



2005 ASSEMBLY BILL 259

March 18, 2005 - Introduced by Representatives GIELOW, NISCHKE, AINSWORTH, ALBERS, BALLWEG, BIES, GUNDERSON, HAHN, HINES, HUNDERTMARK, JESKEWITZ, KERKMAN, KESTELL, KRAWCZYK, KREIBICH, KREUSER, LOEFFELHOLZ, MUSSER, OTT, PETROWSKI, RHOADES, STRACHOTA, UNDERHEIM, VAN ROY, VOS, VRAKAS, VUKMIR and MOLEPSKE, cosponsored by Senators STEPP, BROWN, GROTHMAN, KANAVAS, KAPANKE, A LASEE, OLSEN and ROESSLER. Referred to Committee on Insurance.

1 **AN ACT to amend** 655.001 (7t), 655.005 (2t), 655.23 (5m) and 655.27 (3) (a) 4.;

2 **and to create** 655.002 (1) (em) of the statutes; **relating to:** provider

3 organizations subject to health care liability requirements.

Analysis by the Legislative Reference Bureau

Under current law, certain health care providers are required to carry health care liability insurance with liability limits of at least \$1,000,000 for each occurrence and at least \$3,000,000 for all occurrences in a policy year. If a medical malpractice claim against a health care provider who is subject to the health care liability insurance requirements exceeds the limits of the provider's health care liability insurance, the injured patients and families compensation fund pays the portion of the claim that exceeds the limits. The injured patients and families compensation fund is funded by assessments paid by the health care providers who are subject to the health care liability requirements.

Health care providers who are currently subject to the health care liability requirements include physicians, nurse anesthetists, partnerships composed of physicians or nurse anesthetists, corporations that operate for the primary purpose of providing the medical services of physicians or nurse anesthetists, cooperative sickness care associations, and such entities as hospitals, ambulatory surgery centers, and nursing homes whose operations are combined as a single entity with a hospital. This bill adds, as another type of health care provider that is subject to the health care liability requirements, any business entity organized and operated in this state for profit for the primary purpose of providing the medical services of

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physicians or nurse anesthetists, including, for example, a firm, a limited liability company, and a joint venture.

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

1 **SECTION 1.** 655.001 (7t) of the statutes is amended to read:

2 655.001 (7t) “Health care practitioner” means a health care professional, as
3 defined in s. 180.1901 (1m), who is an employee of a health care provider described
4 in s. 655.002 (1) (d), (e), (em), or (f) and who has the authority to provide health care
5 services that are not in collaboration with a physician under s. 441.15 (2) (b) or under
6 the direction and supervision of a physician or nurse anesthetist.

7 **SECTION 2.** 655.002 (1) (em) of the statutes is created to read:

8 655.002 (1) (em) A business entity, as defined in s. 13.62 (5), not specified under
9 par. (d) or (e) that is organized and operated in this state for the primary purpose of
10 providing the medical services of physicians or nurse anesthetists.

11 **SECTION 3.** 655.005 (2t) of the statutes is amended to read:

12 655.005 (2t) Subsection (2) does not affect the liability of a health care provider
13 described in s. 655.002 (1) (d), (e), (em), or (f) for the acts of its employees.

14 **SECTION 4.** 655.23 (5m) of the statutes is amended to read:

15 655.23 (5m) The limits set forth in sub. (4) shall apply to any joint liability of
16 a physician or nurse anesthetist and his or her corporation ~~or~~ partnership, or other
17 business entity, as defined in s. 13.62 (5), under s. 655.002 (1) (d) ~~or~~ (e), or (em).

18 **SECTION 5.** 655.27 (3) (a) 4. of the statutes is amended to read:

19 655.27 (3) (a) 4. For a health care provider described in s. 655.002 (1) (d), (e),
20 (em), or (f), risk factors and past and prospective loss and expense experience

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1 attributable to employees of that health care provider other than employees licensed
2 as a physician or nurse anesthetist.

3 **SECTION 6. Initial applicability.**

4 (1) This act first applies to all of the following:

5 (a) Policies issued or renewed on the effective date of this paragraph.

6 (b) Claims made under policies issued or renewed on the effective date of this
7 paragraph.

8 **SECTION 7. Effective date.**

9 (1) This act takes effect on the first day of the 7th month beginning after
10 publication.

11

(END)