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Revisor of Statutes
Bureau

STATE OF WISCONSIN

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OFFICE OF THE COMMISSIONER OF INSURANCE)

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Thomas P. Fox, Commissioner of Insurance and custodian of the official records of said office, do hereby certify that the annexed order adopting a rule relating to contracting for Patients Compensation Fund services was issued by this office January 18, 1984.

I further certify that said copy has been compared by me with the original on file in this office and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name in the City of Madison, State of Wisconsin, this 18th day of January, 1984.

Thomas P. Fox

Commissioner of Insurance

4346E4

3-1-84



## ORDER OF THE COMMISSIONER OF INSURANCE CREATING A RULE

To create Ins 17.29 relating to contracting for patients compensation fund services.

## ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE

The purpose of this rule is to implement and interpret s. 655.27 (2), Wis. Stats., and provide guidelines for contracting for services for the patients compensation fund. It specifies that the selection will be through competitive negotiation subject to s. 16.765, Stats., and that the contract term will be established by the commissioner with board approval. The rule requires an annual report by the servicing agent to the commissioner and board of all expenses incurred and subcontracting arrangements. Other functions which will potentially be included are enumerated. The proposed rule was developed at the direction of the board of the PCF and was approved by the board.

Pursuant to the authority vested in the commissioner of insurance by s. 601.41 (3), Stats., the commissioner of insurance hereby creates and adopts rules interpreting s. 655.27 (2), Stats., as follows:

SECTION 1. Section Ins 17.29 is created to read:

Ins 17.29 SERVICING AGENT.

- (1) PURPOSE. The purpose of this section is to implement and interpret the provisions of s. 655.27 (2), Stats., relating to contracting for patients compensation fund services.
- (2) SCOPE. This section applies to administration and staff services for the fund.
- (3) SELECTION. The selection of a servicing agent shall conform with s. 16.765, Stats. The commissioner, with the approval of the board, shall select a servicing agent through the competitive negotiation process to provide services for the fund based on criteria established by the board.
- (4) TERM SERVED AND SELECTION FOR SUCCEEDING PERIODS. The term served by the servicing agent shall be as established by the commissioner with the approval of the board but the contract shall include a provision for its cancellation if performance or delivery is not made in accordance with its terms and conditions.
- (5) FUNCTIONS. (a) The servicing agent shall perform functions agreed to in the contract between the servicing agent and the office of the commissioner of insurance as approved by the board. The contract shall provide for an annual report to the commissioner and board of all expenses incurred and subcontracting arrangements.

- (b) Additional functions to be performed by the servicing agent may include but are not limited to:
  - Hiring legal counsel.
  - 2. Establishment and revision of case reserves.
- 3. Contracting for annuity payments as part of structured settlements.
  - 4. Investigation and evaluation of claims.
- 5. Negotiation to settlement of all claims made against the fund except those responsibilities retained by the claim committee of the board.
  - 6. Filing of reports to the board.
- 7. Review of panel decisions and court verdicts and recommendations of appeals as needed.

As provided in s. 227.026 (1), (intro.), these rule changes shall take effect on the first day of the month following their publication.

Dated at Madison, Wisconsin, this 18th day of January, 1984.

Thomas P. Fox

Commissioner of Insurance

4346E

## The State of Misconsin Office of the Commissioner of Insurance



Thomas P. Fox Commissioner (608) 266-3585

## RECEIVED

JAN 181984

DATE:

January 18, 1984

Revisor of Statutes Bureau

TO:

Gary Poulson

FROM:

M. E. Van Cleave

Assistant Deputy Commissioner of Insurance

SUBJECT:

Ins 17.29, Clearinghouse #83-151

Enclosed is a copy of an Order of the Commissioner of Insurance creating section Ins 17.29, Clearinghouse #83-151, relating to contracting for Patients Compensation Fund services.

MEV:fm Enclosure 2742F