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# Wisconsin Legislative Council

## AMENDMENT MEMO

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**Memo published:** October 31, 2019

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**2019 Assembly Bill 550**

**Assembly  
Amendment 1**

### BACKGROUND

The injured patients and families compensation fund provides medical malpractice coverage for physicians and certified registered nurse anesthetists in excess of the amounts provided by primary medical malpractice coverage. Under current law, unaffected by 2019 Assembly Bill 550 or Assembly Amendment 1 to the bill, a peer review council makes recommendations to the commissioner of insurance and the injured patients and families compensation fund's board of governors regarding claims brought under the fund. The council consists of five persons, not more than three of whom are physicians. One of the physician members must serve as chair of the council. Members of the council are appointed by the fund's board of governors. [s. 655.275, Stats.]

### 2019 ASSEMBLY BILL 550

2019 Assembly Bill 550 makes various changes relating to the administration of insurance. The most significant aspect of the bill authorizes the commissioner of insurance to take certain actions when a fraternal (also called a "fraternal benefit society" or "mutual benefit society") experiences a hazardous financial condition. Other provisions of the bill make technical and operational revisions relating to: the deadline for annual corporate governance disclosures; certified copies provided by surplus lines insurers; confidentiality requirements; and the injured patients and families compensation fund.

Regarding the injured patients and families compensation fund, the bill specifies that the physician members of the fund's peer review council, described above, must be licensed and in good standing to practice medicine, rather than "actively engaged in the practice of medicine" under current law. The bill also allows the chair of the council to designate another council member to serve as an *ex officio* member of the medical examining board in the chair's place. The bill does not otherwise modify the composition of the peer review council.

### ASSEMBLY AMENDMENT 1

Assembly Amendment 1 specifies that one member of the peer review council, described above, must be a nurse anesthetist who is licensed and in good standing to practice nursing in this state.

### BILL HISTORY

Representative Duchow offered Assembly Amendment 1 on October 21, 2019. On October 31, 2019, the Assembly Committee on Insurance voted to recommend adoption of the amendment and passage of the bill, as amended, both on unanimous votes.

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