - In accordance with the instructions for Classification Code 9428, the rate charged per student, per week is		\$0.50
Premium Discount Percentages (See Basic Manual Rule 3-A-19). The following premium discounts are applicable to Standard Premiums:		

			Type	Type
			<u>A</u>	<u>B</u>
First	\$10,000 .....	-	-	
Next	\$190,000 .....	a	9.1%	5.1%
Next	\$1,550,000 .....	b	11.3%	6.5%
Over	\$1,750,000 .....	c	12.3%	7.5%

United States Longshore and Harbor Workers' Compensation Coverage Percentage applicable only in connection with Rule 3-A-4 "U.S. Longshore and Harbor Workers' Compensation Act" of the Basic Manual.

Difference in Benefits	32.0%
<u>Difference in Loss Based Expenses</u>	18.7%
Combined USL&HW%	57.0%

(Multiply a Non-"F" classification rate by a factor of 1.57. This factor adjusts for differences in state and federal benefits and loss based expenses. The factor to adjust for differences in benefits only is 1.32. The factor to adjust for differences in loss based expenses only is 1.187.)

Experience Rating Eligibility

A risk is eligible for intrastate experience rating when the payrolls or other exposures developed in the last year or last two years of the experience period produced a premium of at least \$10,000. If more than two years, and average annual premium of at least 5,000 is required. Page A-1 of the Experience Rating Plan Manual should be referenced for the latest approved eligibility amounts by state.