

JUN 08 2001



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott McCallum, Governor
Connie L. O'Connell, Commissioner
Wisconsin.gov

June 7, 2001

121 East Wilson Street • P.O. Box 7873
Madison, Wisconsin 53707-7873
Phone: (608) 2663585 • Fax: (608) 266-9935
E-Mail: information@oci.state.wi.us
http://badger.state.wi.us/agencies/Oci/oci_home.htm

HONORABLE JUDITH ROBSON
SENATE CO-CHAIRPERSON
JOINT COMM FOR REVIEW OF ADM RULES
SOUTH STATE CAPITOL RM 15
MADISON WI 53702

Re: Emergency Rule affecting Section Ins 17.01(3), 17.28(6a) and 17.28(6), Wis. Adm. Code, relating to annual patients compensation fund and mediation fund fees for the fiscal year beginning July 1, 2001

Dear Senator Welch:

I am promulgating the attached rule as an emergency rule. It will be published in the official State newspaper on June 12, 2001.

If you have any questions, please contact Alice M. Shuman-Johnson at 266-9892 or e-mail at Alice.Shuman-Johnson@oci.state.wi.us.

Sincerely,

A handwritten signature in cursive script that reads "Connie O'Connell".

Connie L. O'Connell
Commissioner

CLO:AS
Attachment: 1 copy rule



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

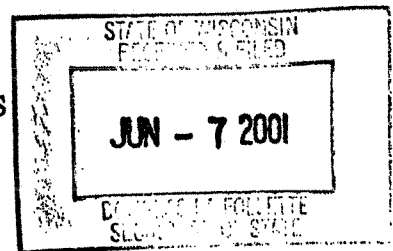
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STATE OF WISCONSIN
OFFICE OF THE COMMISSIONER OF INSURANCE

SS

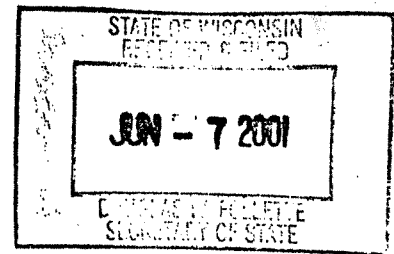


I, Connie L. O'Connell, Commissioner of Insurance and custodian of the official records, certify that the annexed emergency rule affecting Section Ins 17.01(3), 17.28(6a) and 17.28(6), Wis. Adm. Code, relating to annual patients compensation fund and mediation fund fees for the fiscal year beginning July 1, 2001, is duly approved and adopted by this Office on June 7, 2001.

I further certify that I have compared this copy with the original on file in this Office and that it is a true copy of the original, and the whole of the original.

IN TESTIMONY WHEREOF,
I have hereunto set my hand at
121 East Wilson Street, Madison, Wisconsin,
on June 7, 2001.

Connie L. O'Connell
Commissioner



ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE
AND THE
BOARD OF GOVERNORS OF THE PATIENTS COMPENSATION FUND
AMENDING AND REPEALING AND RECREATING A RULE

The office of the commissioner of insurance and the board of governors of the patients compensation fund adopt an order to amend s. Ins 17.01 (3), s. Ins 17.28 (6a), and to repeal and recreate s. Ins 17.28 (6), relating to annual patients compensation fund and mediation fund fees for the fiscal year beginning July 1, 2001.

ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE

Statutory authority: ss. 601.41 (3), 655.004, 655.27 (3) (b), and 655.61,
Stats.

Statutes interpreted: s. 655.27 (3), Stats.

The commissioner of insurance, with the approval of the board of governors (board) of the patients compensation fund (fund), is required to establish by administrative rule the annual fees which participating health care providers must pay to the fund. This rule establishes those fees for the fiscal year beginning July 1, 2001. These fees represent a 20% decrease compared with fees paid for the 2000-01 fiscal year. The board approved these fees at its meeting on February 28, 2001, based on the recommendation of the board's actuarial and underwriting committee.

The board is also required to promulgate by rule the annual fees for the operation of the patients compensation mediation system, based on the recommendation of the director of state courts. This rule implements the director's funding level recommendation by establishing mediation panel fees for the next fiscal

year at \$ 38.00 for physicians and \$2.00 per occupied bed for hospitals, representing no increase from 2000-01 fiscal year mediation panel fees.

FINDING OF EMERGENCY

The commissioner of insurance (commissioner) finds that an emergency exists and that promulgation of this emergency rule is necessary for the preservation of the public peace, health, safety or welfare. The facts constituting the emergency are as follows:

The commissioner was unable to promulgate the permanent rule corresponding to this emergency rule, clearinghouse rule No. 01-035, in time for the patients compensation fund (fund) to bill health care providers in a timely manner for fees applicable to the fiscal year beginning July 1, 2001.

The commissioner expects the permanent rule will be filed with the secretary of state in time to take effect October 1, 2001. Because the fund fee provisions of this rule first apply on July 1, 2001, it is necessary to promulgate the rule on an emergency basis. A hearing on the permanent rule, pursuant to published notice thereof, was held on May 16, 2001.

