

**ASSEMBLY SUBSTITUTE AMENDMENT 2,
TO 2005 ASSEMBLY BILL 259**

May 24, 2005 – Offered by Representative GIELOW.

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 substitute amendment adds, as another type of health care provider

that is subject to the health care liability requirements, any organization or enterprise organized and operated in this state for the primary purpose of providing the medical services of physicians or nurse anesthetists.

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) Any organization or enterprise not specified under par. (d) or
9 (e) that is organized and operated in this state for the primary purpose of providing
10 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 organization or enterprise 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

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) ORGANIZATIONS SUBJECT TO INSURANCE REQUIREMENTS. This act first applies
5 to all of the following:

6 (a) Policies that are issued or renewed on the effective date of this paragraph
7 and to policies that are in effect on the effective date of this paragraph, that are in
8 compliance with chapter 655 of the statutes, as affected by this act, and that cover
9 organizations or enterprises that are in compliance with chapter 655 of the statutes,
10 as affected by this act.

11 (b) Claims made under policies that are issued or renewed on the effective date
12 of this paragraph and to claims made under policies that are in effect on the effective
13 date of this paragraph, that are in compliance with chapter 655 of the statutes, as
14 affected by this act, and that cover organizations or enterprises that are in
15 compliance with chapter 655 of the statutes, as affected by this act.

16 **(END)**