



CIRCULAR LETTER 1260—DECEMBER 28, 2022

WISCONSIN GOVERNING BOARD MEETING

Minutes of the Wisconsin Governing Board meeting held in the premises of the Wisconsin Compensation Rating Bureau, 20700 Swenson Drive, Waukesha, WI 53186 on Thursday, December 15, 2022. The meeting was called to order at 8:30 AM.

A list of attendees at the Rating Committee and Governing Board meetings follow. The Chair of the Rating Committee was Diana Trent from Employers Insurance of Wausau. Chair of the Governing Board was Nick Marino from SFM Mutual Insurance Co.

ORGANIZATION	REPRESENTATIVE	GOVERNING BOARD	RATING COMMITTEE
American Home Assurance	Ira Feuerlicht	X	X
Associated General Contractors of Greater Milwaukee	Dan Burazin	X	X
Employers Insurance Co of Wausau	Diana Trent	X	X
Employers Mutual Casualty Co.	Joe Hanssen	O	X
General Casualty Insurance Co	George Busche	X	X
Lindgren, Lester & Associates, LLP	Mike Lester	X	X
SFM Mutual Insurance Co.	Nick Marino	X	X
	Rhonda Wills	X	X
Secura Insurance, A Mutual Co.	Joe Schmidt	X	O
Sentry Insurance Co.	Scott Lange*	X	X
Society A Mutual Company	Dennis Saldana	X	X
Travelers Indemnity Co.	Eric Belk	X	X
United Wisconsin Insurance Co	Janelle Krainz	X	X
West Bend Mutual Insurance Co.	Brian McEvoy	X	X
Wisconsin Compensation Rating Bureau	Bernie Rosauer	O	O
	Tad Cleveland	O	O
	Nancy Kierzek	O	O
	Michael Mann	O	O
	Laura Vande Hey	O	O
	Donna Knepper	O	O
	Andrew Stoughton	O	O
	Michelle Swessel*	O	O
	Stephanie Staring	O	O

X = Committee member
O = Non-committee member

*Virtual

Also Present:

ORGANIZATION	REPRESENTATIVE	GOVERNING BOARD	RATING COMMITTEE
Office of the Commissioner of Insurance (OCI)	Deena Driese*	O	O
	David Haushalter	O	O
	Tim Cornelius*	O	O
Riegel Law	Paul Riegel	O	O

*Virtual

WCRB Rating Committee Meeting

Antitrust Statement - “This Board meeting has been called to discuss the items of mutual interest and concern to the members of the Wisconsin Compensation Rating Bureau. In accordance with both Federal and Wisconsin State Anti-trust Laws, this Committee is prohibited from any discussion or action which constitutes any form of boycott, coercion, or intimidation.”

NEW BUSINESS

- NCCI Item E-1409 – Enhancement to NCCI’s Experience Rating Plan Methodology – This proposal recommends a change in methodology used in the calculation of experience modifications. This item is referred to the Actuarial Subcommittee.
- Federal Exposure – WCRB Review- WCRB currently is editing information provided when a carrier reports data for federal exposure. WCRB will no longer edit data reported under Exposure Act/Exposure Coverage Code 02. This item is removed from the agenda.

UNFINISHED BUSINESS

- Krueger Lumber Company, Inc.- Hearing – The employer did not appeal the decision of the Committee within 30 days to the Office of the Commissioner of Insurance. This item is removed from the agenda.
- Named Insured Process – The Operations Subcommittee met to discuss options to allow proper notification of mid-term cancellation of coverage for named insureds on a policy. An endorsement was created to allow for the reporting. The endorsement will give a 30 day notice, much like the cancellation process.

This item was approved for filing with the OCI to be effective October 1, 2023..

ACTUARIAL SUBCOMMITTEE

The Actuarial Subcommittee met on November 10 to determine what additional reports or research may be needed for the 2023 rate revision.

The next Actuarial Subcommittee meeting is scheduled for February 23 at 9:30.

WCRB Governing Board Meeting

Antitrust Statement - "This Board meeting has been called to discuss the items of mutual interest and concern to the members of the Wisconsin Compensation Rating Bureau. In accordance with both Federal and Wisconsin State Anti-trust Laws, this Committee is prohibited from any discussion or action which constitutes any form of boycott, coercion, or intimidation."

- Approval of the Minutes for the September 1, 2022 meetings.
- Bureau Operations – Industry Issues
 - Budget Update - The Board members were presented with the following budget reports and were given the opportunity to ask questions on the information presented.
 - 2022 Estimated Year-End/2023 Proposed Budget
 - 2022 Approved IT Budget vs 2022 Estimated Year-end Summary
 - 2023 IT Proposed Budget
 - Income Report that included years 2020 through October 2022
 - Notice to Carrier Fine Comparison
 - Unit Stat Fine Comparison

The Board postponed approval of the proposed budget until Executive Session.

- Accounting Process Update – WCRB will transition to the new accounting processing system in January 2023. Enhancements and efficiencies of the new system were outlined.
- Administrative affairs, occupancy, general expenses, personnel, etc. The Board was updated on several items:
 - 2023, 2024 Meeting Schedules – The Board adopted the tentative meeting schedules for 2023 and 2024. The dates will be posted on the WCRB Web site calendar. The next Rating Committee/Governing Board meeting is scheduled for Tuesday, February 28 at 8:30 AM at the WCRB.
 - Personnel – The 2023 retirements of Nancy Kierzek, Vice President of Administrative Services and Michael Mann, Chief Information Officer were announced.
 - Education – WCRB is conducting daily training sessions. These sessions are voluntary and well attended.
 - Waste Reduction – Two big projects for the WCRB were the review of the system edits and NTC paragraphs. Over 800 system edits were reviewed and about 100 were disabled. Over 170 standard NTC paragraphs were reviewed.

One NTC enhancement made to the WCRB Web site is that open advisory NTCs will automatically be reported as closed 30 days from the NTC issue date.

- Legislative Update - general discussion among the Board over pending and potential upcoming legislative issues.
 - WC Hearings/OWCH- general discussion on conflicting direction being provided between DWD and OWCH.
 - WC Hearings are on track to be conducted within 9 months of initial filing.
 - The 2024 Agreed Bill process has begun.

- WWCIP Activity
 - Pool Handbook Audit changes – The Pool Handbook revision to allow virtual/electronic audits has been approved by the OCI. This item is removed from the agenda.
 - RFP Process – Enhancements – The Board was updated on the RFP enhancements being worked on with the OCI.
 - Charge-off Request- Aguilar Roofing and Services LLC – \$189,089 - Society Insurance A Mutual Company – The Governing Board approved the recommendation to charge-off the uncollectible balance. Society Insurance abstained from voting.
 - Charge-off Request- Rogelio Aquino Moncada – \$87,124 - Society Insurance A Mutual Company - The Governing Board approved the recommendation to charge-off the uncollectible balance. Society Insurance abstained from voting.
 - The usual Pool activity reports were provided.

Following adjournment, the Board met in Executive Session.

All votes taken at the Rating Committee and Governing Board meetings were unanimous unless otherwise noted.