SECTION 1. Ins 17.01 (3) is amended to read:

Ins 17.01 (3) FEE SCHEDULE. (intro.) The following fee schedule shall be effective July 1, ~~2000-2001~~:

(a) For physicians-- \$38.00

(b) For hospitals, per occupied bed-- \$2.00

SECTION 2. Ins 17.28 (6) is repealed and recreated to read:

Ins 17.28 (6) FEE SCHEDULE. The following fee schedule is in effect from July 1, 2001, to and including June 30, 2002:

(a) Except as provided in pars. (b) to (f) and sub. (6e), for a physician for whom this state is a principal place of practice:

Class 1	\$1,538	Class 3	\$6,385
Class 2	\$2,769	Class 4	\$9,231

(b) For a resident acting within the scope of a residency or fellowship program:

Class 1	\$769	Class 3	\$3,191
Class 2	\$1,384	Class 4	\$4,614

(c) For a resident practicing part-time outside the scope of a residency or fellowship program:

All classes	\$923
-------------	-------

(d) For a medical college of Wisconsin, inc., full-time faculty member:

Class 1	\$615	Class 3	\$2,552
Class 2	\$1,107	Class 4	\$3,690

(e) For a physician who practices fewer than 500 hours during the fiscal year, limited to office practice and nursing home and house calls, and who does not practice obstetrics or surgery or assist in surgical procedures: \$385

(f) For a physician for whom this state is not a principal place of practice:

Class 1	\$769	Class 3	\$3,191
Class 2	\$1,384	Class 4	\$4,614

(g) For a nurse anesthetist for whom this state is a principal place of practice: \$378

(h) For a nurse anesthetist for whom this state is not a principal place of practice: \$189

(i) For a hospital:

1. Per occupied bed \$93; plus

2. Per 100 outpatient visits during the last calendar year for which totals are available: \$4.65

(j) For a nursing home, as described under s. 655.002 (1) (j), Stats., which is wholly owned and operated by a hospital and which has health care liability insurance separate from that of the hospital by which it is owned and operated:

Per occupied bed \$17

(k) For a partnership comprised of physicians or nurse anesthetists, organized for the primary purpose of providing the medical services of physicians or nurse anesthetists, all of the following fees:

1. a. If the total number of partners and employed physicians and nurse anesthetists is from 2 to 10 \$53

b. If the total number of partners and employed physicians and nurse anesthetists is from 11 to 100 \$529

c. If the total number of partners and employed physicians and nurse anesthetists exceeds 100 \$1,322

2. The following fee for each of the following employees employed by the partnership as of July 1, 2001:

Employed Health Care Persons	July 1, 2001 Fund Fee
Nurse Practitioners	\$ 385
Advanced Nurse Practitioners	538
Nurse Midwives	3,385
Advanced Nurse Midwives	3,538
Advanced Practice Nurse Prescribers	538
Chiropractors	615
Dentists	308
Oral Surgeons	2,308
Podiatrists-Surgical	6,538
Optometrists	308
Physician Assistants	308

(L) For a corporation, including a service corporation, with more than one shareholder organized under ch. 180, Stats., for the primary purpose of providing the medical services of physicians or nurse anesthetists, all of the following fees:

1. a. If the total number of shareholders and employed physicians and nurse anesthetists is from 2 to 10 \$53

b. If the total number of shareholders and employed physicians and nurse anesthetists is from 11 to 100 \$529

c. If the total number of shareholders and employed physicians or nurse anesthetists exceeds 100 \$1,322

2. The following for each of the following employees employed by the corporation as of July 1, 2001:

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Chiropractors	615
Dentists	308
Oral Surgeons	2,308
Podiatrists-Surgical	6,538
Optometrists	308
Physician Assistants	308

(m) For a corporation organized under ch. 181, Stats., for the primary purpose of providing the medical services of physicians or nurse anesthetists, all of the following fees:

1. a. If the total number of employed physicians and nurse anesthetists is from 1 to 10 \$53

b. If the total number of employed physicians and nurse anesthetists is from 11 to 100 \$529

c. If the total number of employed physicians or nurse anesthetists exceeds 100 \$1,322

2. The following for each of the following employees employed by the corporation as of July 1, 2001:

Employed Health Care Persons	July 1, 2001 Fund Fee
Nurse Practitioners	\$ 385
Advanced Nurse Practitioners	538
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Advanced Practice Nurse Prescribers	538
Chiropractors	615
Dentists	308
Oral Surgeons	2,308
Podiatrists-Surgical	6,538
Optometrists	308
Physician Assistants	308

(n) For an operational cooperative sickness care plan as described under s. 655.002 (1) (f), Stats., all of the following fees:

1. Per 100 outpatient visits during the last calendar year for which totals are available \$.11

2. 2.5% of the total annual fees assessed against all of the employed physicians.

