

**2005 DRAFTING REQUEST**

**Assembly Amendment (AA-AB(LRBx3240/2))**

Received: 12/21/2005

Received By: **dkennedy**

Wanted: **As time permits**

Identical to LRB:

For: **Gregg Underheim (608) 266-2254**

By/Representing: **Michelle Hough**

This file may be shown to any legislator: **NO**

Drafter: **dkennedy**

May Contact:

Addl. Drafters:

Subject: **Health - miscellaneous**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Underheim@legis.state.wi.us**

Carbon copy (CC:) to: **robin.ryan@legis.state.wi.us**

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Restore cap on physician assessments

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**Instructions:**

See Attached

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**Drafting History:**

| <u>Vers.</u> | <u>Drafted</u>         | <u>Reviewed</u>        | <u>Typed</u>           | <u>Proofed</u> | <u>Submitted</u>       | <u>Jacketed</u>        | <u>Required</u> |
|--------------|------------------------|------------------------|------------------------|----------------|------------------------|------------------------|-----------------|
| /?           | dkennedy<br>12/22/2005 | kfollett<br>12/22/2005 |                        | _____          |                        |                        |                 |
| /1           |                        |                        | rschluet<br>12/22/2005 | _____          | sbasford<br>12/22/2005 | sbasford<br>12/22/2005 |                 |

FE Sent For:

<END>

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|----|----------|---------|--|--|--|--|--|
| /? | dkennedy | 11/5/05 |  |  |  |  |  |
|    |          | 12/22   |  |  |  |  |  |

FE Sent For:

**<END>**

**TELEPHONE DRAFTING INSTRUCTIONS**

Drafting instructions received by Debora Kennedy.

**DATE:**

12/21/05

**CONVERSATION WITH:**

Michelle Haugh

**OF:**

Underheim's Office

**TELEPHONE NO:**

**REGARDING LRB # OR DRAFT TOPIC:**

- 3240/2

**INSTRUCTIONS:**

Amendment: Restore cap on assessments; delete JFC language



12/27/05  
State of Wisconsin  
2005 - 2006 LEGISLATURE

LRBa1994/2  
DAK.:/G.A. jk

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~  
ASSEMBLY AMENDMENT ,  
TO 2005 ASSEMBLY BILL (LRB-3240/2)

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 18, line 7: delete lines 7 to 19 and substitute "surgery centers. No  
3 health care provider that is not a facility may be assessed under this subsection an  
4 amount that exceeds \$75 per fiscal year. All payments of assessments shall be  
5 credited to the appropriation under".

6 **2.** Page 19, line 13: delete lines 13 to 24 and substitute "health care providers  
7 other than hospitals and ambulatory surgery centers. No health care provider that  
8 is not a facility may be assessed under this subsection an amount that exceeds \$75  
9 per fiscal year. All payments of assessments shall be credited to the appropriation".

10

(END)

**2005 BILL**

1     **AN ACT** *to repeal* 15.07 (2) (b), 15.07 (3) (bm) 1., 15.107 (7), 15.195 (6), 15.195 (9),  
2           16.03, 153.01 (2), 153.05 (6r), 153.07, 153.45 (6), 153.60 (3), 153.67, 153.75 (2)  
3           (d), 153.76 and 253.12 (4) (b); *to renumber* 153.01 (1) and 153.22 (1); *to amend*  
4           20.435 (1) (hg), 20.435 (1) (hg), 20.435 (1) (hi), 20.515 (1) (r), 153.01 (5m), 153.05  
5           (1) (a), 153.05 (3) (a), 153.05 (5) (a), 153.05 (8) (a), 153.05 (9) (a), 153.05 (12) (a),  
6           153.10 (1), 153.45 (1) (b) 9., 153.45 (1) (b) 11., 153.45 (1) (c) (intro.), 153.50 (1)  
7           (b) 2. (intro.), 153.50 (3) (intro.), 153.50 (3) (a), 153.50 (3) (b) (intro.), 153.50 (3)  
8           (d), 153.50 (3m), 153.50 (4) (a) (intro.), 153.50 (4) (a) 1. a., 153.50 (4) (a) 1. b.,  
9           153.50 (4) (a) 2., 153.50 (4) (a) 3., 153.50 (5) (a) (intro.), 153.50 (5) (b) (intro.),  
10           153.50 (5) (b) 1., 153.60 (title), 153.60 (1), 153.60 (1), 153.65 (1), 153.75 (1)  
11           (intro.), 153.75 (1) (intro.), 153.75 (2) (intro.) and 153.75 (2) (intro.); and *to*  
12           **create** 153.01 (1d), 153.01 (2g), 153.01 (3g), 153.01 (8m), 153.05 (1) (c), 153.05  
13           (2r), 153.05 (3) (c), 153.05 (5) (c), 153.05 (8) (c), 153.05 (9) (c), 153.05 (12) (c),  
14           153.45 (intro.), 153.455, 153.50 (intro.), 153.50 (1) (b) 1m., 153.50 (4) (a) 1. c.,

**BILL**

1           153.50 (4) (c) and 153.60 (intro.) of the statutes; **relating to:** requiring a  
2           contract with a data organization for the collection, analysis, and dissemination  
3           of health care claims information; eliminating the Board on Health Care  
4           Information, the Interagency Coordinating Council, and the Independent  
5           Review Board; and making appropriations.

