

WISCONSIN LEGISLATIVE COUNCIL STAFF



RULES CLEARINGHOUSE

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CLEARINGHOUSE REPORT TO AGENCY

[THIS REPORT HAS BEEN PREPARED PURSUANT TO S. 227.15, STATS. THIS IS A REPORT ON A RULE AS ORIGINALLY PROPOSED BY THE AGENCY; THE REPORT MAY NOT REFLECT THE FINAL CONTENT OF THE RULE IN FINAL DRAFT FORM AS IT WILL BE SUBMITTED TO THE LEGISLATURE. THIS REPORT CONSTITUTES A REVIEW OF, BUT NOT APPROVAL OR DISAPPROVAL OF, THE SUBSTANTIVE CONTENT AND TECHNICAL ACCURACY OF THE RULE.]

CLEARINGHOUSE RULE 00-061

AN ORDER to amend Ins 17.01 (3) and 17.28 (6a); and to repeal and recreate Ins 17.28 (6), relating to annual patients compensation fund and mediation fund fees for the fiscal year beginning July 1, 2000.

Submitted by **OFFICE OF THE COMMISSIONER OF INSURANCE**

03-20-00 RECEIVED BY LEGISLATIVE COUNCIL.

04-17-00 REPORT SENT TO AGENCY.

RS:GAA:jal

Exh#	2
Date	5-5-00
Case	Rule
Ins. Comm.	17.28

LEGISLATIVE COUNCIL RULES CLEARINGHOUSE REPORT

This rule has been reviewed by the Rules Clearinghouse. Based on that review, comments are reported as noted below:

1. STATUTORY AUTHORITY [s. 227.15 (2) (a)]

Comment Attached YES NO

2. FORM, STYLE AND PLACEMENT IN ADMINISTRATIVE CODE [s. 227.15 (2) (c)]

Comment Attached YES NO

3. CONFLICT WITH OR DUPLICATION OF EXISTING RULES [s. 227.15 (2) (d)]

Comment Attached YES NO

4. ADEQUACY OF REFERENCES TO RELATED STATUTES, RULES AND FORMS
[s. 227.15 (2) (e)]

Comment Attached YES NO

5. CLARITY, GRAMMAR, PUNCTUATION AND USE OF PLAIN LANGUAGE [s. 227.15 (2) (f)]

Comment Attached YES NO

6. POTENTIAL CONFLICTS WITH, AND COMPARABILITY TO, RELATED FEDERAL
REGULATIONS [s. 227.15 (2) (g)]

Comment Attached YES NO

7. COMPLIANCE WITH PERMIT ACTION DEADLINE REQUIREMENTS [s. 227.15 (2) (h)]

Comment Attached YES NO

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PROCESSING INSTRUCTIONS TO AGENCY HEADS

[ENCLOSED ARE THE SENATE AND ASSEMBLY RULE JACKETS CONTAINING THE LEGISLATIVE COUNCIL CLEARINGHOUSE REPORT. AN ADDITIONAL COPY OF THE CLEARINGHOUSE REPORT IS ENCLOSED FOR YOUR FILES.]

PLEASE NOTE: Your agency must complete the following steps in the legislative process of administrative rule review:

1. On the appropriate line on the face of both clearinghouse rule jackets, enter, in column 1, the appropriate date and, in column 2, "Report Received by Agency."
2. On the appropriate line or lines on the face of both clearinghouse rule jackets, enter, in column 1, the appropriate date or dates and, in column 2, "Public Hearing Held" OR "Public Hearing Not Required."
3. Enclose in both clearinghouse rule jackets, in triplicate, the notice and report required by s. 227.19 (2) and (3), Stats. [The report includes the rule in final draft form.]
4. Notify the presiding officer of the Senate and Assembly that the rule is in final draft form by hand delivering the Senate clearinghouse rule jacket to the Senate Chief Clerk and the Assembly clearinghouse rule jacket to the Assembly Chief Clerk. At the time of this submission, on the appropriate line on the face of the clearinghouse rule jacket, each Chief Clerk will enter, in column 1, the appropriate date and, in column 2, "Report Received from Agency." Each clearinghouse rule jacket will be promptly delivered to each presiding officer for referral of the notice and report to a standing committee in each house.
5. If the agency does not proceed with the rule-making process on this rule, on the appropriate line on the face of both clearinghouse rule jackets, enter, in column 1, the appropriate date and, in column 2, "Rule Draft Withdrawn by Agency" and hand deliver the Senate clearinghouse rule jacket to the Senate Chief Clerk and the Assembly clearinghouse rule jacket to the Assembly Chief Clerk.

FOR YOUR INFORMATION: A record of all actions taken on administrative rules is contained in the Bulletin of Proceedings of the Wisconsin Legislature. The clearinghouse rule jackets will be retained by the Legislature as a permanent record.

[See reverse side for jacket sample.]

WLCS
TCA:jal;kja
3/00

PROPOSED ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE AND THE
BOARD OF GOVERNORS OF THE PATIENTS COMPENSATION FUND
AMENDING AND REPEALING AND RECREATING A RULE

The office of the commissioner of insurance and the board of governors of the patients compensation fund propose an order to amend s. Ins 17.01 (3), s. Ins 17.28 (6a), and to repeal and recreate s. Ins 17.28 (6), relating to annual patients compensation fund and mediation fund fees for the fiscal year beginning July 1, 2000.

ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE

Statutory authority: ss. 601.41 (3), 655.004, 655.27 (3) (b), and 655.61, Stats.

Statutes interpreted: s. 655.27 (3), Stats.

