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## Worker's Compensation Insurance Letter

<b>INS #</b>	496
<b>Date</b>	June 3, 2013
<b>Program</b>	Supplemental Benefits
<b>Type</b>	Informational
<b>Replaces</b>	None

**To:** Insurance Carriers, Self-Insured Employers and Claims Handling Offices  
**From:** John Metcalf, Division Administrator  
**Subject:** Changes made to Supplemental Benefit Reimbursement Payments to Employers and Insurers under s. 102.44 (1) (c), Wis. Stats.

**Purpose/Background:** On May 14, 2013, the Department of Workforce Development notified the Worker's Compensation Advisory Council that based on generally accepted actuarial principles, the expected ultimate losses to the Work Injury Supplemental Benefit Fund (WISBF) on known claims exceed 85 percent of the cash balance of the fund, and consulted with the members of the Council regarding a date after which payment of specified claims under ss. 102.44 (1) (c), 102.49, 102.59, and 102.66, Wis. Stats., will be reduced pursuant to s. 102.65 (4) (b), Wis. Stats.

The Worker's Compensation Advisory Council unanimously passed a motion to reduce payment of supplemental benefit reimbursements made to employers and insurance carriers pursuant to s. 102.44 (1) (c), Wis. Stats., to \$0 (zero).

Effective May 14, 2013, payments made to employers and insurers under s. 102.44 (1) (c), Wis. Stats., shall be reduced to \$0 (zero) pursuant to s. 102.65 (4) (b), Wis. Stats.

This action affects any supplemental benefit reimbursement request pending with the Department on May 14, 2013 and any supplemental benefit reimbursement request received by the Department on or after May 14, 2013. No further supplemental benefit reimbursement payments will be issued by the WISBF on any reimbursement request pending with or received by the Department on or after May 14, 2013.

Continued payment of supplemental benefits by employers and insurers pursuant to s. 102.44 (1) (c), Wis. Stats., is still required by statute. However, reimbursement to employers and insurers of supplemental benefit payments made is reduced to \$0 (zero) pursuant to s. 102.65 (4) (b), Wis. Stats.

Payments by the WISBF are not affected by this action and will continue to be paid for benefits payable under s. 102.49, Wis. Stats., for additional death benefits for children, s. 102.59, Wis. Stats., for preexisting disability indemnity and s. 102.66, Wis. Stats., for specified claims barred by the applicable statute of limitations.

**Action Requested:** Please notify all personnel who handle Wisconsin supplemental benefit reimbursement requests pursuant to s. 102.44 (1) (c), Wis. Stats. of this change.

**Inquiries:** If you have any questions, please contact Lisa Halsey at (608) 266-5570 or e-mail her at [Lisa.Halsey@dwd.wisconsin.gov](mailto:Lisa.Halsey@dwd.wisconsin.gov)

**Enclosure:** None

**Reference:** Insurance Letter 496

