



### CIRCULAR LETTER 1252—March 16, 2022

### WISCONSIN GOVERNING BOARD MEETING

Minutes of the Wisconsin Governing Board meeting held virtually and in-person from the premises of the Wisconsin Compensation Rating Bureau, 20700 Swenson Drive, Waukesha, WI 53186 on Thursday, March 3, 2022. The meeting was called to order at 8:30 AM.

A list of attendees at the September Rating Committee and Governing Board meetings follows. The Chair of the Rating Committee was Scott Beaver from West Bend Mutual Insurance Company. Chair of the Governing Board was Diana Trent from Employers Insurance of Wausau.

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 of Wausau	Diana Trent	X	X
Employers Mutual Casualty Co.	Mike Lester	O	X
	Craig Sanford	O	X
	Gail Ostaszewski	O	X
	Mark Neubauer	O	X
General Casualty Co	George Busche	X	X
SFM Mutual Insurance Co.	Brian Bent	X	X
Secura Insurance Co.	Steve Miller	X	O
	Joe Schmidt	X	O
Sentry Insurance A Mutual Co.	Scott Lange	X	X
	Bev Beigel	X	X
Society Insurance Co.	Dennis Saldana	X	X
Travelers Indemnity Co.	Eric Belk	X	X
United Wisconsin Insurance Co.	Janelle Krainz	X	X
West Bend Mutual Insurance Co.	Scott Beaver	X	X
	Brian McEvoy	X	X
Wisconsin Compensation Rating Bureau	Bernie Rosauer	O	O
	Tad Cleveland	O	O
	Nancy Kierzek	O	O
	Michael Mann	O	O
	Beth Nickel	O	O
	Jaclyn Medici-Bruneau	O	O
	Donna Knepper	O	O
	Stephanie Staring	O	O
	Andrew Stoughton	O	O
	Michelle Swessel	O	O
	Joshua Valin	O	O

X = Committee member  
O = Non-committee member

Also Present:

<b>ORGANIZATION</b>	<b>REPRESENTATIVE</b>	<b>GOVERNING BOARD</b>	<b>RATING COMMITTEE</b>
Acuity, A Mutual Insurance Company	Jeff Brey	O	O
	Paul Emerick	O	O
Aegis	Terry Falls	O	O
Badger Mutual	Tyler Protz	O	O
Department of Workforce Development (DWD)	Steve Peters	O	O
	Joe Moreth	O	O
	Aaron Galarowicz	O	O
Office of the Commissioner of Insurance (OCI)	David Haushalter	O	O
	Rebecca Rebholz	O	O
R & R Insurance	Nancy McMurry	O	O
Riegel Law	Paul Riegel	O	O
Rural Mutual Insurance Company	Sara Grade	O	O

**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.”

**UNFINISHED BUSINESS**

- COVID-19 Amendments – General discussion of the current state and potential impact of COVID-19. This item continues on the agenda.

Pending Filings

There were no pending filings to discuss.

**NEW BUSINESS**

- NCCI Item P-1419 – Revisions to the Premium Due Date Endorsement (WC 00 04 19) – this item proposes revisions to the Premium Due Date endorsement language including the addition of phrasing for incorporation of Manuals by reference. After discussion, the Committee unanimously did not approve to file with the Office of the Commissioner of Insurance for approval. This item is removed from the agenda.

- Changes to the F-Class Methodology- this item proposes a change from the current F-class calculation methodology to that of the NCCI revised F-Class calculation methodology. After discussion, the Committee unanimously did not approve to file with the Office of the Commissioner of Insurance for approval. This item is removed from the agenda.
- WCPAP Rule Changes – this item revises and clarifies the Wisconsin Contractors Premium Adjustment Program (WCPAP) program language in the WI Basic Manual. Revisions include:
  - Overtime premium is not included;
  - May be combined with other common ownership policies which include contracting classifications for a single credit calculation applied to all policies;
  - Premium credits will be whole number credits between 1% and 10%;
  - Eligibility will be confirmed at audit and if no contracting codes apply, the credit will be withdrawn.

The Committee voted to approve filing the item with the Office of the Commissioner of Insurance with an effective date of 10/01/2022. This item continues on the agenda.

- Endorsement WC 00 04 25 Experience Rating Modification Factor Revision – this item proposes changing Notice to Carriers on this endorsement from a mandatory NTC to advisory. The Committee voted to approve this change effective immediately. This item is removed from the agenda.
- Aggravated Inequity – this item revises and clarifies the Aggravated Inequity language in the WI Experience Rating Plan Manual Rule III.D.4(f). The changes include the following:
  - Adding the specific term “aggravated inequity” to the Plan Manual language;
  - Removing the requirement for prior WCRB approval of the recalculation if all conditions are met;
  - Clarifying the 30 day window requirement.

The Committee voted to approve filing the item with the Office of the Commissioner of Insurance with an effective date upon approval. This item continues on the agenda.

### **WCRB Governing Board Meeting**

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- Approval of the Minutes for the December 2, 2021 meeting.
- 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.
    - 2021 Estimated Year-End/2022 Adjusted Proposed Budget
    - 2021 Approved IT Budget/2021 Estimated Year-End Summary
    - 2022 IT Proposed Budget
    - Income Report that included years 2019 through 2021
    - Notice to Carrier Fine Comparison
    - Unit Stat Fine Comparison

The Board voted to levy an assessment in the amount of \$2,216,493 for the general operating expenses for the WCRB for the second quarter of 2022.

- Administrative affairs, occupancy, general expenses, personnel, etc. The Board was updated on several items:
  - KanBan- updates and general discussion on the ongoing Lean Initiative.
- Legislative Update - general discussion among the Board over pending and potential upcoming legislative issues.
  - WC Hearings/OWCH- general discussion on a proposal to reinstitute preliminary hearing requirements. This item continues on the agenda.
- WWCIP Activity – The usual Pool activity reports were provided.
- Charge-Off Requestion- Wisconsin White Sand LLC - \$109,289.98 – West Bend A Mutual Company - the Governing Board approved the recommendation to charge-off the uncollectible balance.

West Bend A Mutual Company abstained from voting.

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