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***Analysis by the Legislative Reference Bureau***

Under current law, the Department of Health and Family Services (DHFS) must collect, analyze, and disseminate health care information from health care providers other than hospitals and ambulatory surgery centers; in addition, the Department of Administration (DOA) must contract with an entity to collect, analyze, and disseminate health care information from hospitals and ambulatory surgery centers. Both DHFS and the entity under contract with DOA must, from the data collected, prepare certain reports that do not permit the identification of a patient, an employer, or a health care provider. The Independent Review Board (Review Board) attached to DHFS must first review and approve release or sale by DHFS of certain health care information, including that which contains the name of a health care provider, includes a patient's month and year of birth, or contains data elements other than those available for public use data files.

Currently, the nine-member Interagency Coordinating Council (the Council), created in DOA, has numerous duties including advising and assisting state agencies in the coordination and exchange of information concerning programs that collect, analyze, and disseminate health care data. The Council must report twice annually to the Board on Health Care Information (the Board), and, in turn, DHFS and the Board must provide information on their activities to the Council. The 11-member Board, attached to DHFS, must advise DHFS on the collection, analysis, and dissemination of health care information; provide oversight on the reports issued by DHFS and the entity under contract with DOA; develop overall strategy and direction for health care information collection activities; and review and approve any rules that the Review Board proposes to promulgate. Activities of the Board and DHFS are funded from fees for performance of certain work under contract and from assessments that are annually levied on health care providers other than hospitals and ambulatory surgery centers. For health care providers that are not facilities, the assessments may not exceed \$75 per fiscal year.

This bill authorizes the Department of Employee Trust Funds (DETF) and DHFS jointly to contract with a data organization to collect, analyze, and publicly report certain health care claims information from insurers and administrators, to develop and maintain a centralized data repository, and to provide to DHFS, without charge, health care claims information and reports requested by DHFS. ("Data organization," "administrator," and "insurer" are all defined in the bill.) As a

**BILL**

condition of the contract, the data organization must include as voting members of its board of directors the secretaries of health and family services and employee trust funds, or their designees, and must provide certain matching funds. Beginning on the date that is 60 days after the contract takes effect, DHFS must cease collecting health care information for any calendar quarter after that date, and implementation of DHFS' rules for the collection of this health care information is suspended. However, the secretaries may modify or terminate the contract with the data organization if the secretaries determine that the data organization is not in compliance with the contract or determine that there is insufficient statewide participation under the requirements of the contract; if the secretaries terminate the contract, they must recommend to the Department of Administration (DOA) that DOA use a request-for-proposals process to solicit offers from other organizations for performance of services required of the data organization. If no organization responds to the request for proposals or if a successor contract cannot be achieved, DHFS shall collect, analyze, and disseminate health care information from health care providers other than hospitals and ambulatory surgery centers, and DHFS' rules for doing so apply. Also, if the contract is terminated, DHFS may collect, analyze, and disseminate health care claims information voluntarily provided by insurers and administrators, or contract for the collection, analysis, and dissemination.

The assessments that currently fund activities of DHFS and the Board would, under the bill, fund the contract with the data organization or, if the contract is terminated, health care information collection, analysis, and dissemination activities of DHFS. The bill eliminates the prohibition on assessing health care providers that are not facilities more than \$75 per fiscal year and, instead, requires that DHFS, if it proposes to increase the assessment for health care providers that are not facilities to an amount that exceeds \$70 per fiscal year, obtain approval of the joint committee on finance of the legislature under a passive review process.

The bill eliminates the Board, the Review Board, and the Council on July 1, 2006.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

- 1           **SECTION 1.** 15.07 (2) (b) of the statutes is repealed.
- 2           **SECTION 2.** 15.07 (3) (bm) 1. of the statutes is repealed.
- 3           **SECTION 3.** 15.107 (7) of the statutes is repealed.
- 4           **SECTION 4.** 15.195 (6) of the statutes is repealed.
- 5           **SECTION 5.** 15.195 (9) of the statutes is repealed.

**BILL**

1           **SECTION 6.** 16.03 of the statutes is repealed.

2           **SECTION 7.** 20.435 (1) (hg) of the statutes, as affected by 2005 Wisconsin Act 25,  
3 is amended to read:

4           20.435 (1) (hg) *General program operations; health care information.* The  
5 amounts in the schedule to fund the activities of the department of health and family  
6 services and the board on health care information under ch. 153 and to contract with  
7 the data organization under s. 153.05 (2r). The contract fees paid under s. 153.05  
8 (6m) and assessments paid under s. 153.60 shall be credited to this appropriation  
9 account.

