

WISCONSIN STATE
LEGISLATURE
COMMITTEE HEARING
RECORDS

2005-06

(session year)

Assembly

(Assembly, Senate or Joint)

**Committee on
Insurance
(AC-In)**

File Naming Example:

Record of Comm. Proceedings ... RCP

- 05hr_AC-Ed_RCP_pt01a
- 05hr_AC-Ed_RCP_pt01b
- 05hr_AC-Ed_RCP_pt02

COMMITTEE NOTICES ...

➤ Committee Hearings ... CH (Public Hearing Announcements)

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Record of Comm. Proceedings ... RCP

➤ **

INFORMATION COLLECTED BY COMMITTEE
CLERK FOR AND AGAINST PROPOSAL

➤ Appointments ... Appt

➤ **

Name:

➤ Clearinghouse Rules ... CRule

➤ **

➤ Hearing Records ... HR (bills and resolutions)

➤ **05hr_ab0769_AC-In_pt01**

➤ Miscellaneous ... Misc

➤ **

Vote Record Committee on Insurance

Date: October 19, 2005

Moved by: Gielow

Seconded by: Underheim

AB 769 _____ SB _____ Clearinghouse Rule _____
 AJR _____ SJR _____ Appointment _____
 AR _____ SR _____ Other _____

A/S Amdt _____

A/S Amdt _____ to A/S Amdt _____

A/S Sub Amdt _____

A/S Amdt _____ to A/S Sub Amdt _____

A/S Amdt _____ to A/S Amdt _____ to A/S Sub Amdt _____

Be recommended for:

Passage Adoption Confirmation Concurrence Indefinite Postponement
 Introduction Rejection Tabling Nonconcurrence

<u>Committee Member</u>	<u>Aye</u>	<u>No</u>	<u>Absent</u>	<u>Not Voting</u>
Representative Ann Nischke, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Steve Wieckert	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Gregg Underheim	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Phil Montgomery	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Terri McCormick	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Curtis Gielow	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Karl Van Roy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Joan Ballweg	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Terry Moulton	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative David Cullen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative John Lehman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Tony Staskunas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Terese Berceau	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Thomas Nelson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Michael Sheridan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Totals:	15	0	0	0

Motion Carried

Motion Failed

Vote Record Committee on Insurance

Date: October 19, 2005

Moved by: Gielow

Seconded by: Lehman

AB 769 SB _____ Clearinghouse Rule _____
 AJR _____ SJR _____ Appointment _____
 AR _____ SR _____ Other _____

A/S Amdt LRBa1197

A/S Amdt _____ to A/S Amdt _____

A/S Sub Amdt _____

A/S Amdt _____ to A/S Sub Amdt _____

A/S Amdt _____ to A/S Amdt _____ to A/S Sub Amdt _____

Be recommended for:

- Passage Adoption Confirmation Concurrence Indefinite Postponement
 Introduction Rejection Tabling Nonconcurrence

<u>Committee Member</u>	<u>Aye</u>	<u>No</u>	<u>Absent</u>	<u>Not Voting</u>
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Representative Steve Wieckert	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Gregg Underheim	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Representative Thomas Nelson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Michael Sheridan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Totals:	15	0	0	0

Motion Carried

Motion Failed

LRB-FILE COPY
(Return to Room 211 North)

ASSEMBLY AMENDMENT _____

to _____ amendment _____

to _____ substitute amendment _____

TO 2005 Assembly BILL 769

Offered by Committee on Insurance

At the locations indicated, amend the bill

_____ as follows:

1. Page 2, line 4:

delete lines 4 to 9

(end)

AB 764

Amend 15-0

Recd 15-0

AB 765

Recd 13-2

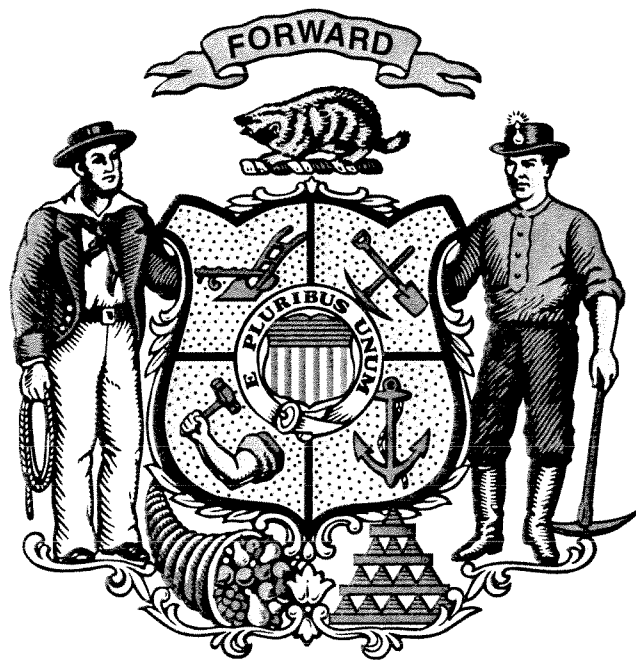
AB 766

Amend 6-9

Recd 9-6

AB 767

Amend (LRB 50261)



