



**CIRCULAR LETTER 1271—JANUARY 8, 2024**

**WISCONSIN GOVERNING BOARD and RATING COMMITTEE MEETING**

Minutes of the Wisconsin Governing Board and Rating Committee meetings called to convene in the office of the Wisconsin Compensation Rating Bureau, 20700 Swenson Drive, Waukesha, WI 53186 on Thursday, December 14, 2023. The meeting was called to order at 8:30 AM.

A list of attendees at the Rating Committee and Governing Board meetings follows. The Chair of the Rating Committee was Jen Wolf from SFM Mutual Insurance Co. Chair of the Governing Board was George Busche from General Casualty Insurance Co.

<b>ORGANIZATION</b>	<b>REPRESENTATIVE</b>	<b>GOVERNING BOARD</b>	<b>RATING COMMITTEE</b>
American Home Assurance	Ira Feuerlicht	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.	Jen Wolf	X	X
	Rhonda Wills	X	X
	Nick Marino	X	X
Secura Insurance, A Mutual Co.	Steve Miller	X	O
Sentry Insurance Co.	Scott Lange	X	X
Society A Mutual Company	Dennis Saldana	X	X
Travelers Indemnity Co.	Eric Belk	X	X
	Daniel Pascale		
United Wisconsin Insurance Co	Janelle Krainz	X	X
	Dan Bell		
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
	Laura Vande Hey	O	O
	Donna Knepper	O	O
	Andrew Stoughton	O	O
	Michelle Swessel	O	O
	Stephanie Staring	O	O
	Mitch Matthews	O	O

Member Absent or Excused:

Dan Burazin, Associated General Contractors of Greater Milwaukee

Also Present:

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

X = Committee member  
 O = Non-committee member  
 \*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**

- Milwaukee Milkmen Baseball LLC, ROC Ventures LLC, MKE Wave LLC and PTA 220 LLC Hearing – The aggrieved parties requested that the WCRB allow for separate experience rating calculations for each entity. The Rating Committee determined that the request to calculate individual experience rating modification factors must be denied based on the existing rules for combination of entities.
- Class Code Clean-up – Roller-skating – Code 9093 vs 9016 – The phraseology for codes 9093 and 9016 included reference to roller-skating rink. If the roller-skating rink is the only operation, code 9063 is appropriate. If the roller-skating rink is part of an operation which includes additional amusement facilities, code 9016 is applied. Reference to roller-skating rink will be removed from the phraseology for code 9016.
- WI Unit Statistical Plan Manual Rule Update – The Board was provided a copy of a proposed change to the definition of a permanent partial loss found in the Wisconsin Unit Statistical Plan Manual. The change was originally proposed under NCCI Item U-1398 which was not adopted by WI. The proposed change was adopted for filing with the OCI to be effective upon approval.

**UNFINISHED BUSINESS**

- NCCI Proposal Item B-1449 – Revisions to Basic Manual Rules Related to Service Charges and Automatic Gratuities – This item was approved by the Office of the Commissioner of Insurance effective January 1, 2024, applicable to new and renewal business. With all business complete, this item is removed from the agenda.
- NCCI Proposal Item B-1448 – Revisions to Basic Manual Rules Related to Payroll Inclusions and Payroll Exclusions - This item was approved by the Office of the Commissioner of Insurance effective January 1, 2024, applicable to new and renewal business. With all business complete, this item is removed from the agenda.

**ACTUARIAL SUBCOMMITTEE**

The Actuarial Subcommittee met on November 8 to discuss the October 1, 2023 rate filing and to begin the process for 2024. Included in the discussion for 2024 was the treatment of “penny classes”. The rates for “penny classes” can be too low to be affected by the overall rate change.

The next Actuarial Subcommittee is scheduled for February 15, 2024.

**WCRB Governing Board Meeting**

**Antitrust Statement**

- Adopted the minutes for the September 6, 2023 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.
    - 2023 Estimated Year-End/2024 Proposed Budget
    - Income Report that included years 2021 through 11-30-23
    - Notice to Carrier Fine Comparison
    - Unit Stat Fine Comparison
    - 60-Day Fine Comparison

The Board approved the 2024 proposed budget and voted to levy an assessment in the amount of \$2,334,201 for the general operating expenses for the WCRB for the first quarter of 2024.

- Carrier Premium Reporting Forms – WCRB sends out annual premium writing reporting form to each member carrier. Included in this request is a separate line item for ANC, which may incorrectly imply that carriers have the option of reporting ANC. Since the premium writing information is

## CIRCULAR LETTER 1271—JANUARY 8, 2024—PAGE 4

available through OCI, WCRB will obtain the information directly from OCI. Governing Board approved the new procedure and carriers will be advised that the annual premium writing form will no longer be requested. ANC charges will not be factored into the WCRB assessment base.

### ○ Administrative affairs

- Kanban is the tool WCRB uses to identify problems and “waste”. Kanban meets bi-weekly. Some of the efficiencies for 2023 include:
- Eliminate the double review of new business policies with a process that allows a policy analyst to run data through edits in real time.
- NTC paragraph review. Reviewed 185 standard NTC paragraphs, eliminated 99. In addition to cleaning up the paragraphs, this served as a great training tool. There has been more carrier/agent interaction. Overall NTC fines have decreased 44% in 2023.
- Policy analyst review of 60-day fines rather than the finance department
- Administrative streamlining including
  - New accounting system
  - Working toward eliminating hard checks – moving to ACH
  - Electronic open enrollment
- Spectrum debt analysis – detailed budget report. Discussion on the rewrite of Spectrum
- Web site enhancements including
  - Manage Data Product
  - Multifactor Authentication
  - Education Modules

### • Legislative Update

Two Agreed Bills have been written for consideration. One includes a medical fee schedule, one does not. Both will address PTSD for first responders, adjustment to PPD benefit and lump sum payment allowance.

### • WWCIP Activity

- The usual Pool activity reports were provided.
- RFP Process – Enhancements – This item is continued with no new business reported.
- Pool Fund Rules – Assessment/Disbursements – This item is continued with no action taken.

- Hard Copy Pool Application – Elimination – The Governing Board approved the recommendation to eliminate hard copy Pool applications effective 7-1-24. Outreach to inform the industry of this change would include the following:
  - Circular Letter notification.
  - Outreach to agents sending hard copy applications currently to inform them of the elimination of hard copy applications.
  - Article publication in communications issued by two agency organizations, IIAW and PIA.
  
- Charge-off Request- Copperhead Property Management LLC – \$50,269 – Employers Mutual Casualty Company. The Governing Board approved the recommendation to charge-off the uncollectible balance. Employers Mutual Casualty Company abstained from voting.

Following the adjournment of the Governing Board meeting, the Board will meet in Executive Session.