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2005 BILL

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1 AN ACT to repeal 15.07 (2) (b), 15.07 (3) (bm) 1., 15.107 (7), 15.195 (6), 15.195 (9),
2 16.03, 153.01 (2), 153.05 (6r), 153.07, 153.45 (6), 153.60 (3), 153.67, 153.75 (2)
3 (d), 153.76 and 253.12 (4) (b); to renumber 153.01 (1) and 153.22 (1); to amend
4 20.435 (1) (hg), 20.435 (1) (hg), 20.435 (1) (hi), 20.515 (1) (r), 153.01 (5m), 153.05
5 (1) (a), 153.05 (1) (b), 153.05 (3) (a), 153.05 (5) (a), 153.05 (8) (a), 153.05 (9) (a),
6 153.05 (12) (a), 153.05 (13), 153.10 (1), 153.45 (1) (b) 9., 153.45 (1) (b) 11., 153.45
7 (1) (c) (intro.), 153.50 (1) (b) 2. (intro.), 153.50 (3) (intro.), 153.50 (3) (a), 153.50
8 (3) (b) (intro.), 153.50 (3) (d), 153.50 (3m), 153.50 (4) (a) (intro.), 153.50 (4) (a)
9 1. a., 153.50 (4) (a) 1. b., 153.50 (4) (a) 2., 153.50 (4) (a) 3., 153.50 (5) (a) (intro.),
10 153.50 (5) (b) (intro.), 153.50 (5) (b) 1., 153.60 (title), 153.60 (1), 153.60 (1),
11 153.65 (1), 153.75 (1) (intro.), 153.75 (1) (intro.), 153.75 (2) (intro.) and 153.75
12 (2) (intro.); and to create 153.01 (1d), 153.01 (2g), 153.01 (3g), 153.01 (8m),
13 153.05 (1) (c), 153.05 (2r), 153.05 (3) (c), 153.05 (5) (c), 153.05 (8) (c), 153.05 (9)
14 (c), 153.05 (12) (c), 153.45 (intro.), 153.455, 153.50 (intro.), 153.50 (1) (b) 1m.,

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1 153.50 (4) (a) 1. c., 153.50 (4) (c) and 153.60 (intro.) of the statutes; **relating to:**
2 requiring a contract with a data organization for the collection, analysis, and
3 dissemination of health care claims information; eliminating the Board on
4 Health Care Information, the Interagency Coordinating Council, and the
5 Independent Review Board; and making appropriations.

Analysis by the Legislative Reference Bureau

Under current law, the Department of Health and Family Services (DHFS) must collect, analyze, and disseminate health care information from health care providers other than hospitals and ambulatory surgery centers; in addition, the Department of Administration (DOA) must contract with an entity to collect, analyze, and disseminate health care information from hospitals and ambulatory surgery centers. Both DHFS and the entity under contract with DOA must, from the data collected, prepare certain reports that do not permit the identification of a patient, an employer, or a health care provider. The Independent Review Board (Review Board) attached to DHFS must first review and approve release or sale by DHFS of certain health care information, including that which contains the name of a health care provider, includes a patient's month and year of birth, or contains data elements other than those available for public use data files.

Currently, the nine-member Interagency Coordinating Council (the Council), created in DOA, has numerous duties including advising and assisting state agencies in the coordination and exchange of information concerning programs that collect, analyze, and disseminate health care data. The Council must report twice annually to the Board on Health Care Information (the Board) and, in turn, DHFS and the Board must provide information on their activities to the Council. The 11-member Board, attached to DHFS, must advise DHFS on the collection, analysis, and dissemination of health care information; provide oversight on the reports issued by DHFS and the entity under contract with DOA; develop overall strategy and direction for health care information collection activities; and review and approve any rules that the Review Board proposes to promulgate. Activities of the Board and DHFS are funded from fees for performance of certain work under contract and from assessments that are annually levied on health care providers other than hospitals and ambulatory surgery centers. For health care providers that are not facilities, the assessments may not exceed \$75 per fiscal year.

This bill authorizes the Department of Employee Trust Funds (DETF) and DHFS jointly to contract with a data organization to collect, analyze, and publicly report certain health care claims information from insurers and administrators, to develop and maintain a centralized data repository, and to provide to DHFS, without charge, health care claims information and reports requested by DHFS. ("Data organization," "administrator," and "insurer" are all defined in the bill.) As a

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for any calendar quarter after that date

condition of the contract, the data organization must include as voting members of its board of directors the secretaries of health and family services and employee trust funds, or their designees, and must provide certain matching funds. Beginning on the date that is 60 days after the contract takes effect, DHFS must cease collecting, analyzing, and disseminating health care information, and implementation of DHFS' rules for the collection, analysis, and dissemination of this health care information is suspended. However, the secretaries may modify or terminate the contract with the data organization if the secretaries determine that the data organization is not in compliance with the contract or determine that there is insufficient statewide participation under the requirements of the contract; if the secretaries terminate the contract, DHFS shall collect, analyze, and disseminate health care information from health care providers other than hospitals and ambulatory surgery centers, and DHFS' rules for doing so apply. Also, if the contract is terminated, DHFS may collect, analyze, and disseminate health care claims information ~~from~~ insurers and administrators, or contract for the collection, analysis, and dissemination.

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The assessments that currently fund activities of DHFS and the Board would, under the bill, fund the contract with the data organization or, if the contract is terminated, health care information collection, analysis, and dissemination activities of DHFS. The bill eliminates the prohibition on assessing health care providers that are not facilities more than \$75 per fiscal year and, instead, requires that DHFS, if it proposes to increase the assessment for health care providers that are not facilities to an amount that exceeds \$70 per fiscal year, obtain approval of the joint committee on finance of the legislature under a passive review process.

The bill eliminates the Board, the Review Board, and the Council on ~~January 1, 2007~~ July 1, 2006

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 SECTION 1. 15.07 (2) (b) of the statutes is repealed.