The commissioner of insurance, with the approval of the board of governors (board) of the patients compensation fund (fund), is required to establish by administrative rule the annual fees which participating health care providers must pay to the fund. This rule establishes those fees for the fiscal year beginning July 1, 2000. These fees represent a 25% decrease compared with fees paid for the 1999-00 fiscal year. The board approved these fees at its meeting on February 23, 2000, based on the recommendation of the board's actuarial and underwriting committee.

The board is also required to promulgate by rule the annual fees for the operation of the patients compensation mediation system, based on the recommendation of the director of state courts. This rule implements the director's funding level recommendation by establishing mediation panel fees for the next fiscal year at \$ 38.00 for physicians and \$2.00 per occupied bed for hospitals, representing an increase of more than 100% and 100% respectively, from 1999-00 fiscal year mediation panel fees.

SECTION 1. Ins 17.01 (3) is amended to read:

Ins 17.01 (3) FEE SCHEDULE. (intro.) The following fee schedule shall be effective July 1, ~~1999~~ 2000:

- (a) For physicians-- ~~\$16.00~~ \$38.00
- (b) For hospitals, per occupied bed-- ~~\$1.00~~ \$2.00

SECTION 2. Ins 17.28 (6) is repealed and recreated to read:

Ins 17.28 (6) FEE SCHEDULE. The following fee schedule is in effect from July 1, 2000, to and including June 30, 2001:

(a) Except as provided in pars. (b) to (f) and sub. (6e), for a physician for whom this state is a principal place of practice:

Class 1	\$1,898	Class 3	\$7,877
Class 2	\$3,606	Class 4	\$11,388

(b) For a resident acting within the scope of a residency or fellowship program:

Class 1	\$949	Class 3	\$3,938
Class 2	\$1,803	Class 4	\$5,694

(c) For a resident practicing part-time outside the scope of a residency or fellowship program:

All classes	\$1,139
-------------	---------

(d) For a medical college of Wisconsin, inc., full-time faculty member:

Class 1	\$759	Class 3	\$3,150
Class 2	\$1,442	Class 4	\$4,554

(e) For a physician who practices fewer than 500 hours during the fiscal year, limited to office practice and nursing home and house calls, and who does not practice obstetrics or surgery or assist in surgical procedures:

\$475

(f) For a physician for whom this state is not a principal place of practice:

Class 1	\$949	Class 3	\$3,938
Class 2	\$1,803	Class 4	\$5,694

(g) For a nurse anesthetist for whom this state is a principal place of practice: \$475

(h) For a nurse anesthetist for whom this state is not a principal place of practice: \$237

(i) For a hospital:
 1. Per occupied bed \$116; plus
 2. Per 100 outpatient visits during the last calendar year for which totals are available: \$5.80

(j) For a nursing home, as described under s. 655.002 (1) (j), Stats., which is wholly owned and operated by a hospital and which has health care liability insurance separate from that of the hospital by which it is owned and operated:

Per occupied bed \$22.00

(k) For a partnership comprised of physicians or nurse anesthetists, organized for the primary purpose of providing the medical services of physicians or nurse anesthetists, all of the following fees:

1. a. If the total number of partners and employed physicians and nurse anesthetists is from 2 to 10 \$66

b. If the total number of partners and employed physicians and nurse anesthetists is from 11 to 100 \$661

c. If the total number of partners and employed physicians and nurse anesthetists exceeds 100 \$1,652

2. The following fee for each of the following employes employed by the partnership as of July 1, 2000:

Employed Health Care Persons	July 1, 2000 Fund Fee
Nurse Practitioners	\$ 475
Advanced Nurse Practitioners	664
Nurse Midwives	4,176
Advanced Nurse Midwives	4,365

2. The following fee for each of the following employes employed by the partnership as of July 1, 2000:

Employed Health Care Persons	July 1, 2000 Fund Fee
Nurse Practitioners	\$ 475
Advanced Nurse Practitioners	664
Nurse Midwives	4,176
Advanced Nurse Midwives	4,365
Advanced Practice Nurse Prescribers	664
Chiropractors	759
Dentists	380
Oral Surgeons	2,847
Podiatrists-Surgical	8,067
Optometrists	380
Physician Assistants	380

(L) For a corporation, including a service corporation, with more than one shareholder organized under ch. 180, Stats., for the primary purpose of providing the medical services of physicians or nurse anesthetists, all of the following fees:

1. a. If the total number of shareholders and employed physicians and nurse anesthetists is from 2 to 10

	\$66
--	------
- b. If the total number of shareholders and employed physicians and nurse anesthetists is from 11 to 100

	\$661
--	-------
- c. If the total number of shareholders and employed physicians or nurse anesthetists exceeds 100

	\$1,652
--	---------

2. The following for each of the following employes employed by the corporation as of July 1, 2000:

Employed Health Care Persons	July 1, 2000 Fund Fee
Nurse Practitioners	\$ 475
Advanced Nurse Practitioners	664

Optometrists	380
Physician Assistants	380

(m) For a corporation organized under ch. 181, Stats., for the primary purpose of providing the medical services of physicians or nurse anesthetists, all of the following fees:

1. a. If the total number of employed physicians and nurse anesthetists is from 1 to 10

	\$66
--	------
- b. If the total number of employed physicians and nurse anesthetists is from 11 to 100

	\$661
--	-------
- c. If the total number of employed physicians or nurse anesthetists exceeds 100

	\$1,652
--	---------

2. The following for each of the following employes employed by the corporation as of July 1, 2000:

Employed Health Care Persons	July 1, 2000 Fund Fee
Nurse Practitioners	\$ 475
Advanced Nurse Practitioners	664
Nurse Midwives	4,176
Advanced Nurse Midwives	4,365
Advanced Practice Nurse Prescribers	664
Chiropractors	759
Dentists	380
Oral Surgeons	2,847
Podiatrists-Surgical	8,067
Optometrists	380
Physician Assistants	380

(n) For an operational cooperative sickness care plan as described under s. 655.002

(1) (f), Stats., all of the following fees:

1. Per 100 outpatient visits during the last calendar year for which totals are available

	\$.14
--	--------

2. 2.5% of the total annual fees assessed against all of the employed physicians.