Assembly

Record of Committee Proceedings

Committee on Insurance

Assembly Bill 769

Relating to: requiring actuarial audits of the injured patients and families compensation fund and authorizing the fund's board of governors to organize an insurance corporation.

By Representative Ziegelbauer.

October 17, 2005 Referred to Committee on Insurance.

October 18, 2005 **PUBLIC HEARING HELD**

Present: (0) None.

Absent: (0) None.

Appearances For

- ✓ Bob Ziegelbauer — Representative, 25th Assembly District

Appearances Against

- None.

Appearances for Information Only

- None.

Registrations For

- None.

Registrations Against

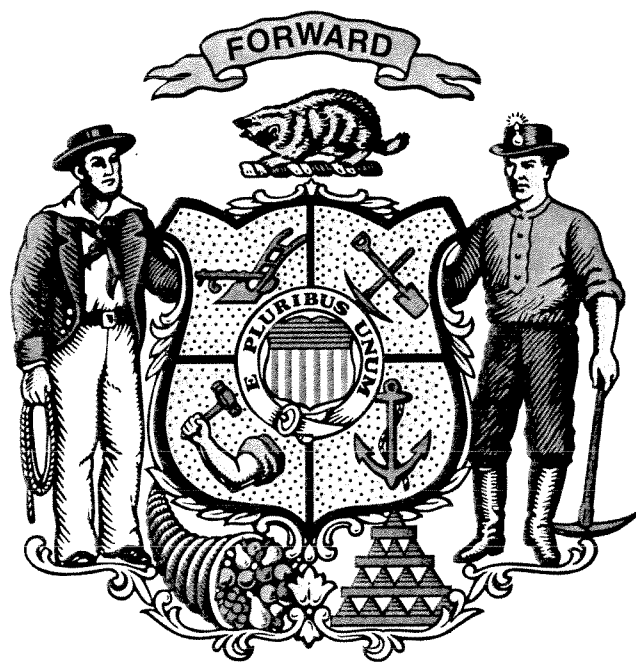
- None.

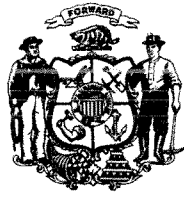
October 19, 2005 **EXECUTIVE SESSION HELD**

Present: (0) None.

Absent: (0) None.

Adam Peer
Committee Clerk





BOB ZIEGELBAUER

STATE REPRESENTATIVE • TWENTY FIFTH ASSEMBLY DISTRICT

October 18, 2005

Representative Ann Nischke, Chair
Adam Peer, Committee Clerk
Assembly Committee on Insurance
8-North

Dear Rep. Nischke & Adam:

Thank you for your time and effort in scheduling AB 769, relating to requiring actuarial audits of the injured patients and families compensation fund and authorizing the fund's board of governors to organize an insurance corporation, for a public hearing this afternoon and a committee vote tomorrow morning. I appreciate your support.

If you have any questions or would like to touch base before 2:00 p.m., I can be reached on my cell phone until 1:00 p.m. at 920-323-7497 and will be in my office, 266-0315, after that.

Again, thank you.

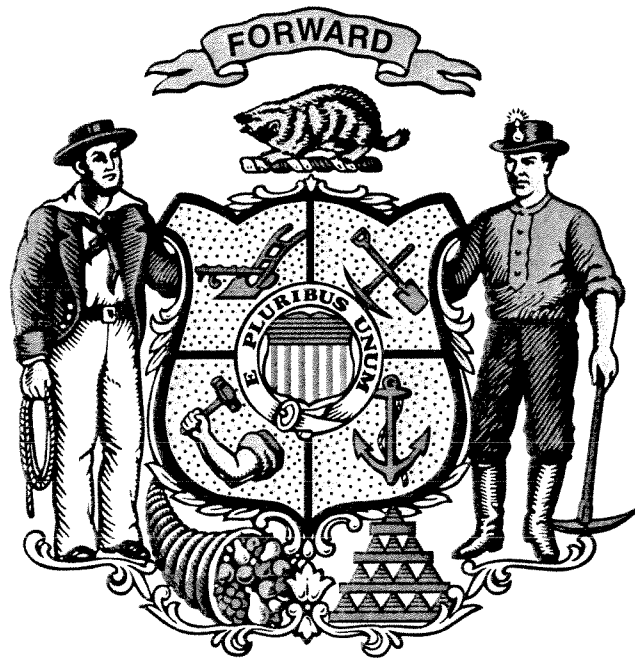
Sincerely,

A handwritten signature in black ink, appearing to read "Bob Ziegelbauer".

