



Wisconsin Compensation Rating Bureau

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CIRCULAR LETTER 2978—JANUARY 18, 2006

PROCEEDINGS OF THE WISCONSIN RATING COMMITTEE

TO: Members of the Bureau

FROM: Donna Knepper

RE: Proceedings of the Wisconsin Rating Committee
Circular Letter 2973 December 15, 2005
Item Number 3887 Premium Audit Rule

Pursuant to ch 626, Wis. Stats., the State of the Wisconsin, Office of the Commissioner of Insurance has advised that the action taken by the Rating Committee has been approved.

At their December 6, 2005 meeting, the Rating Committee adopted a revision to Basic Manual Rule V.C. which will be revised to address premium adjustment upon audit. The following revision is effective January 12, 2006, applicable to new and renewal business only. Carriers are reminded that Premium Due Date Endorsement WC 00 04 19 should be attached to all policies.

C. ESTIMATED PAYROLLS

- 1. Estimated Payrolls by Classification**
For each classification shown on the Information Page, the total estimated annual payroll shall be stated in the column headed "Premium Basis Total Estimated Annual Remuneration."
- 2. Determination of Estimated Payrolls**
Estimated payrolls shown on the Information Page shall reflect actual remuneration anticipated by the insured during the policy period. Such estimates shall be subject to substantiation by the carrier through evaluation of records or inspections.
- 3. Audit of Estimated Payrolls**
Upon establishment of actual payrolls, the carrier shall transact the premium audit adjustment within 90 days.
- 4. Review of Estimated Payrolls**
Adequacy of estimated payrolls is subject to review by WCRB.