2 SECTION 2. 15.07 (3) (bm) 1. of the statutes is repealed.

3 SECTION 3. 15.107 (7) of the statutes is repealed.

4 SECTION 4. 15.195 (6) of the statutes is repealed.

5 SECTION 5. 15.195 (9) of the statutes is repealed.

6 SECTION 6. 16.03 of the statutes is repealed.

they must recommend to the Department of Administration (DOA) that DOA use a request-for-proposals process to solicit offers from other organizations for performance of services

required of the data organization. If no organization responds to the request for proposals or if a successor contract cannot be achieved

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1 **SECTION 7.** 20.435 (1) (hg) of the statutes, as affected by 2005 Wisconsin Act 25,
2 is amended to read:

3 20.435 (1) (hg) *General program operations; health care information.* The
4 amounts in the schedule to fund the activities of the department of health and family
5 services and the board on health care information under ch. 153 and to contract with
6 the data organization under s. 153.05 (2r). The contract fees paid under s. 153.05
7 (6m) and assessments paid under s. 153.60 shall be credited to this appropriation
8 account.

9 **SECTION 8.** 20.435 (1) (hg) of the statutes, as affected by 2005 Wisconsin Act
10 (this act), is amended to read:

11 20.435 (1) (hg) *General program operations; health care information.* The
12 amounts in the schedule to fund the activities of the department of health and family
13 services ~~and the board on health care information~~ under ch. 153 and to contract with
14 the data organization under s. 153.05 (2r). The contract fees paid under s. 153.05
15 (6m) and assessments paid under s. 153.60 shall be credited to this appropriation
16 account.

17 **SECTION 9.** 20.435 (1) (hi) of the statutes, as affected by 2005 Wisconsin Act 25,
18 is amended to read:

19 20.435 (1) (hi) *Compilations and special reports; health care information.* All
20 moneys received from user fees imposed under s. 153.65 (1) for the purpose of
21 financing the costs of the department of health and family services of producing
22 special data compilations or special reports under s. 153.65 and to contract with the
23 data organization under s. 153.05 (2r).

24 **SECTION 10.** 20.515 (1) (r) of the statutes is amended to read:

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1 20.515 (1) (r) *Benefit and coverage payments; data collection, analysis, and*
2 *reporting.* All moneys credited to the public employee trust fund for payment from
3 the appropriate accounts and reserves of the fund of the benefits, contributions,
4 insurance premiums and refunds authorized by ch. 40 for the respective benefit
5 plans and for the costs of contracting for data collection, analysis, and reporting
6 under s. 153.05 (2r). Estimated disbursements under this paragraph shall not be
7 included in the schedule under s. 20.005.

8 **SECTION 11.** 153.01 (1) of the statutes is renumbered 153.01 (1g).

9 **SECTION 12.** 153.01 (1d) of the statutes is created to read:

10 153.01 (1d) “Administrator” has the meaning given in s. 633.01 (1).

11 **SECTION 13.** 153.01 (2) of the statutes is repealed.

12 **SECTION 14.** 153.01 (2g) of the statutes is created to read:

13 153.01 (2g) “Calculated variable” means a data element that is computed or
14 derived from an original data item or derived using another data source.

15 **SECTION 15.** 153.01 (3g) of the statutes is created to read:

16 153.01 (3g) “Data organization” means a nonstock corporation organized
17 under ch. 181 that is described in section 501 (c) (3) of the Internal Revenue Code,
18 is exempt from federal income tax under section 501 (a) of the Internal Revenue
19 Code, and, in its capacity as a public health authority, does all of the following:

20 (a) Represents health care consumers, insurers, administrators, and health
21 care providers.

22 (b) Is formed specifically to do all of the following:

23 1. Create a centralized claims repository for this state with credible and useful
24 data elements for the purposes of quality improvement, health care provider
25 performance comparisons, ready understandability, and consumer decision making.

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SECTION 15

1 2. Use the information it collects to develop and disseminate ^{re} unified public
2 report^s on health care quality, safety, and efficiency.

3 **SECTION 16.** 153.01 (5m) of the statutes is amended to read:

4 153.01 (5m) "Insurer" has the meaning given under s. 600.03 (27) 632.745 (15).

5 **SECTION 17.** 153.01 (8m) of the statutes is created to read:

6 153.01 (8m) "Public health authority" means the department or a person
7 acting under this chapter under a grant of authority from or contract with the
8 department.

9 **SECTION 18.** 153.05 (1) (a) of the statutes is amended to read:

10 153.05 (1) (a) ~~The~~ Subject to s. 153.455, the department shall collect from
11 health care providers other than hospitals and ambulatory surgery centers, analyze,
12 and disseminate health care information, as adjusted for case mix and severity, in
13 language that is understandable to laypersons.

14 **SECTION 19.** 153.05 (1) (b) of the statutes is amended to read:

15 153.05 (1) (b) The entity under contract under sub. (2m) (a) shall collect from
16 hospitals and ambulatory surgery centers the health care information required of
17 hospitals and ambulatory surgery centers by the department under ch. 153, 2001
18 stats., and the rules promulgated under ch. 153, 2001 stats., including, by the date
19 that is 18 months after the date of the contract under sub. (2m) (a), outpatient
20 hospital-based services. The entity shall analyze and disseminate that health care
21 information, as adjusted for case mix and severity, in the manner required under this
22 chapter, under ch. 153, 2001 stats., and, to the extent that the rules are consistent
23 with this chapter, under the rules promulgated under ch. 153, 2001 stats., and in
24 language that is understandable to laypersons.

25 **SECTION 20.** 153.05 (1) (c) of the statutes is created to read:

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1 153.05 (1) (c) Subject to s. 153.455 (1) to (3), the data organization under
2 contract under sub. (2r) may ~~collect~~ ^{request} health care claims information from insurers and
3 administrators. The data organization shall analyze and publicly report the health
4 care claims information with respect to the cost, quality, and effectiveness of health
5 care, in language that is understandable by lay persons, and shall develop and
6 maintain a centralized data repository. The data organization shall provide to the
7 department, without charge, health care claims information collected by and reports
8 produced by the data organization that the department requests. If s. 153.455 (4)
9 applies, the department may ~~collect~~ ^{request} health care claims information ~~from~~ insurers
10 and administrators and may perform or contract for the performance of the other
11 duties specified for the data organization under this paragraph.