3. The following for each of the following employees employed by the operational cooperative sickness plan as of July 1, 2000:

Employed Health Care Persons	July 1, 2000 Fund Fee
Nurse Practitioners	\$ 475
Advanced Nurse Practitioners	664
Nurse Midwives	4,176
Advanced Nurse Midwives	4,365
Advanced Practice Nurse Prescribers	664
Chiropractors	759
Dentists	380
Oral Surgeons	2,847
Podiatrists-Surgical	8,067
Optometrists	380
Physician Assistants	380

(o) For a freestanding ambulatory surgery center, as defined in s. HFS 120.03 (10):

Per 100 outpatient visits during the last calendar year for which totals are

available

\$28

(p) For an entity affiliated with a hospital, the greater of \$100 or whichever of the following applies:

1. 7% of the amount the entity pays as premium for its primary health care liability insurance, if it has occurrence coverage.

2. 10% of the amount the entity pays as premium for its primary health care liability insurance, if it has claims-made coverage.

SECTION 3. Ins 17.28 (6a) is amended to read:

Ins 17.28 (6a) FEES FOR OCI APPROVED SELF-INSURED HEALTH CARE PROVIDERS. The following fee schedule is in effect from July 1, ~~1999~~ 2000 to and including June 30, ~~2000~~ 2001 for OCI approved self-insured health care providers who elect, pursuant to s. 655.23

(4) (c) 2., Stats., to increase their per occurrence limit to \$800,000 for each occurrence on or after July 1, 1999, provided such self-insured provider has filed an amended self-insured plan document reflecting the increased coverage levels with the office of the commissioner of insurance and with the patients compensation fund on or before August 15, 1999:

The fees set forth in sub. (6) multiplied by 1.073.

SECTION 4. EFFECTIVE DATE. This rule will take effect on July 1, 2000.

Dated at Madison, Wisconsin, this ____ day of _____ 2000.

/s/

Connie L. O'Connell
Commissioner of Insurance

LRB or Bill No./Adm. Rule No.
 Ins. 17.01, 17.28
 Amendment No. if Applicable

FISCAL ESTIMATE
 DOA-2048 N

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

Subject
 Relating to annual Patients Compensation Fund fees for fiscal year 2000-2001

Fiscal Effect
 State: No State Fiscal Effect
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

<input type="checkbox"/> Increase Existing Appropriation	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Decrease Existing Appropriation	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Create New Appropriation		

Local: No local government costs

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Governmental Units Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected
 GPR FED PRO PRS X SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

The Patients Compensation Fund (Fund) is a segregated fund. Annual Fund fees are established to become effective each July 1, based on actuarial estimates of the Fund's needs for payment of medical malpractice claims. The proposed fees were approved by the Fund's Board of Governors at its February 23, 2000 meeting.

There is no effect on GPR.

Estimated revenue from fees, for fiscal year 2000-2001, is approximately \$36.0 million, which represents a 25% decrease to fiscal year 1999-2000 fee revenue.

Long-Range Fiscal Implications
 None.

Agency/Prepared by: (Name & Phone No.) PCF/Theresa Wedekind (608)266-0953	Authorized Signature/Telephone No.  (608) 266-0102	Date 3/17/2000
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MAY 24 2000

State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Tommy G. Thompson
Governor

Connie L. O'Connell
Commissioner

May 23, 2000

121 East Wilson Street • P.O. Box 7873
Madison, Wisconsin 53707-7873
Phone: (608) 266-3585 • Fax: (608) 266-9935
E-Mail: Information@oci.state.wi.us
http://badger.state.wi.us/agencies/oci/oci_home.htm

HONORABLE JUDITH ROBSON
SENATE CO-CHAIRPERSON
JOINT COMM FOR REVIEW OF ADM RULES
15 SOUTH STATE CAPITOL
MADISON WI 53702

Re: Emergency Rule, Section Ins 17.01(3), 17.28(6a) and 17.28(6), Wis. Adm. Code,
relating to annual patients compensation fund and mediation fund fees for
the fiscal year beginning July 1, 2000

Dear Senator Robson:

I am promulgating the attached rule as an emergency rule. It will be published in the
official State newspaper on May 23.

If you have any questions, please contact Alice M. Shuman-Johnson at 266-9892 or e-
mail at Alice.Shuman-Johnson@oci.state.wi.us.

Sincerely,

Connie L. O'Connell
Commissioner

CLO:AS
Attachment: 1 copy rule

MAY 24 2000



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Tommy G. Thompson
Governor

Connie L. O'Connell
Commissioner

May 23, 2000

121 East Wilson Street • P.O. Box 7873
Madison, Wisconsin 53707-7873
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Members of the Legislature

Re: Emergency Rule, Section Ins 17.01(3), 17.28(6a) and 17.28(6), Wis. Adm. Code, relating to annual patients compensation fund and mediation fund fees for the fiscal year beginning July 1, 2000

Dear Senator or Representative to the Assembly:

I have promulgated the attached rule as an emergency rule. The rule will be published in the official State newspaper on May 23, 2000.

The attached copy of the rule includes the Finding of Emergency which required promulgation of the rule.

If you have any questions, please contact Alice M. Shuman-Johnson at 266-9892 or e-mail at Alice.Shuman-Johnson@oci.state.wi.us.

Sincerely,

A handwritten signature in black ink that reads "Connie L. O'Connell".

