



### CIRCULAR LETTER 1267—JUNE 30, 2023

#### WISCONSIN GOVERNING BOARD MEETING

Minutes of the Wisconsin Governing Board meeting held in the offices of the West Bend Insurance Company, 1900 South 18<sup>th</sup> Ave, West Bend, WI 53095. The Rating Committee convened at 8:30 A.M. on Tuesday, June 13, 2023. The Governing Board convened at 8:30 A.M. on Wednesday, June 14, 2023.

A list of attendees at the Rating Committee and Governing Board meetings follow. The Chair of the Rating Committee was Brian Bent from SFM Mutual Insurance Co. Chair of the Governing Board was George Busche from General Casualty 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		X
	Jim Slaski		X
General Casualty Insurance Co	George Busche	X	X
Lindgren, Lester & Associates, LLP	Mike Lester	X	X
SFM Mutual Insurance Co.	Brian Bent	X	X
	Nick Marino	X	X
	Rhonda Wills	X	X
	Jen Wolf	X	X
Secura Insurance, A Mutual Co.	Joe Schmidt	X	O
	Steve Miller	X	
	Jill Uitenbroek	X	
Sentry Insurance Co.	Scott Lange	X	X
	Bev Beigel	X	X
	Gail Brown	X	X
Society A Mutual Company	Dennis Saldana	X	X
Travelers Indemnity Co.	Eric Belk	X	X
	Peter Gunn	X	X
	Brett Mortimer	X	X
United Wisconsin Insurance Co	Janelle Krainz	X	X
West Bend Mutual Insurance Co.	Scott Beaver	X	X
	Jason Lanza	X	X
Wisconsin Compensation Rating Bureau	Bernie Rosauer	O	O
	Tad Cleveland	O	O
	Beth Nickel	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

Also Present:

<b>ORGANIZATION</b>	<b>REPRESENTATIVE</b>	<b>GOVERNING BOARD</b>	<b>RATING COMMITTEE</b>
Badger Mutual Insurance Co	Tyler Protz		O
Office of the Commissioner of Insurance (OCI)	David Haushalter	O	O
Riegel Law	Paul Riegel	O	O

X = Committee member  
O = Non-committee member

### **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

- Wisconsin Land Surveyors – Hearing - Wisconsin Compensation Rating Bureau was requested to allow for the assignment of class code 8601 for all Wisconsin land surveyors rather than the current class code 8602. After discussion, the Rating Committee denied the request. Class code 8602 is applied on a national basis to surveyors. This Committee did, however, request that the WCRB reach out to the NCCI to suggest that this issue be reviewed.
- NCCI Proposal Item B-1448 – Revisions to Basic Manual Rules Related to Payroll Inclusions and Payroll Exclusions – WCRB will continue their review of the proposal and provide a finalized report to the Committee at the September meeting.

#### UNFINISHED BUSINESS

- NCCI Item E-1409 – Enhancement to NCCI’s Experience Rating Plan Methodology – The Actuarial Subcommittee reviewed the proposed changes to the Experience Rating Plan methodology and recommended adoption for filing. The Rating Committee and Governing Board concurred with the recommendation. This item will be filed with the OCI for approval to be effective with the October 1, 2024 rate revision.
- Named Insured Process – WCRB reported that there was discussion with the regulators on the notification requirements on the endorsement. The carriers

should be able to demonstrate how the named insureds were notified. This item is removed from the agenda.

- NCCI Item E-1410 – Revisions to NCCI Manual Rules Related to the Inclusion of COVID-19 (Coronavirus) Claims in Experience Rating and Merit Rating – This item was approved by the OCI effective 6-30-23. This item is removed from the agenda.

## **ACTUARIAL SUBCOMMITTEE**

The review of the rate filing supporting data is underway. It is anticipated that the complete filing will be submitted to the OCI around the end of June.

### **WCRB Governing Board Meeting**

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- Approval of the Minutes for the February 28, 2023 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 Audited Year-End/2023 Approved Budget
    - 2022 Approved IT Budget vs 2022 Audited Year-end Summary
    - Income Report that included years 2020 through audited year-end 2022
    - Notice to Carrier Fine Comparison
    - Unit Stat Fine Comparison

The Board voted to levy an assessment in the amount of \$2,379,820 for the general operating expenses for the WCRB for the third quarter of 2023.

- Administrative affairs, occupancy, general expenses, personnel, etc. The Board was updated on:
  - WCRI CompScope report will be available on the WCRB website later this year.
- Legislative Update - general discussion over pending and potential upcoming legislative issues.

- WWCIP Activity
  - RFP Process – Enhancements – The Board was updated on the ongoing WWCIP RFP discussions with the OCI.
  - Request for Depopulation Report Enhancement – The Board approved the proposal to potentially include the name of the agent on the WWCIP Depopulation Report.
  - WWCIP Actuarial Analysis – Milliman – The Board was provided a report on the determination of the WWCIP Fund and the current distribution. The Investment Subcommittee recommended no change to how the assets in the Pool Fund are valued. The Board concurred with the recommendation but also requested that the current target fund rules be reviewed.
  - The usual Pool activity reports were provided.

The Governing Board met in Executive Session.

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