12 **SECTION 21.** 153.05 (2r) of the statutes is created to read:

13 153.05 (2r) Notwithstanding s. 16.75 (1), (2), and (3m), from the appropriation
14 account under s. 20.515 (1) (r) the department of employee trust funds may expend
15 up to \$150,000, and from the appropriation accounts under s. 20.435 (1) (hg) and (hi)
16 the department of health and family services, in its capacity as a public health
17 authority, may expend moneys, to contract jointly with a data organization to
18 perform services under this chapter that are specified for the data organization
19 under sub. (1) (c) or, if s. 153.455 (4) applies, for the department of health and family
20 services to perform or contract for the performance of these services. As condition
21 of the contract under this subsection, all of the following apply:

22 (a) At least during the period of the contract, the data organization shall
23 include as voting members of the board of directors of the data organization the
24 secretary of health and family services and the secretary of employee trust funds, or
25 their designees.

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1 (b) The data organization shall provide matching funds, which may include
2 in-kind contributions, as specified in the contract.

3 (c) Termination of funding and of services of the data organization under the
4 contract or modification of the contract is subject to a determination made under s.
5 153.455 (3).

6 **SECTION 22.** 153.05 (3) (a) of the statutes is amended to read:

7 153.05 (3) (a) Upon request of the department for health care information
8 relating to health care providers other than hospitals and ambulatory surgery
9 centers and, if s. 153.455 (4) applies, for health care claims information as specified
10 in sub. (1) (c), state agencies shall provide that health care information to the
11 department for use in preparing reports under this chapter.

12 **SECTION 23.** 153.05 (3) (c) of the statutes is created to read:

13 153.05 (3) (c) Subject to sub. (13), upon request of the data organization under
14 contract under sub. (2r) for health care claims information, insurers and
15 administrators may provide the health care claims information to the data
16 organization for use in preparing reports and developing and maintaining a central
17 data repository under this chapter, ~~except that~~ ^{and,} if s. 153.455 (4) applies, insurers and
18 administrators ~~shall~~ ^{may} provide the health care claims information as ~~required~~ ^{requested} by the
19 department.

20 **SECTION 24.** 153.05 (5) (a) of the statutes is amended to read:

21 153.05 (5) (a) Unless sub. (13) applies, subject to s. 153.455, the department
22 may require health care providers other than hospitals and ambulatory surgery
23 centers to submit to the department health care information specified by rule under
24 s. 153.75 (1) (n) for the preparation of reports, plans, and recommendations in the
25 form specified by the department by rule.

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1 **SECTION 25.** 153.05 (5) (c) of the statutes is created to read:

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2 153.05 (5) (c) ~~Unless sub. (13) applies,~~ subject to s. 153.455 (1) to (3), the data
3 organization under contract under sub. (2r) may request insurers and
4 administrators to submit to the data organization health care claims information for
5 the preparation of reports, plans, and recommendations in the form specified by the
6 data organization. If s. 153.455 (4) applies, the department may ~~require~~ ^{request} submission
7 of the health care claims information from insurers and administrators in the form
8 specified by the department. ^{, including in standard electronic format}

9 **SECTION 26.** 153.05 (6r) of the statutes is repealed.

(use 2x)

10 **SECTION 27.** 153.05 (8) (a) of the statutes is amended to read:

11 153.05 (8) (a) Unless sub. (13) applies, subject to s. 153.455, the department
12 shall collect, analyze and disseminate, in language that is understandable to
13 laypersons, claims information and other health care information, as adjusted for
14 case mix and severity, under the provisions of this chapter, as determined by rules
15 promulgated by the department, from health care providers, other than hospitals
16 and ambulatory surgery centers, specified by rules promulgated by the department.
17 Data from those health care providers may be obtained through sampling techniques
18 in lieu of collection of data on all patient encounters and data collection procedures
19 shall minimize unnecessary duplication and administrative burdens. If the
20 department collects from health care plans data that is specific to health care
21 providers other than hospitals and ambulatory surgery centers, the department
22 shall attempt to avoid collecting the same data from those health care providers.

23 **SECTION 28.** 153.05 (8) (c) of the statutes is created to read:

24 153.05 (8) (c) ~~Unless sub. (13) applies,~~ subject to s. 153.455 (1) to (3), the data
25 organization under contract under sub. (2r) may ~~collect~~ ^{request} analyze, and publicly report,

request ✓

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1 in language that is understandable to laypersons, health care claims information, as
 2 adjusted for case mix and severity, from insurers and administrators. Data from
 3 these sources may be obtained through sampling techniques in lieu of collection of
 4 data on all insureds, and data collection procedures shall minimize unnecessary
 5 duplication and administrative burdens. If s. 153.455 (4) applies, the department
 6 may ~~collect~~^{request} health care claims information ~~from~~^{from} insurers and administrators and
 7 may perform or contract for the performance of the other duties specified for the data
 8 organization under this paragraph.

9 **SECTION 29.** 153.05 (9) (a) of the statutes is amended to read:

10 153.05 (9) (a) The Subject to s. 153.455, the department shall provide
 11 orientation and training to health care providers, other than hospitals and
 12 ambulatory surgery centers, who submit data under this chapter, to explain the
 13 process of data collection and analysis and the procedures for data verification,
 14 comment, interpretation, and release.

15 **SECTION 30.** 153.05 (9) (c) of the statutes is created to read:

16 153.05 (9) (c) Subject to s. 153.455 (1) to (3), the data organization under
 17 contract under sub. (2r) shall provide orientation and training to insurers and
 18 administrators that submit data under this chapter, to explain the process of data
 19 collection and analysis and the procedures for data verification, comment,
 20 interpretation, and release. If s. 153.455 (4) applies, the department may perform
 21 or contract for the performance of the duties specified for the data organization under
 22 this paragraph.

