

Department of Workforce Development  
Division of Worker's Compensation  
P.O. Box 7901  
Madison, WI 53707-7901  
Telephone: (608) 266-1340  
Fax: (608) 267-0394



## Worker's Compensation Insurance Letter

INS #	521
Date	December 7, 2018
Program	Supplemental Benefit Assessment
Type	Annual
Replaces	516

Scott Walker, Governor  
Raymond Allen, Secretary

**To:** Insurance Carriers  
**From:** Frank Lasee, Division Administrator  
**Subject:** 2018 WORKER'S COMPENSATION WORK INJURY SUPPLEMENTAL BENEFIT FUND (WISBF)  
REIMBURSEMENT ASSESSMENT FOR INSURERS

**Purpose:** To communicate to insurance carriers about the 2018 supplemental benefit reimbursement assessment rate. This includes information regarding deadlines and to remind insurance carriers that interest will accrue on all unpaid balances after 30 days. The Worker's Compensation Supplemental Benefit Reimbursement Assessment is issued annually.

**Background:** Under s. 102.44 (1) (c), Wis. Stats., as amended by 2015 Wis. Act 55, the Work Injury Supplemental Benefit Fund (WISBF) no longer makes reimbursement payments to insurance carriers and self-insured employers for an injury that occurs on or after January 1, 2016.

Section 102.75 (1g), Wis. Stats., authorizes the Department to assess and collect costs for the reimbursement of supplemental benefits payments made on claims for injuries occurring on or before December 31, 2015.

The maximum amount the Department will assess and collect in a calendar year is \$5,000,000. If the total amount reimbursable in a calendar year exceeds \$5,000,000, the Department will collect up to \$5,000,000 maximum that year and collect the excess in the next calendar year (subject to a \$5,000,000 maximum) or in subsequent calendar years until the total outstanding amount is zero.

The Department will approve and pay a claim for supplemental benefit reimbursement no later than 16 months after the end of the year in which the supplemental benefit reimbursement claim was received by the Department subject to the \$5,000,000 yearly maximum. Insurance carriers are required to file a claim for reimbursement with the Department, using the Supplemental Benefit Reimbursement Request Form, WKC-140-E, no later than 12 months after the end of the year in which the supplemental benefits were paid. This form can be found at <https://dwd.wisconsin.gov/dwd/forms/wkc/wkc-140-e.htm>.

All supplemental benefit reimbursement claims that were pending as of May 14, 2013, the effective date of the reduction of reimbursement payments, and reimbursement claims received by the Department following that date are being paid in chronological order, subject to the \$5,000,000 yearly maximum, until the balance is zero.

The revenue funding supplemental benefit reimbursements is from annual assessments on each insurance carrier based on the same indemnity amount that is used for that insurer in the annual general assessment for the Department's operations fund. Each company's indemnity amount is determined by summing the amounts paid for each claim "first closed" in the previous calendar year. Indemnity includes payments for temporary total and partial disability, permanent total and partial disability, compromises, death benefits and funeral expenses, paid holidays, supplemental benefits, disfigurement, and vocational rehabilitation.

Each company's assessment amount is determined by multiplying its 2017 "first closed" claims total indemnity payments by the rate indicated. Each company's claim detail listing is available at [http://dwd.wisconsin.gov/wc/insurance/assess\\_program.htm](http://dwd.wisconsin.gov/wc/insurance/assess_program.htm); click on Assessment Reports. You will need your DWD/WISCONSIN Logon Account ID and password.

The Worker's Compensation Supplemental Benefit Reimbursement Assessment rate is calculated by dividing the current total amount reimbursable (up to a maximum of \$5,000,000) by the total indemnity payments from insurance carriers for claims "first closed" in the previous calendar year. For 2018, the maximum \$5,000,000 reimbursement divided by the total insurance carrier indemnity paid for 2017 "first closed" claims total of \$224,621,565 generates a 2018 Supplemental Benefit Reimbursement Assessment rate of 2.225%.

**Action Requested:** Payment of your company's 2018 Supplemental Benefit Assessment invoice

**Check payable to:** DWD-Bureau of Finance (See invoice for remittance address)

**Contact:** Lynn Weinberger at (608) 266-0331 or email: *WCASSESSMENT@dwd.wisconsin.gov*

**Enclosure:** INVOICE

**Reference:** WC Division website for claim detail listing