Connie L. O'Connell
Commissioner

CLO:AS

Attachment: 1 copy rule



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Tommy G. Thompson
Governor

Connie L. O'Connell
Commissioner

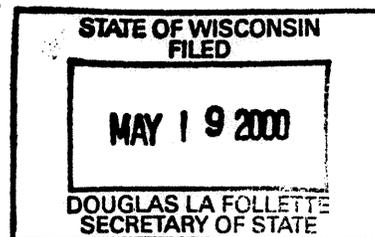
May 19, 2000

121 East Wilson Street • P.O. Box 7873
Madison, Wisconsin 53707-7873
Phone: (608) 266-3585 • Fax: (608) 266-9935
E-Mail: Information@oci.state.wi.us
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STATE OF WISCONSIN

OFFICE OF THE COMMISSIONER OF INSURANCE

SS

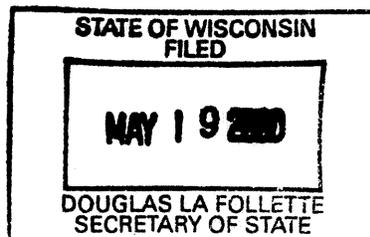


I, Connie L. O'Connell, Commissioner of Insurance and custodian of the official records, certify that the annexed emergency rule affecting Section Ins 17.01(3), 17.28(6a) and 17.28(6), Wis. Adm. Code, relating to annual patients compensation fund and mediation fund fees for the fiscal year beginning July 1, 2000, is duly approved and adopted by this Office on May 19, 2000.

I further certify that I have compared this copy with the original on file in this Office and that it is a true copy of the original, and the whole of the original.

IN TESTIMONY WHEREOF,
I have hereunto set my hand at
121 East Wilson Street, Madison, Wisconsin,
on May 19, 2000.

Connie L. O'Connell
Commissioner



ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE AND THE
BOARD OF GOVERNORS OF THE PATIENTS COMPENSATION FUND
AMENDING AND REPEALING AND RECREATING A RULE

The office of the commissioner of insurance and the board of governors of the patients compensation fund propose an order to amend s. Ins 17.01 (3), s. Ins 17.28 (6a), and to repeal and recreate s. Ins 17.28 (6), relating to annual patients compensation fund and mediation fund fees for the fiscal year beginning July 1, 2000.

ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE

Statutory authority: ss. 601.41 (3), 655.004, 655.27 (3) (b), and 655.61, Stats.

Statutes interpreted: s. 655.27 (3), Stats.

The commissioner of insurance, with the approval of the board of governors (board) of the patients compensation fund (fund), is required to establish by administrative rule the annual fees which participating health care providers must pay to the fund. This rule establishes those fees for the fiscal year beginning July 1, 2000. These fees represent a 25% decrease compared with fees paid for the 1999-00 fiscal year. The board approved these fees at its meeting on February 23, 2000, based on the recommendation of the board's actuarial and underwriting committee.

The board is also required to promulgate by rule the annual fees for the operation of the patients compensation mediation system, based on the recommendation of the director of state courts. This rule implements the director's funding level recommendation by establishing mediation panel fees for the next

fiscal year at \$ 38.00 for physicians and \$2.00 per occupied bed for hospitals, representing an increase of more than 100% and 100% respectively, from 1999-00 fiscal year mediation panel fees.

FINDING OF EMERGENCY

The commissioner of insurance (commissioner) finds that an emergency exists and that promulgation of this emergency rule is necessary for the preservation of the public peace, health, safety or welfare. The facts constituting the emergency are as follows:

Actuarial and accounting data necessary to establish PCF fees is first available in January of each year. It is not possible to complete the permanent fee rule process in time for the patients compensation fund (fund) to bill health care providers in a timely manner for fees applicable to the fiscal year beginning July 1, 2000.

The commissioner expects that the permanent rule corresponding to this emergency rule, clearinghouse No. 00-061, will be filed with the secretary of state in time to take effect September 1, 2000. Because the fund fee provisions of this rule first apply on July 1, 2000, it is necessary to promulgate the rule on an emergency basis. A hearing on the permanent rule, pursuant to published notice thereof, was held on May 5, 2000.

SECTION 1. Ins 17.01 (3) is amended to read:

Ins 17.01 (3) FEE SCHEDULE. (intro.) The following fee schedule shall be effective July 1, ~~1999~~ 2000:

- (a) For physicians-- ~~\$16.00~~ \$38.00
- (b) For hospitals, per occupied bed-- ~~\$1.00~~ \$2.00

SECTION 2. Ins 17.28 (6) is repealed and recreated to read:

Ins 17.28 (6) FEE SCHEDULE. The following fee schedule is in effect from July 1, 2000, to and including June 30, 2001:

(a) Except as provided in pars. (b) to (f) and sub. (6e), for a physician for whom this state is a principal place of practice:

Class 1	\$1,898	Class 3	\$7,877
Class 2	\$3,606	Class 4	\$11,388

(b) For a resident acting within the scope of a residency or fellowship program:

Class 1	\$949	Class 3	\$3,938
Class 2	\$1,803	Class 4	\$5,694

(c) For a resident practicing part-time outside the scope of a residency or fellowship program:

All classes			\$1,139
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(d) For a medical college of Wisconsin, inc., full-time faculty member:

Class 1	\$759	Class 3	\$3,150
Class 2	\$1,442	Class 4	\$4,554

(e) For a physician who practices fewer than 500 hours during the fiscal year, limited to office practice and nursing home and house calls, and who does not practice obstetrics or surgery or assist in surgical procedures:

\$475

(f) For a physician for whom this state is not a principal place of practice:

Class 1	\$949	Class 3	\$3,938
Class 2	\$1,803	Class 4	\$5,694

(g) For a nurse anesthetist for whom this state is a principal place of practice:

\$475

(h) For a nurse anesthetist for whom this state is not a principal place of practice:

\$237

(i) For a hospital:

1. Per occupied bed \$116; plus
2. Per 100 outpatient visits during the last calendar year for which totals are available:
\$5.80

(j) For a nursing home, as described under s. 655.002 (1) (j), Stats., which is wholly owned and operated by a hospital and which has health care liability insurance separate from that of the hospital by which it is owned and operated:

Per occupied bed	\$22.00
------------------	---------

(k) For a partnership comprised of physicians or nurse anesthetists, organized for the primary purpose of providing the medical services of physicians or nurse anesthetists, all of the following fees:

- 1. a. If the total number of partners and employed physicians and nurse anesthetists is from 2 to 10 \$66
- b. If the total number of partners and employed physicians and nurse anesthetists is from 11 to 100 \$661
- c. If the total number of partners and employed physicians and nurse anesthetists exceeds 100 \$1,652

2. The following fee for each of the following employes employed by the partnership as of July 1, 2000:

Employed Health Care Persons	July 1, 2000 Fund Fee
Nurse Practitioners	\$ 475
Advanced Nurse Practitioners	664
Nurse Midwives	4,176
Advanced Nurse Midwives	4,365
Advanced Practice Nurse Prescribers	664
Chiropractors	759
Dentists	380
Oral Surgeons	2,847
Podiatrists-Surgical	8,067
Optometrists	380
Physician Assistants	380

(L) For a corporation, including a service corporation, with more than one shareholder organized under ch. 180, Stats., for the primary purpose of providing the medical services of physicians or nurse anesthetists, all of the following fees:

- 1. a. If the total number of shareholders and employed physicians and nurse anesthetists is from 2 to 10 \$66

b. If the total number of shareholders and employed physicians and nurse anesthetists is from 11 to 100 \$661

c. If the total number of shareholders and employed physicians or nurse anesthetists exceeds 100 \$1,652

2. The following for each of the following employees employed by the corporation as of July 1, 2000:

Employed Health Care Persons	July 1, 2000 Fund Fee
Nurse Practitioners	\$ 475
Advanced Nurse Practitioners	664
Nurse Midwives	4,176
Advanced Nurse Midwives	4,365
Advanced Practice Nurse Prescribers	664
Chiropractors	759
Dentists	380
Oral Surgeons	2,847
Podiatrists-Surgical	8,067
Optometrists	380
Physician Assistants	380

(m) For a corporation organized under ch. 181, Stats., for the primary purpose of providing the medical services of physicians or nurse anesthetists, all of the following fees:

1.a. If the total number of employed physicians and nurse anesthetists is from 1 to 10 \$66

b. If the total number of employed physicians and nurse anesthetists is from 11 to 100 \$661

c. If the total number of employed physicians or nurse anesthetists exceeds 100 \$1,652

2. The following for each of the following employees employed by the corporation as of July 1, 2000:

Employed Health Care Persons	July 1, 2000 Fund Fee
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Advanced Nurse Midwives	4,365
Advanced Practice Nurse Prescribers	664
Chiropractors	759
Dentists	380
Oral Surgeons	2,847
Podiatrists-Surgical	8,067
Optometrists	380
Physician Assistants	380

(n) For an operational cooperative sickness care plan as described under s. 655.002 (1) (f),

Stats., all of the following fees:

1. Per 100 outpatient visits during the last calendar year for which totals are available

\$.14

2. 2.5% of the total annual fees assessed against all of the employed physicians.

3. The following for each of the following employees employed by the operational cooperative

sickness plan as of July 1, 2000:

Employed Health Care Persons	July 1, 2000 Fund Fee
Nurse Practitioners	\$ 475
Advanced Nurse Practitioners	664
Nurse Midwives	4,176
Advanced Nurse Midwives	4,365
Advanced Practice Nurse Prescribers	664
Chiropractors	759
Dentists	380
Oral Surgeons	2,847

Podiatrists-Surgical	8,067
Optometrists	380
Physician Assistants	380

(o) For a freestanding ambulatory surgery center, as defined in s. HFS 120.03 (10):

Per 100 outpatient visits during the last calendar year for which totals are available \$28

(p) For an entity affiliated with a hospital, the greater of \$100 or whichever of the following applies:

1. 7% of the amount the entity pays as premium for its primary health care liability insurance, if it has occurrence coverage.
2. 10% of the amount the entity pays as premium for its primary health care liability insurance, if it has claims-made coverage.

SECTION 3. Ins 17.28 (6a) is amended to read:

Ins 17.28 (6a) FEES FOR OCI APPROVED SELF-INSURED HEALTH CARE PROVIDERS.

The following fee schedule is in effect from July 1, 1999 2000 to and including June 30, 2000 2001 for OCI approved self-insured health care providers who elect, pursuant to s. 655.23 (4) (c) 2., Stats., to increase their per occurrence limit to \$800,000 for each occurrence on or after July 1, 1999, provided such self-insured provider has filed an amended self-insured plan document reflecting the increased coverage levels with the office of the commissioner of insurance and with the patients compensation fund on or before August 15, 1999:

The fees set forth in sub. (6) multiplied by 1.073.

SECTION 4. EFFECTIVE DATE. This rule will take effect on July 1, 2000.

Dated at Madison, Wisconsin, this 19 day of May 2000.