23 **SECTION 31.** 153.05 (12) (a) of the statutes is amended to read:

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1 153.05 (12) (a) The Subject to s. 153.455, the department shall, to the extent
2 possible and upon request, assist members of the public in interpreting data in
3 health care information disseminated by the department.

4 **SECTION 32.** 153.05 (12) (c) of the statutes is created to read:

5 153.05 (12) (c) The data organization under contract under sub. (2r) shall,
6 subject to s. 153.455 (1) to (3), to the extent possible and upon request, assist
7 members of the public in interpreting data in health care information disseminated
8 by the data organization. If s. 153.455 (4) applies, the department may perform or
9 contract for the performance of the duties specified for the data organization under
10 this paragraph.

11 **SECTION 33.** 153.05 (13) of the statutes is amended to read:

12 153.05 (13) The department may waive the requirement under sub. (1), (3) (c),
13 (5), or (8) for a health care provider, who insurer, or administrator that requests the
14 waiver and presents evidence to the department that the requirement under sub. (1),
15 (3) (c), (5), or (8) is burdensome, under standards established by the department by
16 rule. The department shall develop a form for use by a health care provider, insurer,
17 or administrator in submitting a request under this subsection.

18 **SECTION 34.** 153.07 of the statutes is repealed.

19 **SECTION 35.** 153.10 (1) of the statutes is amended to read:

20 153.10 (1) The Subject to s. 153.455, the department shall prepare, and submit
21 to the governor and the chief clerk of each house of the legislature for distribution
22 to the legislature under s. 13.172 (2), standard reports concerning health care
23 providers other than hospitals and ambulatory surgery centers that the department
24 prepares and shall collect information necessary for preparation of those reports. If
25 s. 153.455 (4) applies, the department shall include in the reports under this

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1 subsection reports concerning any health care claims information the department
2 collects or contracts to collect under s. 153.05.

3 **SECTION 36.** 153.22 (1) of the statutes is renumbered 153.22.

4 **SECTION 37.** 153.45 (intro.) of the statutes is created to read:

5 153.45 (intro.) Subject to s. 153.455:

6 **SECTION 38.** 153.45 (1) (b) 9. of the statutes is amended to read:

7 153.45 (1) (b) 9. Information that contains the name of a health care provider
8 that is not a hospital or ambulatory surgery center, if the ~~independent review board~~
9 department first reviews and approves the release ~~or if the department promulgates~~
10 ~~rules that specify circumstances under which the independent review board need not~~
11 ~~review and approve the release.~~

12 **SECTION 39.** 153.45 (1) (b) 11. of the statutes is amended to read:

13 153.45 (1) (b) 11. Information other than patient-identifiable data, as defined
14 in s. 153.50 (1) (b), as approved by the ~~independent review board~~ department.

15 **SECTION 40.** 153.45 (1) (c) (intro.) of the statutes is amended to read:

16 153.45 (1) (c) (intro.) Custom-designed reports containing portions of the data
17 under par. (b). ~~Of information submitted by health care providers that are not~~
18 ~~hospitals or ambulatory surgery centers, requests under this paragraph for data~~
19 ~~elements other than those available for public use data files under par. (b), including~~
20 ~~the patient's month and year of birth, require review and approval by the~~
21 ~~independent review board before the data elements may be released.~~ Information
22 that contains the name of a health care provider that is not a hospital or ambulatory
23 surgery center may be released only if the ~~independent review board~~ department
24 first reviews and approves the release ~~or if the department promulgates rules that~~
25 ~~specify circumstances under which the independent review board need not review~~

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1 and approve the release. Reports under this paragraph may include the patient's zip
2 code only if at least one of the following applies:

*for calendar quarters
that occur after
that date*

3 SECTION 41. 153.45 (6) of the statutes is repealed.

4 SECTION 42. 153.455 of the statutes is created to read:

5 **153.455 Data organization; contract contingency.** (1) Except as provided
6 in subs. (2), (3), and (4), beginning on the date, if any, that is 60 days after the contract
7 under s. 153.05 (2r) takes effect, the department shall cease collecting, analyzing,
8 and disseminating health care information as specified under s. HFS 120.14 (1), 2005
9 Wis. Adm. Code.

*in effect on the effective date of this
subsection ... [revisor inserts date]*

10 (2) Subsection (1) does not apply to ss. 153.21 (1) and 153.60 (1). *<use 2x>*

11 (3) Beginning on the date, if any, that the secretary of health and family
12 services and the secretary of employee trust funds determine that the data
13 organization is not in compliance with the contract under s. 153.05 (2r) with respect
14 to the performance of the collection and public reporting of information regarding the
15 cost, quality, and effectiveness of health care, including the development and
16 maintenance of a centralized data repository, or determine that there is insufficient
17 statewide participation under the requirements of the contract, the secretaries may
18 modify or terminate the contract.

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19 (4) If ~~sub (3) applies~~ and the secretaries do not modify the contract, the
20 department, in its capacity as a public health authority, shall collect health care
21 information, including as specified under s. HFS 120.14 (1), 2005 Wis. Adm. Code
22 and may collect health care claims information under this chapter; shall analyze and
23 disseminate, or contract for the performance of analysis and dissemination of, the
24 health care information; and may analyze and disseminate, or may contract for the
25 performance of analysis and dissemination of, the health care claims information.

*the contract with the data organization
is terminated under sub. (3) and no
organization responds to the
request for proposals or a
successor contract cannot be achieved*

*which may be
voluntarily
provided by insurers
or administrators,*

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1 **SECTION 43.** 153.50 (intro.) of the statutes is created to read:

2 153.50 (intro.) Subject to s. 153.455:

3 **SECTION 44.** 153.50 (1) (b) 1m. of the statutes is created to read:

4 153.50 (1) (b) 1m. “Patient–identifiable data” does not include calculated
5 variables that are derived from patient–identifiable data and the dissemination of
6 which does not permit patient identification.