Bob Ziegelbauer
State Representative
25th Assembly District

BZ/lwk

STATE CAPITOL: P.O. BOX 8953, MADISON, WI 53708-8953 • (608) 266-0315 • TOLL FREE: 1-888-529-0025
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DISTRICT: 1213 S. 8TH STREET, P.O. BOX 325, MANITOWOC, WI 54221-0325
MANITOWOC OFFICE: (920) 684-6783 • HOME: (920) 684-4362





BOB ZIEGELBAUER

STATE REPRESENTATIVE • TWENTY FIFTH ASSEMBLY DISTRICT

Assembly Committee on Insurance
Representative Ann Nischke, Chair
Tuesday, October 18, 2005
2:00 p.m. – 412-East
Support for Assembly Bill 769

Rep. Nischke and Members:

Thank you for holding a public hearing on AB 769, relating to requiring actuarial audits of the injured patients and families compensation fund and authorizing the fund's board of governors to organize an insurance corporation.

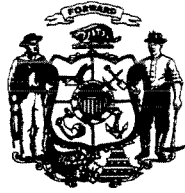
Attached please find a 9/19/2005 memo I sent to my fellow Medical Malpractice Task Force members regarding my recommendations for insurance market reforms.

I am happy to answer any questions you may have. Thank you in advance for your consideration.

Attachment

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BOB ZIEGELBAUER

STATE REPRESENTATIVE • TWENTY FIFTH ASSEMBLY DISTRICT

DATE: September 19, 2005

TO: Representative Curt Gielow, Chair
Medical Malpractice Task Force

FROM: Representative Bob Ziegelbauer

RE: Member ideas, recommendations

At our last meeting you asked for suggestions from the members of proposals to be considered for inclusion in our final package of recommendations. I would like to offer these:

I. Insurance Market Reforms:

Witnesses appearing before the committee frequently voiced their concerns about the current or future state of the market for malpractice insurance coverage. Given what we already know, there are some reforms we can look at right now that can increase the competitiveness and efficiency of that market.

1. Require the Injured Patients and Families Compensation Fund (IPFCF) to regularly submit to an "actuarial audit" of reserves. The most recent actuarial audit by Towers Perrins' Tillinghast consultants indicated that the IPFCF's assumptions as to future liabilities were extremely conservative, arguably resulting in excess accumulation of reserves adding to premium costs. Accumulation of excess reserves is not in the insured's or the public's interest. Regular actuarial audits will encourage the managers of the fund to keep their rates and reserves for future losses at appropriate levels.

The recent dramatic cuts in rates by the IPFCF seem to be a reaction to that audit and Legislative Audit Bureau review.

2. Give the IPFCF the authority to create an insurance subsidiary to offer first dollar coverage in competition with private insurers if necessary.

- continued -

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There has been a great deal of discussion about future rates for malpractice coverage by private insurers. While many have indicated that the marketplace is operating efficiently now, both sides have expressed concern about how well it might work in the future. Allowing the IPFCF to create an independently funded subsidiary, if necessary, to offer primary coverage in competition with the other private insurers will add another competitive element that can incrementally keep them honest.

II. Prevention of Malpractice Occurrences:

To keep the long run cost of malpractice insurance coverage as low as possible it would seem to be in everyone's interest for us to consider strategic reforms now that might operate as preventative measures to avoid these undesirable outcomes. In 1999 there was a Legislative Council Special Study Committee that studied these issues and developed a broad consensus package of proposals dealing with regulation and discipline of Health Care Professionals.

(The Legislative Council Committee developed two bills, 1999 SB 317 and SB 318, which were never fully considered by the full Legislature during the 1999-2000 session.)

I suggest that our committee take a closer look at the Legislative Council "Report No. 14 to the 1999 Legislature" (RL 99-14) with an eye to encouraging the Legislature to use it as a beginning point to again seriously consider the kinds of preventative accountability that can reduce occurrences.

Thank you for your consideration. As always, please do not hesitate to call on me if you would like to discuss this or any other recommendations further.

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