/s/ Connie L. O'Connell
 Connie L. O'Connell
 Commissioner of Insurance

FISCAL ESTIMATE
DOA-2048 N

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
Ins. 17.01, 17.28

Amendment No. if Applicable

Subject

Relating to annual Patients Compensation Fund fees for fiscal year 2000-2001

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

- Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

 Decrease Costs

Local: No local government costs

1. Increase Costs
 Permissive Mandatory
2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory
4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
 Towns Villages Cities
 Counties Others _____
 School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS X SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

The Patients Compensation Fund (Fund) is a segregated fund. Annual Fund fees are established to become effective each July 1, based on actuarial estimates of the Fund's needs for payment of medical malpractice claims. The proposed fees were approved by the Fund's Board of Governors at its February 23, 2000 meeting.

There is no effect on GPR.

Estimated revenue from fees, for fiscal year 2000-2001, is approximately \$36.0 million, which represents a 25% decrease to fiscal year 1999-2000 fee revenue.

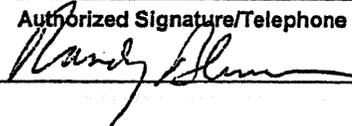
Long-Range Fiscal Implications

None.

Agency/Prepared by: (Name & Phone No.)

PCF/Theresa Wedekind (608)266-0953

Authorized Signature/Telephone No.



(608) 266-0102

Date

3/17/2000

FISCAL ESTIMATE WORKSHEET

1999 Session

Detailed Estimate of Annual Fiscal Effect
DOA-2047

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No./Adm. Rule. No.
Ins. 17.01, 17.28

Amendment No.

Subject

Relating to annual Patients Compensation Fund fees for fiscal year 2000-2001

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
\$8,100 - One time costs for standard office setup plus computer, software and training.

II. Annualized Costs	Annualized Fiscal Impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations – Salaries and Fringes	\$	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations – Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$	\$ -
B. State Costs by Source of Funds		
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
III. State Revenues – Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$ - 0 -	\$ - 0 -

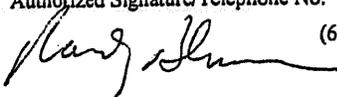
NET ANNUALIZED FISCAL IMPACT
STATE

LOCAL

NET CHANGE IN COSTS \$ _____ \$ _____

NET CHANGE IN REVENUE \$ _____ \$ _____

Agency/Prepared by: (Name & Phone No.)
PCF/Theresa Wedekind (608)266-0953

Authorized Signature/Telephone No.
 (608) 266-0102

Date
03-17-00



MAY 16 2000

State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Tommy G. Thompson
Governor

Connie L. O'Connell
Commissioner

May 15, 2000

121 East Wilson Street • P.O. Box 7873
Madison, Wisconsin 53707-7873
Phone: (608) 266-3585 • Fax: (608) 266-9935
E-Mail: Information@oci.state.wi.us
http://badger.state.wi.us/agencies/oci/oci_home.htm

HONORABLE JUDITH ROBSON
SENATE CO-CHAIRPERSON
JOINT COMM FOR REVIEW OF ADM RULES
15 SOUTH STATE CAPITOL
MADISON WI 53702

Re: Emergency Rule, Section Ins 17.01(3), 17.28(6a) and 17.28(6), Wis. Adm. Code,
relating to annual patients compensation fund and mediation fund fees for
the fiscal year beginning July 1, 2000

Dear Senator Robson:

I will be promulgating an emergency rule. Attached is a draft of the rule for your review. The reasons for proceeding with an emergency rule are given in the Finding of Emergency in the rule. It will be published in the official State newspaper in about a week.

If you have any questions, please contact Alice M. Shuman-Johnson at 266-9892 or e-mail at Alice.Shuman-Johnson@oci.state.wi.us.

Sincerely,

Connie L. O'Connell
Commissioner

CLO:AS

Attachment: 1 copy draft rule



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

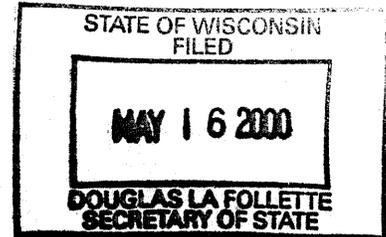
Tommy G. Thompson
Governor
Connie L. O'Connell
Commissioner

May 16, 2000

121 East Wilson Street • P.O. Box 7873
Madison, Wisconsin 53707-7873
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STATE OF WISCONSIN
OFFICE OF THE COMMISSIONER OF INSURANCE

SS

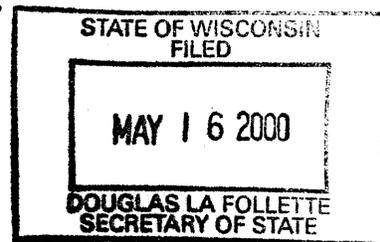


I, Connie L. O'Connell, Commissioner of Insurance and custodian of the official records, certify that the annexed emergency rule affecting Section Ins 17.01(3), 17.28(6a) and 17.28(6), Wis. Adm. Code, relating to annual patients compensation fund and mediation fund fees for the fiscal year beginning July 1, 2000, is duly approved and adopted by this Office on May 16, 2000.

I further certify that I have compared this copy with the original on file in this Office and that it is a true copy of the original, and the whole of the original.

IN TESTIMONY WHEREOF,
I have hereunto set my hand at
121 East Wilson Street, Madison, Wisconsin,
on May 16, 2000.

Connie L. O'Connell
Commissioner



PROPOSED ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE AND THE
BOARD OF GOVERNORS OF THE PATIENTS COMPENSATION FUND
AMENDING AND REPEALING AND RECREATING A RULE

The office of the commissioner of insurance and the board of governors of the patients compensation fund propose an order to amend s. Ins 17.01 (3), s. Ins 17.28 (6a), and to repeal and recreate s. Ins 17.28 (6), relating to annual patients compensation fund and mediation fund fees for the fiscal year beginning July 1, 2000.

ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE

Statutory authority: ss. 601.41 (3), 655.004, 655.27 (3) (b), and 655.61, Stats.

