



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott Walker, Governor
Theodore K. Nickel, Commissioner

Wisconsin.gov

September 29, 2016

Injured Patients and Families Compensation Fund

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The Honorable Robert Cowles
Joint Legislative Audit Committee
Room 118 South State Capitol
P.O. Box 7882
Madison, WI 53707-7882

The Honorable Mary Lazich
Joint Legislative Audit Committee
Room 219 South State Capitol
P.O. Box 7882
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The Honorable Alberta Darling
Joint Legislative Audit Committee
Room 317 East State Capitol
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The Honorable Kathleen Vinehout
Joint Legislative Audit Committee
Room 108 South State Capitol
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The Honorable Janet Bewley
Joint Legislative Audit Committee
Room 126 South State Capitol
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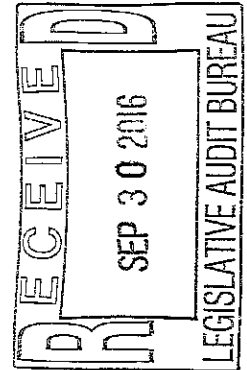
The Honorable Samantha Kerkman
Joint Legislative Audit Committee
Room 315 North State Capitol
P.O. Box 8952
Madison, WI 53708

The Honorable John Macco
Joint Legislative Audit Committee
Room 22 West State Capitol
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The Honorable John Nygren
Joint Legislative Audit Committee
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The Honorable Melissa Sargent
Joint Legislative Audit Committee
Room 321 West State Capitol
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The Honorable Terese Berceau
Joint Legislative Audit Committee
Room 104 North State Capitol
P.O. Box 8952
Madison, WI 53708



Re: 2016 Actuarial Audit of Pinnacle Actuarial Services, Inc.
Injured Patients and Families Compensation Fund

Dear Senators Cowles, Lazich, Darling, Vinehout and Bewley, and Representatives Kerkman, Macco, Nygren, Sargent and Berceau:

This Actuarial Audit update is submitted on behalf of the Board of Governors of the Injured Patients and Families Compensation Fund (Fund) as required by Legislative Audit Bureau Report 16-4, page 11, dated March, 2016.

The Office of the Commissioner of Insurance has procured the firm of Willis Towers Watson through the State of Wisconsin simplified bid process to perform this engagement. Willis Towers Watson commenced the audit on September 20, 2016 and will be reviewing the work papers of Pinnacle Actuarial Services, Inc. (Pinnacle) dated September 30, 2015.

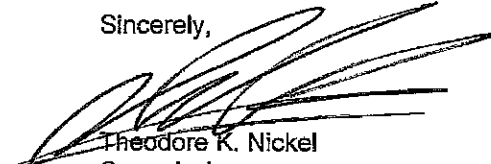
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The focus of the audit will be reviewing actuarial methods used by Pinnacle and specifically looking at the reasonableness of the recommended target range for the Fund's net position.

The Office of the Commissioner of Insurance expects the actuarial audit to be completed by December 1, 2016 for review by the Fund's appropriate committees and the Board of Governors.

If you have any questions, please do not hesitate to contact our office.

Sincerely,



Theodore K. Nickel
Commissioner

TKN:tlc