

1975 Assembly Bill 58

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CHAPTER 2, Laws of 1975

AN ACT to renumber and amend 619.01 (1) (c); to amend 619.01 (1) (a); and to create 619.01 (1) (c) 2 and (7) of the statutes, relating to creation of mandatory risk-sharing plans for health care liability insurance.

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

SECTION 1. 619.01 (1) (a) of the statutes is amended to read:

619.01 (1) (a) *Establishment of plans.* If the commissioner finds after a hearing that in any part of this state automobile insurance, property insurance, health care liability insurance or workmen's compensation insurance is not readily available in the voluntary market, and that the public interest requires such availability, he may by rule either promulgate plans to provide such insurance coverages for any risks in this state which are equitably entitled to but otherwise unable to obtain such coverage, or may call upon the insurance industry to prepare plans for his approval.

SECTION 2. 619.01 (1) (c) of the statutes is renumbered 619.01 (1) (c) 1 and amended to read:

619.01 (1) (c) 1. Each plan, except a health care liability insurance plan, shall require participation by all insurers doing any business in this state of the types covered by the specific plan and all agents licensed to represent such insurers in this

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state for the specified types of business, except that the commissioner may exclude classes of persons for administrative convenience or because it is not equitable or practicable to require them to participate in the plan.

SECTION 3. 619.01 (1) (c) 2 of the statutes is created to read:

619.01 (1) (c) 2. Each health care liability insurance plan shall require participation by all insurers insuring persons in this state against liability resulting from personal injuries. Any deficit in a health care liability insurance plan in any year shall be recouped by rate increases for such plan applicable prospectively. Any surplus over the loss reserves in such a plan in any year shall be distributed by rate decreases for such plan applicable prospectively.

SECTION 4. 619.01 (7) of the statutes is created to read:

619.01 (7) HEALTH CARE LIABILITY POLICY LIMITS. Health care liability insurance plans established under this section shall provide minimum coverage to insureds in the amount of not less than \$100,000 for each occurrence and \$300,000 for all occurrences in any one policy year for the protection of persons who are legally entitled to recover damages from the insured for errors, omissions or neglect in the performance of the insured's professional services. If an insured has excess limits liability coverage or such coverage is available to him, the coverage provided under such plans shall be equal to the minimum level of such excess limits coverage. If the insured does not have excess limits liability coverage and such coverage is not available to him, the commissioner may establish minimum levels of coverage higher than the minimum limits specified in this subsection for such plans.