3. The following for each of the following employees employed by the operational cooperative sickness plan as of July 1, 2001:

Employed Health Care Persons	July 1, 2001 Fund Fee
Nurse Practitioners	\$ 385

Advanced Nurse Practitioners	538
Nurse Midwives	3,385
Advanced Nurse Midwives	3,538
Advanced Practice Nurse Prescribers	538
Chiropractors	615
Dentists	308
Oral Surgeons	2,308
Podiatrists-Surgical	6,538
Optometrists	308
Physician Assistants	308

(o) For a freestanding ambulatory surgery center, as defined in s. HFS 120.03

(10):

Per 100 outpatient visits during the last calendar year for which totals
are available \$22

(p) For an entity affiliated with a hospital, the greater of \$100 or whichever of
the following applies:

1. 7% of the amount the entity pays as premium for its primary health care
liability insurance, if it has occurrence coverage.

2. 10% of the amount the entity pays as premium for its primary health care
liability insurance, if it has claims-made coverage.

SECTION 3. Ins 17.28 (6a) is amended to read:

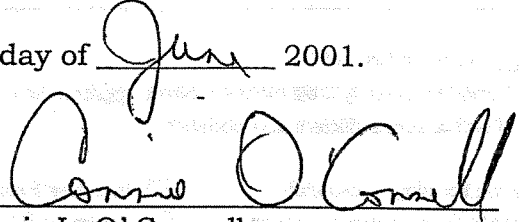
Ins 17.28 (6a) FEES FOR OCI APPROVED SELF-INSURED HEALTH CARE
PROVIDERS. The following fee schedule is in effect from July 1, ~~2000~~ 2001 to and
including June 30, ~~2001~~ 2002 for OCI approved self-insured health care providers: who
~~elect, pursuant to s. 655.23 (4) (c) 2., Stats., to increase their per occurrence limit to~~
~~\$800,000 for each occurrence on or after July 1, 1999, provided such self-insured~~
~~provider has filed an amended self-insured plan document reflecting the increased~~

~~coverage levels with the office of the commissioner of insurance and with the patients
compensation fund on or before August 15, 1999:~~

The fees set forth in sub. (6) ~~multiplied by 1.073.~~

SECTION 4. EFFECTIVE DATE. This rule will take effect on July 1, 2001.

Dated at Madison, Wisconsin, this 7 day of June 2001.

/s/ 
Connie L. O'Connell
Commissioner of Insurance



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

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Members of the Legislature

Re: Emergency Rule affecting Section Ins 17.01(3), 17.28(6a) and 17.28(6), Wis. Adm. Code, relating to annual patients compensation fund and mediation fund fees for the fiscal year beginning July 1, 2001

Dear Senator or Representative to the Assembly:

I have promulgated the attached rule as an emergency rule. The rule will be published in the official State newspaper on June 12, 2001.

The attached copy of the rule includes the Finding of Emergency which required promulgation of the rule.

If you have any questions, please contact Alice M. Shuman-Johnson at 266-9892 or e-mail at Alice.Shuman-Johnson@oci.state.wi.us.

Sincerely,

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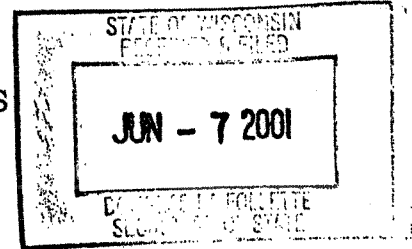
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STATE OF WISCONSIN
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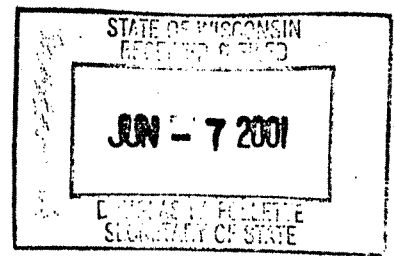


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1. Per 100 outpatient visits during the last calendar year for which totals are available \$.11

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1. 7% of the amount the entity pays as premium for its primary health care
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2. 10% of the amount the entity pays as premium for its primary health care
liability insurance, if it has claims-made coverage.

SECTION 3. Ins 17.28 (6a) is amended to read:

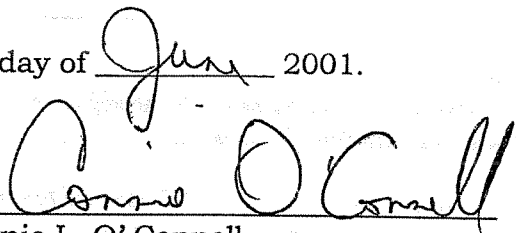
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\$800,000 for each occurrence on or after July 1, 1999, provided such self-insured
provider has filed an amended self-insured plan document reflecting the increased

~~coverage levels with the office of the commissioner of insurance and with the patients
compensation fund on or before August 15, 1999:~~

The fees set forth in sub. (6) ~~multiplied by 1.073.~~

SECTION 4. EFFECTIVE DATE. This rule will take effect on July 1, 2001.

Dated at Madison, Wisconsin, this 7 day of June 2001.

/s/ 
Connie L. O'Connell
Commissioner of Insurance