Statutes interpreted: s. 655.27 (3), Stats.

The commissioner of insurance, with the approval of the board of governors (board) of the patients compensation fund (fund), is required to establish by administrative rule the annual fees which participating health care providers must pay to the fund. This rule establishes those fees for the fiscal year beginning July 1, 2000. These fees represent a 25% decrease compared with fees paid for the 1999-00 fiscal year. The board approved these fees at its meeting on February 23, 2000, based on the recommendation of the board's actuarial and underwriting committee.

The board is also required to promulgate by rule the annual fees for the operation of the patients compensation mediation system, based on the recommendation of the director of state courts. This rule implements the director's funding level recommendation by establishing mediation panel fees for the next

fiscal year at \$ 38.00 for physicians and \$2.00 per occupied bed for hospitals, representing an increase of more than 100% and 100% respectively, from 1999-00 fiscal year mediation panel fees.

FINDING OF EMERGENCY

The commissioner of insurance (commissioner) finds that an emergency exists and that promulgation of this emergency rule is necessary for the preservation of the public peace, health, safety or welfare. The facts constituting the emergency are as follows:

Actuarial and accounting data necessary to establish PCF fees is first available in January of each year. It is not possible to complete the permanent fee rule process in time for the patients compensation fund (fund) to bill health care providers in a timely manner for fees applicable to the fiscal year beginning July 1, 2000.

The commissioner expects that the permanent rule corresponding to this emergency rule, clearinghouse No. 00-061, will be filed with the secretary of state in time to take effect September 1, 2000. Because the fund fee provisions of this rule first apply on July 1, 2000, it is necessary to promulgate the rule on an emergency basis. A hearing on the permanent rule, pursuant to published notice thereof, was held on May 5, 2000.

SECTION 1. Ins 17.01 (3) is amended to read:

Ins 17.01 (3) FEE SCHEDULE. (intro.) The following fee schedule shall be effective July 1, ~~1999~~ 2000:

- (a) For physicians-- ~~\$16.00~~ \$38.00
- (~~b~~) For hospitals, per occupied bed-- ~~\$1.00~~ \$2.00

SECTION 2. Ins 17.28 (6) is repealed and recreated to read:

Ins 17.28 (6) FEE SCHEDULE. The following fee schedule is in effect from July 1, 2000, to and including June 30, 2001:

(a) Except as provided in pars. (b) to (f) and sub. (6e), for a physician for whom this state is a principal place of practice:

Class 1	\$1,898	Class 3	\$7,877
Class 2	\$3,606	Class 4	\$11,388

(b) For a resident acting within the scope of a residency or fellowship program:

Class 1	\$949	Class 3	\$3,938
Class 2	\$1,803	Class 4	\$5,694

(c) For a resident practicing part-time outside the scope of a residency or fellowship program:

All classes			\$1,139
-------------	--	--	---------

(d) For a medical college of Wisconsin, inc., full-time faculty member:

Class 1	\$759	Class 3	\$3,150
Class 2	\$1,442	Class 4	\$4,554

(e) For a physician who practices fewer than 500 hours during the fiscal year, limited to office practice and nursing home and house calls, and who does not practice obstetrics or surgery or assist in surgical procedures: \$475

(f) For a physician for whom this state is not a principal place of practice:

Class 1	\$949	Class 3	\$3,938
Class 2	\$1,803	Class 4	\$5,694

(g) For a nurse anesthetist for whom this state is a principal place of practice: \$475

(h) For a nurse anesthetist for whom this state is not a principal place of practice: \$237

(i) For a hospital:

1. Per occupied bed \$116; plus

2. Per 100 outpatient visits during the last calendar year for which totals are available:

\$5.80

(j) For a nursing home, as described under s. 655.002 (1) (j), Stats., which is wholly owned and operated by a hospital and which has health care liability insurance separate from that of the hospital by which it is owned and operated:

Per occupied bed \$22.00

(k) For a partnership comprised of physicians or nurse anesthetists, organized for the primary purpose of providing the medical services of physicians or nurse anesthetists, all of the following fees:

1. a. If the total number of partners and employed physicians and nurse anesthetists is from 2 to 10 \$66
- b. If the total number of partners and employed physicians and nurse anesthetists is from 11 to 100 \$661
- c. If the total number of partners and employed physicians and nurse anesthetists exceeds 100 \$1,652

2. The following fee for each of the following employees employed by the partnership as of July 1, 2000:

Employed Health Care Persons	July 1, 2000 Fund Fee
Nurse Practitioners	\$ 475
Advanced Nurse Practitioners	664
Nurse Midwives	4,176
Advanced Nurse Midwives	4,365
Advanced Practice Nurse Prescribers	664
Chiropractors	759
Dentists	380
Oral Surgeons	2,847
Podiatrists-Surgical	8,067
Optometrists	380
Physician Assistants	380

(L) For a corporation, including a service corporation, with more than one shareholder organized under ch. 180, Stats., for the primary purpose of providing the medical services of physicians or nurse anesthetists, all of the following fees:

1. a. If the total number of shareholders and employed physicians and nurse anesthetists is from 2 to 10 \$66

b. If the total number of shareholders and employed physicians and nurse anesthetists is from 11 to 100 \$661

c. If the total number of shareholders and employed physicians or nurse anesthetists exceeds 100 \$1,652

2. The following for each of the following employes employed by the corporation as of July 1, 2000:

Employed Health Care Persons	July 1, 2000 Fund Fee
Nurse Practitioners	\$ 475
Advanced Nurse Practitioners	664
Nurse Midwives	4,176
Advanced Nurse Midwives	4,365
Advanced Practice Nurse Prescribers	664
Chiropractors	759
Dentists	380
Oral Surgeons	2,847
Podiatrists-Surgical	8,067
Optometrists	380
Physician Assistants	380

