



Wisconsin Compensation Rating Bureau

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## GENERAL CIRCULAR LETTER 438 – AUGUST 25, 2003

TO: Members of the Bureau  
FROM: Donna Knepper  
RE: Revised Fining Procedures

In Circular Letter 2916 dated March 12, 2003, the membership was notified that several recommendations were made by the Office of the Commissioner of Insurance as a result of their preliminary Market Conduct Examination. Some of the recommendations will affect the type of NTCs generated from WCRB as well as the application of the 60 day late filing fine. The issues identified in Circular Letter 2916 are listed and outlined below. This is a reminder that these items will be subject to the current fining procedures effective October 1, 2003.

- 60 Day Late Filing Fine.

Effective October 1, 2003, any policy that is received by the WCRB more than 60 days after the effective date of coverage will be subject to a \$150 late filing penalty.

- WCRB will verify that the current rates are being charged on a policy.
- WCRB will verify that the expense constant shown on a multi-state policy is at least equal to the WI expense constant.

Beginning April 2003, advisory Notices to Carriers were issued asking carriers to apply the accurate expense constant. Effective 10-1-03, these NTCs will become mandatory and subject to the fining procedure.

- WCRB will verify that the correct intrastate experience modification is applied on the policy.

Beginning April 2003, advisory Notices to Carriers were issued when a policy did not include the accurate experience modification. Effective 10-1-03, these NTCs will become mandatory and subject to the fining procedure.