



Wisconsin Compensation Rating Bureau

262-796-4540 ▲ Fax 262-796-4400 ▲ www.wcrb.org

P.O. Box 3080 ▲ Milwaukee, WI 53201-3080

Located at 20700 Swenson Drive, Suite 100, Waukesha, WI 53186

CIRCULAR LETTER 2898 – APRIL 18, 2002

TO: Members of the Bureau

FROM: Donna Knepper

RE: January 1, 2002 Benefit Change

The Retrospective Rating Plan State Special Rating Values page found in Circular Letter 2887 was incorrect. Attached is the corrected page.

Effective January 1, 2002

Exhibit I

1.	<p>Hazard Group Differentials</p> <table border="1"> <thead> <tr> <th>I</th> <th>II</th> <th>III</th> <th>IV</th> </tr> </thead> <tbody> <tr> <td>1.890</td> <td>1.780</td> <td>1.210</td> <td>0.840</td> </tr> </tbody> </table>	I	II	III	IV	1.890	1.780	1.210	0.840	2.	<p>Tax Multipliers</p> <p>a. State (non-F Classes) 1.038</p> <p>b. Federal Classes, or non-F classes where rate is increased by the USL&HW Act Percentage 1.155</p>
I	II	III	IV								
1.890	1.780	1.210	0.840								

3.	<p>Expected Loss Ratio 0.639</p>	<p>Expected Loss and Allocated Expense Ratio 0.697</p>	4.	<p>Tables of Expense Ratios Type A: XXIII-E Type B: XXIII-F</p>	<p>Tables of Expense Ratios Loaded for ALAE Option Type A: XXIII-G Type B: XXIII-H</p>
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5. **2001 Table of Expected Loss Ranges**
Effective August 2, 2001

6.	<p>Excess Loss Factors (Applicable to New and Renewal Policies)</p>	<p>Excess Loss and Allocated Expense Factors (Applicable to New and Renewal Policies)</p>
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Per Accident Limitation	Hazard Groups				Hazard Groups			
	I	II	III	IV	I	II	III	IV
\$25,000	0.248	0.268	0.359	0.423	0.284	0.307	0.409	0.475
\$30,000	0.227	0.247	0.340	0.406	0.263	0.286	0.389	0.458
\$35,000	0.211	0.232	0.325	0.395	0.246	0.270	0.375	0.448
\$40,000	0.195	0.217	0.313	0.383	0.232	0.257	0.361	0.435
\$50,000	0.177	0.199	0.294	0.363	0.212	0.239	0.342	0.415
\$75,000	0.148	0.171	0.262	0.329	0.182	0.210	0.311	0.383
\$100,000	0.131	0.155	0.242	0.308	0.166	0.193	0.292	0.364
\$125,000	0.122	0.142	0.227	0.288	0.154	0.180	0.276	0.345
\$150,000	0.112	0.133	0.211	0.271	0.143	0.170	0.261	0.328
\$175,000	0.105	0.125	0.199	0.259	0.136	0.161	0.248	0.313
\$200,000	0.098	0.118	0.188	0.244	0.128	0.153	0.237	0.299
\$250,000	0.088	0.105	0.171	0.222	0.115	0.138	0.215	0.274
\$300,000	0.080	0.097	0.156	0.204	0.105	0.126	0.200	0.255
\$500,000	0.060	0.073	0.118	0.155	0.080	0.096	0.153	0.196
\$1,000,000	0.040	0.049	0.080	0.102	0.054	0.065	0.102	0.130
\$2,000,000	0.027	0.033	0.052	0.068	0.036	0.043	0.068	0.085
\$5,000,000	0.016	0.020	0.031	0.039	0.022	0.026	0.040	0.050

7. **Retrospective Development Factors**

<u>With Loss Limit</u>			<u>Without Loss Limit</u>			4th & Subsequent Adjustment
1st Adj.	2nd Adj.	3rd Adj.	1st Adj.	2nd Adj.	3rd Adj.	
0.09	0.06	0.06	0.15	0.11	0.11	0.00

8. **State Special Classifications by Hazard Group**

Code No.	HG	Code No.	HG	Code No.	HG	Code No.	HG
0006	II	4417	II	6002	III	8837	II
0108	III	4712	III	6326	III	9054	II
1752	III	5000	IV	7371	II	9056	II
1807	IV	5086	III	7709	IV	9170	IV
1808	IV	5184	III	7710	IV	9412	II
2101	II	5194	III	8090	II	9413	II
3086	III	5211	III	8387	III	9414	II
3565	I	5469	IV	8391	III	9529	IV
4054	II	5545	III	8828	II	9894	II