7 **SECTION 45.** 153.50 (1) (b) 2. (intro.) of the statutes is amended to read:

8 153.50 (1) (b) 2. (intro.) “Patient–identifiable data”, for information submitted
9 by health care providers who are not hospitals or ambulatory surgery centers and by
10 insurers and administrators, means all of the following data elements:

11 **SECTION 46.** 153.50 (3) (intro.) of the statutes is amended to read:

12 153.50 (3) MEASURES TO ENSURE PROTECTION OF PATIENT IDENTITY. (intro.) To
13 ensure that the identity of patients is protected when information obtained by the
14 department ~~or~~, by the entity under contract under s. 153.05 (2m) (a), or by the data
15 organization under contract under s. 153.05 (2r) is disseminated, the department
16 and, the entity, and the data organization shall do all of the following:

17 **SECTION 47.** 153.50 (3) (a) of the statutes is amended to read:

18 153.50 (3) (a) Aggregate any data element category containing small numbers.
19 The department, in so doing, shall use procedures that are developed by the
20 department ~~and approved by the board~~ and that follow commonly accepted
21 statistical methodology.

22 **SECTION 48.** 153.50 (3) (b) (intro.) of the statutes is amended to read:

23 153.50 (3) (b) (intro.) Remove and destroy all of the following data elements on
24 the uniform patient billing forms that are received by the department ~~or by~~, the
25 entity, or the data organization under the requirements of this chapter:

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1 **SECTION 49.** 153.50 (3) (d) of the statutes is amended to read:

2 153.50 (3) (d) Require that a purchaser of data under this chapter sign and have
3 notarized the data use agreement of the department ~~or of~~, the entity specified in par.
4 (e), or the data organization, as applicable.

5 **SECTION 50.** 153.50 (3m) of the statutes is amended to read:

6 153.50 (3m) ~~HEALTH CARE PROVIDER~~ PROVIDER, ADMINISTRATOR, OR INSURER
7 MEASURES TO ENSURE PATIENT IDENTITY PROTECTION. A health care provider that is not
8 a hospital or ambulatory surgery center or an insurer or an administrator shall,
9 before submitting information required by the department, or by the data
10 organization under contract under s. 153.05 (2r), under this chapter, convert to a
11 payer category code as specified by the department or the data organization, as
12 applicable, any names of an insured's payer or other insured's payer.

13 **SECTION 51.** 153.50 (4) (a) (intro.) of the statutes is amended to read:

14 153.50 (4) (a) (intro.) Except as specified in ~~par.~~ pars. (b) and (c), under the
15 procedures specified in sub. (5), release of patient-identifiable data may be made
16 only to any of the following:

17 **SECTION 52.** 153.50 (4) (a) 1. a. of the statutes is amended to read:

18 153.50 (4) (a) 1. a. An agent of the department who is responsible for the
19 patient-identifiable data in the department, in order to store the data and ensure the
20 accuracy of the information in the database of the department or to create a
21 calculated variable that is derived from the patient-identifiable data.

22 **SECTION 53.** 153.50 (4) (a) 1. b. of the statutes is amended to read:

23 153.50 (4) (a) 1. b. An agent of the entity under contract under s. 153.05 (2m)
24 (a) who is responsible for the patient-identifiable data of the entity, in order to store

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1 the data and ensure the accuracy of the information in the database of the entity or
2 to create a calculated variable that is derived from the patient-identifiable data.

3 **SECTION 54.** 153.50 (4) (a) 1. c. of the statutes is created to read:

4 153.50 (4) (a) 1. c. An agent of the data organization under contract under s.
5 153.05 (2r) who is responsible for the patient-identifiable data of the data
6 organization, in order to store the data and ensure the accuracy of the information
7 in the database of the data organization or to create a calculated variable that is
8 derived from the patient-identifiable data.

9 **SECTION 55.** 153.50 (4) (a) 2. of the statutes is amended to read:

10 153.50 (4) (a) 2. A health care provider that is not a hospital or ambulatory
11 surgery center or the agent of such a health care provider, to ensure the accuracy of
12 the information in the database of the department or the data organization under
13 contract under s. 153.05 (2r), or a health care provider that is a hospital or
14 ambulatory surgery center or the agent of such a health care provider, to ensure the
15 accuracy of the information in the database of the entity under contract under s.
16 153.05 (2m) (a).

17 **SECTION 56.** 153.50 (4) (a) 3. of the statutes is amended to read:

18 153.50 (4) (a) 3. The department, ^{or its agent} for purposes of epidemiological investigation,
19 or, with respect to information from health care providers that are not hospitals or
20 ambulatory surgery centers, the department or the data organization under contract
21 under s. 153.05 (2r), to eliminate the need for duplicative databases.

22 **SECTION 57.** 153.50 (4) (c) of the statutes is created to read:

23 153.50 (4) (c) The data organization under contract under s. 153.05 (2r) may
24 not share health care claims data collected by the data organization unless the
25 sharing is in compliance with 42 USC 1320d-2 and 1320d-4 and 45 CFR 164.

BILL

1 **SECTION 58.** 153.50 (5) (a) (intro.) of the statutes is amended to read:

2 153.50 (5) (a) (intro.) The department ~~or~~, an entity that is under contract under
3 s. 153.05 (2m) (a), or a data organization that is under contract under s. 153.05 (2r)
4 may not release or provide access to patient-identifiable data to a person authorized
5 under sub. (4) (a) unless the authorized person requests the department ~~or~~, entity,
6 or data organization, in writing, to release the patient-identifiable data. The request
7 shall include all of the following:

8 **SECTION 59.** 153.50 (5) (b) (intro.) of the statutes is amended to read:

9 153.50 (5) (b) (intro.) Upon receipt of a request under par. (a), the department
10 ~~or~~, entity ~~under contract under s. 153.05 (2m) (a)~~, or data organization, whichever
11 is appropriate applicable, shall, as soon as practicable, comply with the request or
12 notify the requester, in writing, of all of the following:

13 **SECTION 60.** 153.50 (5) (b) 1. of the statutes is amended to read:

14 153.50 (5) (b) 1. That the department ~~or~~, entity, or data organization, as
15 applicable, is denying the request in whole or in part.

