

STATE OF WISCONSIN  
**Senate Journal**  
Ninety–Sixth Regular Session

---

WEDNESDAY, October 13, 2004

---

The Chief Clerk makes the following entries under the above date.

**PETITIONS AND COMMUNICATIONS**

**State of Wisconsin**

October 6, 2004

The Honorable, The Senate:

Pursuant to Senate Rule 20(2)(a) I have appointed Senator Jauch to the committee on Transportation and Information Infrastructure to fill the vacancy created by the resignation of Senator Meyer.

With regard to members of the minority party, appointments are made based on the nominations of that caucus.

Sincerely,

SCOTT FITZGERALD  
Senate Majority Leader

**State of Wisconsin  
Legislative Audit Bureau**

October 12, 2004

The Honorable, The Legislature:

As required by s. 13.94(1)(de), Wis. Stats., we have completed a financial audit of the Injured Patients and Families Compensation Fund (formerly the Patients Compensation Fund), which insures health care providers in Wisconsin against medical malpractice claims that exceed the primary malpractice insurance thresholds established in statute. We have provided an unqualified auditor's report on the Fund's financial statements for fiscal years ending June 30, 2003, 2002, and 2001. However, we highlight the uncertainty involved in estimating and reporting future loss liabilities.

As noted in our 2001 audit, interest groups continue to raise concerns about the conservative nature of the actuarial estimates of the Fund's loss liabilities, as evidenced by the actuary's annual reductions in past estimates and an accumulation of cash and investments totaling \$658.9 million as of June 30, 2003. However, more than three years after we recommended that the Office of the Commissioner of Insurance contract for an audit of the actuarial methods and assumptions used in estimating the Fund's loss liabilities, an actuarial audit has not been completed. The Office concluded that a draft report prepared by the contractor in 2002 was not acceptable, and it is in the process of contracting with another vendor. We include a recommendation that the Office report to the Joint Legislative Audit Committee on the status and results of the actuarial audit by November 30, 2004.

The Fund's computerized provider system, which tracks and accounts for its operations, is aging and experiencing errors that require daily manual reviews and adjustments to correct. The condition of the system is likely to worsen, resulting in increased risk to the Fund's financial operations and additional efforts to keep the system operational. The Office is pursuing incremental enhancements to keep the system operational.

We appreciate the courtesy and cooperation extended to us by the staff of the Office of the Commissioner of Insurance and the contractors who assist in administering the Injured Patients and Families Compensation Fund program. A response from the Office's Assistant Deputy Commissioner follows the appendix.

Sincerely,

JANICE MUELLER  
State Auditor

**State of Wisconsin  
Ethics Board**

October 12, 2004

The Honorable, The Senate:

The following lobbyists have been authorized to act on behalf of the organizations set opposite their names.

For more detailed information about these lobbyists and organizations and a complete list of organizations and people authorized to lobby the 2003 session of the legislature, visit the Ethics Board's web site at <http://ethics.state.wi.us>

Andersen, Robert	Legal Action of Wisconsin, Inc
Rongstad, Todd	Legal Action of Wisconsin, Inc

Also available from the Wisconsin Ethics Board are reports identifying the amount and value of time state agencies have spent to affect legislative action and reports of expenditures for lobbying activities filed by organizations that employ lobbyists.

Sincerely,

R. ROTH JUDD  
Executive Director

---

**REFERRALS AND RECEIPT OF  
COMMITTEE REPORTS CONCERNING  
PROPOSED ADMINISTRATIVE RULES**

The committee on **Agriculture, Financial Institutions and Insurance** reports and recommends:

**Senate Clearinghouse Rule 04–071**

Relating to prescribing mortality tables and actuarial opinions, analysis and reports.

No action taken.

Dale Schultz  
Chairperson

The committee on **Transportation and Information Infrastructure** reports and recommends:

**Senate Clearinghouse Rule 04-026**

Relating to establishing a wireless 911 fund to promote an emergency telephone number service for wireless subscribers.

Review period waived, Ayes 5, Noes 0.

Ayes, 5 – Senators Leibham, Kanavas, Kedzie, Breske and Jauch.

Noes, 0 – None.

Joseph Leibham  
Chairperson