(m) For a corporation organized under ch. 181, Stats., for the primary purpose of providing the medical services of physicians or nurse anesthetists, all of the following fees:

1.a. If the total number of employed physicians and nurse anesthetists is from 1 to 10 \$66

b. If the total number of employed physicians and nurse anesthetists is from 11 to 100 \$661

c. If the total number of employed physicians or nurse anesthetists exceeds 100 \$1,652

2. The following for each of the following employes employed by the corporation as of July 1, 2000:

Employed Health Care Persons	July 1, 2000 Fund Fee
Nurse Practitioners	\$ 475
Advanced Nurse Practitioners	664
Nurse Midwives	4,176
Advanced Nurse Midwives	4,365
Advanced Practice Nurse Prescribers	664
Chiropractors	759
Dentists	380
Oral Surgeons	2,847
Podiatrists-Surgical	8,067
Optometrists	380
Physician Assistants	380

(n) For an operational cooperative sickness care plan as described under s. 655.002 (1) (f),

Stats., all of the following fees:

1. Per 100 outpatient visits during the last calendar year for which totals are available

\$.14

2. 2.5% of the total annual fees assessed against all of the employed physicians.

3. The following for each of the following employes employed by the operational cooperative

sickness plan as of July 1, 2000:

Employed Health Care Persons	July 1, 2000 Fund Fee
Nurse Practitioners	\$ 475
Advanced Nurse Practitioners	664
Nurse Midwives	4,176
Advanced Nurse Midwives	4,365
Advanced Practice Nurse Prescribers	664
Chiropractors	759
Dentists	380
Oral Surgeons	2,847

Podiatrists-Surgical	8,067
Optometrists	380
Physician Assistants	380

(o) For a freestanding ambulatory surgery center, as defined in s. HFS 120.03 (10):

Per 100 outpatient visits during the last calendar year for which totals are available

(p) For an entity affiliated with a hospital, the greater of \$100 or whichever of the following applies:

1. 7% of the amount the entity pays as premium for its primary health care liability insurance, if it has occurrence coverage.

2. 10% of the amount the entity pays as premium for its primary health care liability insurance, if it has claims-made coverage.

SECTION 3. Ins 17.28 (6a) is amended to read:

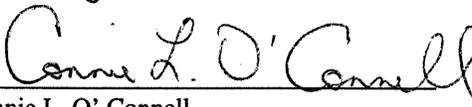
Ins 17.28 (6a) FEES FOR OCI APPROVED SELF-INSURED HEALTH CARE PROVIDERS.

The following fee schedule is in effect from July 1, ~~1999~~ 2000 to and including June 30, ~~2000~~ 2001 for OCI approved self-insured health care providers who elect, pursuant to s. 655.23 (4) (c) 2., Stats., to increase their per occurrence limit to \$800,000 for each occurrence on or after July 1, 1999, provided such self-insured provider has filed an amended self-insured plan document reflecting the increased coverage levels with the office of the commissioner of insurance and with the patients compensation fund on or before August 15, 1999:

The fees set forth in sub. (6) multiplied by 1.073.

SECTION 4. EFFECTIVE DATE. This rule will take effect on July 1, 2000.

Dated at Madison, Wisconsin, this 15 day of May 2000.

/s/ 
 Connie L. O'Connell
 Commissioner of Insurance



MAY 16 2000

State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Tommy G. Thompson
Governor

Connie L. O'Connell
Commissioner

May 15, 2000

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HONORABLE JUDITH ROBSON
SENATE CO-CHAIRPERSON
JOINT COMM FOR REVIEW OF ADM RULES
15 SOUTH STATE CAPITOL
MADISON WI 53702

Re: Section Ins 17.01(3), 17.28(6a) and 17.28(6), Wis. Adm. Code, relating to
annual patients compensation fund and mediation fund fees for the fiscal
year beginning July 1, 2000

Clearinghouse Rule No. 00-061

Dear Senator Robson:

I am enclosing a copy of this proposed rule which has been submitted to the presiding officers of the legislative houses under s. 227.19 (2), Wis. Stat. A copy of the report required under s. 227.19 (3), Wis. Stat., is also enclosed.

Sincerely,

Connie L. O'Connell
Commissioner

CLO:AS

Attachment: 1 copy rule & legislative report



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Tommy G. Thompson
Governor

Connie L. O'Connell
Commissioner

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REPORT ON Section Ins 17.01(3), 17.28(6a) and 17.28(6),
Wis. Adm. Code, relating to annual patients compensation
fund and mediation fund fees for the fiscal year beginning
July 1, 2000

Clearinghouse Rule No 00-061
Submitted Under s. 227.19 (3), Stats.
The proposed rule-making order is attached.

(a) Statement of need for the proposed rule

The Commissioner is required to promulgate by rule the annual fees for the Patients Compensation Fund and the mediation system operated by the director of state Courts. This rule establishes those fees for fiscal year 2000-01.

(b) Modifications made in proposed rule based on testimony at public hearing:

None.

(c) Persons who appeared or registered regarding the proposed rule: No appearances or registrations were made for or against the rule.

Appearances For Information: Theresa Wedekind, Director, Patients Compensation Fund.

Letters received: None.

(d) Response to Legislative Council staff recommendations

No recommendations were made.

(e) Regulatory flexibility analysis

1. No issues were raised by small businesses during the hearing on the proposed rule.
2. The proposed rule does not impose any additional reporting requirements on small businesses.
3. The proposed rule does not require any additional measures or investments by small businesses.

(f) Fiscal Effect

See fiscal estimate attached to proposed rule.

**Attachment: Legislative Council Staff Recommendations
May 11, 2000**