16 **SECTION 61.** 153.60 (title) of the statutes is amended to read:

17 **153.60 (title) Assessments to fund operations of department and board.**

18 **SECTION 62.** 153.60 (intro.) of the statutes is created to read:

19 153.60 (intro.) Subject to s. 153.455:

20 **SECTION 63.** 153.60 (1) of the statutes, as affected by Wisconsin Act 25, is
21 amended to read:

22 153.60 (1) The department shall, by the first October 1 after the
23 commencement of each fiscal year, estimate the total amount of expenditures under
24 this chapter for the department and the board for that fiscal year for data collection,
25 database development and maintenance, generation of data files and standard

BILL

SECTION 63

1 reports, orientation and training provided under s. 153.05 (9) (a) and, maintaining
2 the board, and contracting with the data organization under s. 153.05 (2r). The
3 department shall assess the estimated total amount for that fiscal year, less the
4 estimated total amount to be received for purposes of administration of this chapter
5 under s. 20.435 (1) (hi) during the fiscal year and the unencumbered balance of the
6 amount received for purposes of administration of this chapter under s. 20.435 (1)
7 (hi) from the prior fiscal year, to health care providers, other than hospitals and
8 ambulatory surgery centers, who are in a class of health care providers from whom
9 the department collects data under this chapter in a manner specified by the
10 department by rule. ~~The department shall obtain approval from the board for the~~
11 ~~amounts of assessments for health care providers other than hospitals and~~
12 ~~ambulatory surgery centers.~~ The department shall work together with the
13 department of regulation and licensing to develop a mechanism for collecting
14 assessments from health care providers other than hospitals and ambulatory
15 surgery centers. ~~No health care provider that is not a facility may be assessed under~~
16 ~~this subsection an amount that exceeds \$75 per fiscal year.~~ If the department
17 proposes to increase the assessment for a health care provider that is not a facility
18 to a specific amount that exceeds \$70 per fiscal year, the department ~~may~~ submit a shall
19 request to the joint committee on finance for approval to increase the assessment by
20 that amount. If the cochairpersons of the committee do not notify the secretary
21 within 14 working days after the date of the department's submittal that the
22 committee intends to schedule a meeting to review the request, the department may
23 increase the assessment by the requested amount. If, within 14 working days after
24 the date of the department's request submittal, the cochairpersons of the committee
25 notify the secretary that the committee intends to schedule a meeting to review the

BILL

1 request, the the department may increase the assessment only as approved by the
2 committee. All payments of assessments shall be credited to the appropriation under
3 s. 20.435 (1) (hg).

4 **SECTION 64.** 153.60 (1) of the statutes, as affected by 2005 Wisconsin Act
5 (this act), is amended to read:

6 153.60 (1) The department shall, by the first October 1 after the
7 commencement of each fiscal year, estimate the total amount of expenditures under
8 this chapter for the department and the board for that fiscal year for data collection,
9 database development and maintenance, generation of data files and standard
10 reports, orientation and training provided under s. 153.05 (9) (a), maintaining the
11 board, and contracting with the data organization under s. 153.05 (2r). The
12 department shall assess the estimated total amount for that fiscal year, less the
13 estimated total amount to be received for purposes of administration of this chapter
14 under s. 20.435 (1) (hi) during the fiscal year and the unencumbered balance of the
15 amount received for purposes of administration of this chapter under s. 20.435 (1)
16 (hi) from the prior fiscal year, to health care providers, other than hospitals and
17 ambulatory surgery centers, who are in a class of health care providers from whom
18 the department collects data under this chapter in a manner specified by the
19 department by rule. ~~The department shall obtain approval from the board for the~~
20 ~~amounts of assessments for health care providers other than hospitals and~~
21 ~~ambulatory surgery centers.~~ The department shall work together with the
22 department of regulation and licensing to develop a mechanism for collecting
23 assessments from health care providers other than hospitals and ambulatory
24 surgery centers. If the department proposes to increase the assessment for a health
25 care provider that is not a facility to a specific amount that exceeds \$70 per fiscal year,

BILL**SECTION 64**

1 the department ~~may~~ ^{shall} submit a request to the joint committee on finance for approval
2 to increase the assessment by that amount. If the cochairpersons of the committee
3 do not notify the secretary within 14 working days after the date of the department's
4 submittal that the committee intends to schedule a meeting to review the request,
5 the department may increase the assessment by the requested amount. If, within
6 14 working days after the date of the department's request submittal, the
7 cochairpersons of the committee notify the secretary that the committee intends to
8 schedule a meeting to review the request, the department may increase the
9 assessment only as approved by the committee. All payments of assessments shall
10 be credited to the appropriation under s. 20.435 (1) (hg).

11 **SECTION 65.** 153.60 (3) of the statutes, as affected by 2005 Wisconsin Act 25,
12 is repealed.

13 **SECTION 66.** 153.65 (1) of the statutes, as affected by 2005 Wisconsin Act 25,
14 is amended to read:

15 153.65 (1) The Subject to s. 153.455, the department may, but is not required
16 to, provide, upon request from a person, a data compilation or a special report based
17 on the information collected by the department. The department shall establish user
18 fees for the provision of these compilations or reports, payable by the requester,
19 which shall be sufficient to fund the actual necessary and direct cost of the
20 compilation or report. All moneys collected under this subsection shall be credited
21 to the appropriation under s. 20.435 (1) (hi).

22 **SECTION 67.** 153.67 of the statutes is repealed.

23 **SECTION 68.** 153.75 (1) (intro.) of the statutes is amended to read:

24 153.75 (1) (intro.) ~~Following approval by the board, the~~ The department shall
25 promulgate the following rules:

BILL

1 **SECTION 69.** 153.75 (1) (intro.) of the statutes, as affected by 2005 Wisconsin
2 Act (this act), is amended to read:

3 153.75 (1) (intro.) The department shall promulgate the following rules, of
4 which pars. (a), (b), (f), (h), (m), (n), (o), ~~(p)~~ (r), (t), and (u) shall apply only if the
5 contract under s. 153.05 (2r) is terminated under s. 153.455 (3) and s. 153.455 (4)
6 applies:

7 **SECTION 70.** 153.75 (2) (intro.) of the statutes is amended to read:

8 153.75 (2) (intro.) ~~Following approval by the board, the~~ The department may
9 promulgate all of the following rules:

10 **SECTION 71.** 153.75 (2) (intro.) of the statutes, as affected by 2005 Wisconsin
11 Act (this act), is amended to read:

12 153.75 (2) (intro.) The department may promulgate all of the following rules,
13 which shall apply only if the contract under s. 153.05 (2r) is terminated under s.
14 153.455 (3) and s. 153.455 (4) applies:

15 **SECTION 72.** 153.75 (2) (d) of the statutes is repealed.

16 **SECTION 73.** 153.76 of the statutes is repealed.

17 **SECTION 74.** 253.12 (4) (b) of the statutes is repealed.

18 **SECTION 75. Effective dates.** This act takes effect on the day after publication,
19 except as follows:

20 (1) **ELIMINATION OF BOARD ON HEALTH CARE INFORMATION.** The treatment of
21 sections 15.07 (2) (b) and (3) (bm) 1., 15.195 (6), 20.435 (1) (hg) (by SECTION 8), 153.01
22 (2), 153.05 (6r), 153.07, 153.50 (3) (a), 153.60 (title), 153.60 (1) (by SECTION 64), 153.75
23 (1) (intro.) (by SECTION 68) and (2) (intro.) (by SECTION 70), and 153.76 of the statutes
24 takes effect on ~~January 1, 2007.~~ July 1, 2006

BILL

1 (2) ELIMINATION OF INDEPENDENT REVIEW BOARD. The treatment of sections
 2 15.195 (9), 153.45 (1) (b) 9. and 11. and (c) (intro.) and (6), and 153.67 of the statutes
 3 takes effect on ~~January 1, 2007~~. July 1, 2006 (use 2x)

4 (3) VOLUNTARY HEALTH CARE PLAN REPORTING. The treatment of sections 153.05
 5 (6r), 153.60 (3), and 153.75 (2) (d) of the statutes takes effect on the date specified in
 6 section 153.455 (1) of the statutes, as created by this act.

7 (4) ELIMINATION OF INTERAGENCY COORDINATING COUNCIL. The treatment of
 8 sections 15.107 (7), ~~16.03~~ and 253.12 (4) (b) of the statutes takes effect on ~~January~~
 9 ~~1, 2007~~.

10 (5) SUSPENSION OF RULES. The treatment of sections 153.75 (1) (intro.) (by
 11 SECTION 69) and (2) (intro.) (by SECTION 71) of the statutes takes effect on the date
 12 specified in section 153.455 (1) of the statutes, as created by this act.

13

(END)

D-NOTE

INSERT 13-18

not If the secretaries terminate the contract, they shall recommend to the department of administration that that department use a competitive request-for-proposal process to solicit offers from other organizations for performance of the services required of the data organization under the terminated contract. If no organization responds to the request for proposals or if a successor contract cannot be achieved, sub. (4) applies.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3240/2dn
DAK:cs:pg

To Representative Underheim:

This redraft incorporates the changes to the "trigger" that reinstates the suspended POVd rules, as agreed at the meeting of November 29, 2005. Please review s. 253.455 (3), which contains that change and echoes language in current law for the contract between DHFS and WHA, under s. 153.05 (2m) (b), stats. Please note that I have added to s. 153.455 (3) the language "or if a successor contract cannot be achieved." I drafted this in order to make sure that an entirely unqualified organization that is inappropriate for a contract cannot answer the request-for-proposals process and thus paralyze DHFS from reinstating collection under the POVd rules.

The redraft also contains changes proposed by DHFS after the November 29, 2005, meeting, as reviewed by Dick Sweet. Because DHFS will continue, under these changes, to analyze and disseminate health care information but not to collect it, I have removed suspension of the rule under s. 153.75 (1) (p), stats. (This rule governs use and dissemination and would continue to be used by DHFS.) Dick Sweet reviewed and approved this change.

I have also expanded the amendment to s. 153.60 (1), stats., to eliminate approval by the Board on Health Care Information of physician assessment amounts as of the effective date of the bill, rather than on July 1, 2006, when the Board is itself eliminated; this change eliminates any conflicting, concurrent assessment amount approval between the Board (which apparently has already approved the \$70 assessment for 2006) and Joint Finance. Dick Sweet reviewed and approved this change.

As always, please let me know if I may provide further assistance with respect to this draft.

Debora A. Kennedy
Managing Attorney
Phone: (608) 266-0137
E-mail: debora.kennedy@legis.state.wi.us

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3240/2dn
DAK:cs:pg

December 7, 2005

To Representative Underheim:

This redraft incorporates the changes to the "trigger" that reinstates the suspended POV rules, as agreed at the meeting of November 29, 2005. Please review s. 253.455 (3), which contains that change and echoes language in current law for the contract between DHFS and WHA, under s. 153.05 (2m) (b), stats. Please note that I have added to s. 153.455 (3) the language "or if a successor contract cannot be achieved." I drafted this in order to make sure that an entirely unqualified organization that is inappropriate for a contract cannot answer the request-for-proposals process and thus paralyze DHFS from reinstating collection under the POV rules.

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As always, please let me know if I may provide further assistance with respect to this draft.

Debora A. Kennedy
Managing Attorney
Phone: (608) 266-0137
E-mail: debora.kennedy@legis.state.wi.us

Northrop, Lori

From: Northrop, Lori
Sent: Tuesday, December 27, 2005 2:30 PM
To: Rep.Underheim
Subject: LRB 05-3240/2 attached as requested

Attachments: 05-3240/2



05-32402.pdf (79
KB)

*Lori Northrop
Program Assistant
State of WS Legislative Reference Bureau
1 East Main Suite 200
Madison, WS., 53703
Phone 266-3561 fax 264-6948*

Memo

To: Senator Representative Underheim

(The Draft's Requester)

Per your request: ... the attached fiscal estimate was prepared for your un-introduced 2005 draft.

LRB Number: LRB -3240

Version: "1/2"

Fiscal Estimate Prepared By: (agency abbr.) DOA

Release today (12-29-05)

If you have questions about the enclosed fiscal estimate, you may contact the state agency representative that prepared the fiscal estimate. If you disagree with the enclosed fiscal estimate, please contact the LRB drafter of your proposal to discuss your options under the fiscal estimate procedure.

Entered In Computer And Copy Sent To Requester Via E-Mail: 12 / 20 / 2005

* * * * *

To: LRB – Legal Section PA's

Subject: *Fiscal Estimate Received For An Unintroduced Draft*

- > **If redrafted** ... please insert this cover sheet and attached early fiscal estimate into the drafting file ... after the draft's old version (the version that this fiscal estimate was based on), and before the markup of the draft on the updated version.
- > **If introduced** ... and the version of the attached fiscal estimate is for a **previous version** ... please insert this cover sheet and attached early fiscal estimate into the drafting file ... after the draft's old version (the version that this fiscal estimate was based on), and before the markup of the draft on the updated version. Have Mike (or Lynn) get the ball rolling on getting a fiscal estimate prepared for the introduced version.
- > **If introduced** ... and the version of the attached fiscal estimate is for the **current version** ... please write the draft's introduction number below and give to Mike (or Lynn) to process.

THIS DRAFT WAS INTRODUCED AS: 2005 AB 907

Barman, Mike

From: Barman, Mike
Sent: Tuesday, December 20, 2005 10:05 AM
To: Rep.Underheim
Cc: Hough, Michelle
Subject: LRB 05-3240/2 (un-introduced) (FE by DOA - attached - for your review)

Attachments: FE_Underheim.PDF



FE_Underheim.PDF
(383 KB)

Memo

To: Senator Representative Underheim

(The Draft's Requester)

Per your request: ... the attached fiscal estimate was prepared for your unIntroduced 2005 draft.

LRB Number: LRB -3240

Version: "1/2"

Fiscal Estimate Prepared By: (agency abbr.) ETF

Release
12-30-2005

If you have questions about the enclosed fiscal estimate, you may contact the state agency representative that prepared the fiscal estimate. If you disagree with the enclosed fiscal estimate, please contact the LRB drafter of your proposal to discuss your options under the fiscal estimate procedure.

Entered In Computer And Copy Sent To Requester Via E-Mail: 12 / 21 / 2005

* * * * *

To: LRB - Legal Section PA's

Subject: *Fiscal Estimate Received For An Unintroduced Draft*

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- > **If introduced** ... and the version of the attached fiscal estimate is for a **previous version** ... please insert this cover sheet and attached early fiscal estimate into the drafting file ... after the draft's old version (the version that this fiscal estimate was based on), and before the markup of the draft on the updated version. Have Mike (or Lynn) get the ball rolling on getting a fiscal estimate prepared for the introduced version.
- > **If introduced** ... and the version of the attached fiscal estimate is for the **current version** ... please write the draft's introduction number below and give to Mike (or Lynn) to process.

THIS DRAFT WAS INTRODUCED AS: 2005 AB907

Barman, Mike

From: Barman, Mike
Sent: Wednesday, December 21, 2005 8:53 AM
To: Rep.Underheim
Cc: Hough, Michelle
Subject: LRB 05-3240/2 (un-introduced) (FE by ETF - attached - for your review)

Attachments: FE_Underheim.PDF



FE_Underheim.PDF
(411 KB)

Memo

To: Senator Representative Underheim

(The Draft's Requester)

Per your request: ... the attached fiscal estimate was prepared for your unIntroduced 2005 draft.

LRB Number: LRB -3240

Version: "1/2"

Fiscal Estimate Prepared By: (agency abbr.) DHFS

Release
01-06-2006

If you have questions about the enclosed fiscal estimate, you may contact the state agency representative that prepared the fiscal estimate. If you disagree with the enclosed fiscal estimate, please contact the LRB drafter of your proposal to discuss your options under the fiscal estimate procedure.

Entered In Computer And Copy Sent To Requester Via E-Mail: 12 / 28 / 2005

* * * * *

To: LRB - Legal Section PA's

Subject: *Fiscal Estimate Received For An Unintroduced Draft*

- > **If redrafted** ... please insert this cover sheet and attached early fiscal estimate into the drafting file ... after the draft's old version (the version that this fiscal estimate was based on), and before the markup of the draft on the updated version.
- > **If introduced** ... and the version of the attached fiscal estimate is for a **previous version** ... please insert this cover sheet and attached early fiscal estimate into the drafting file ... after the draft's old version (the version that this fiscal estimate was based on), and before the markup of the draft on the updated version. Have Mike (or Lynn) get the ball rolling on getting a fiscal estimate prepared for the introduced version.
- > **If introduced** ... and the version of the attached fiscal estimate is for the **current version** ... please write the draft's introduction number below and give to Mike (or Lynn) to process.

THIS DRAFT WAS INTRODUCED AS: 2005 AB907

Barman, Mike

From: Barman, Mike
Sent: Wednesday, December 28, 2005 8:55 AM
To: Rep.Underheim
Cc: Hough, Michelle
Subject: LRB 05-3240/2 (un-introduced) (FE by DHFS - attached - for your review)

Attachments: FE_Underheim.PDF



FE_Underheim.PDF
(379 KB)