10           **SECTION 8.** 20.435 (1) (hg) of the statutes, as affected by 2005 Wisconsin Act ...  
11 (this act), is amended to read:

12           20.435 (1) (hg) *General program operations; health care information.* The  
13 amounts in the schedule to fund the activities of the department of health and family  
14 services ~~and the board on health care information~~ under ch. 153 and to contract with  
15 the data organization under s. 153.05 (2r). The contract fees paid under s. 153.05  
16 (6m) and assessments paid under s. 153.60 shall be credited to this appropriation  
17 account.

18           **SECTION 9.** 20.435 (1) (hi) of the statutes, as affected by 2005 Wisconsin Act 25,  
19 is amended to read:

20           20.435 (1) (hi) *Compilations and special reports; health care information.* All  
21 moneys received from user fees imposed under s. 153.65 (1) for the purpose of  
22 financing the costs of the department of health and family services of producing  
23 special data compilations or special reports under s. 153.65 and to contract with the  
24 data organization under s. 153.05 (2r).

25           **SECTION 10.** 20.515 (1) (r) of the statutes is amended to read:



**BILL**

1           20.515 (1) (r) *Benefit and coverage payments; data collection, analysis, and*  
2 *reporting.* All moneys credited to the public employee trust fund for payment from  
3 the appropriate accounts and reserves of the fund of the benefits, contributions,  
4 insurance premiums and refunds authorized by ch. 40 for the respective benefit  
5 plans and for the costs of contracting for data collection, analysis, and reporting  
6 under s. 153.05 (2r). Estimated disbursements under this paragraph shall not be  
7 included in the schedule under s. 20.005.

8           **SECTION 11.** 153.01 (1) of the statutes is renumbered 153.01 (1g).

9           **SECTION 12.** 153.01 (1d) of the statutes is created to read:

10          153.01 (1d) “Administrator” has the meaning given in s. 633.01 (1).

11          **SECTION 13.** 153.01 (2) of the statutes is repealed.

12          **SECTION 14.** 153.01 (2g) of the statutes is created to read:

13          153.01 (2g) “Calculated variable” means a data element that is computed or  
14 derived from an original data item or derived using another data source.

15          **SECTION 15.** 153.01 (3g) of the statutes is created to read:

16          153.01 (3g) “Data organization” means a nonstock corporation organized  
17 under ch. 181 that is described in section 501 (c) (3) of the Internal Revenue Code,  
18 is exempt from federal income tax under section 501 (a) of the Internal Revenue  
19 Code, and, in its capacity as a public health authority, does all of the following:

20           (a) Represents health care consumers, insurers, administrators, and health  
21 care providers.

22           (b) Is formed specifically to do all of the following:

23           1. Create a centralized claims repository for this state with credible and useful  
24 data elements for the purposes of quality improvement, health care provider  
25 performance comparisons, ready understandability, and consumer decision making.

**BILL**

1           2. Use the information it collects to develop and disseminate unified public  
2 reports on health care quality, safety, and efficiency.

3           **SECTION 16.** 153.01 (5m) of the statutes is amended to read:

4           153.01 (5m) “Insurer” has the meaning given under s. ~~600.03 (27)~~ 632.745 (15).

5           **SECTION 17.** 153.01 (8m) of the statutes is created to read:

6           153.01 (8m) “Public health authority” means the department or a person  
7 acting under this chapter under a grant of authority from or contract with the  
8 department.

9           **SECTION 18.** 153.05 (1) (a) of the statutes is amended to read:

10           153.05 (1) (a) ~~The~~ Subject to s. 153.455, the department shall collect from  
11 health care providers other than hospitals and ambulatory surgery centers, analyze,  
12 and disseminate health care information, as adjusted for case mix and severity, in  
13 language that is understandable to laypersons.

14           **SECTION 19.** 153.05 (1) (c) of the statutes is created to read:

15           153.05 (1) (c) Subject to s. 153.455 (1) to (3), the data organization under  
16 contract under sub. (2r) may request health care claims information from insurers  
17 and administrators. The data organization shall analyze and publicly report the  
18 health care claims information with respect to the cost, quality, and effectiveness of  
19 health care, in language that is understandable by lay persons, and shall develop and  
20 maintain a centralized data repository. The data organization shall provide to the  
21 department, without charge, health care claims information collected by and reports  
22 produced by the data organization that the department requests. If s. 153.455 (4)  
23 applies, the department may request health care claims information, which may be  
24 voluntarily provided by insurers and administrators, and may perform or contract

**BILL**

1 for the performance of the other duties specified for the data organization under this  
2 paragraph.

3 **SECTION 20.** 153.05 (2r) of the statutes is created to read:

4 153.05 (2r) Notwithstanding s. 16.75 (1), (2), and (3m), from the appropriation  
5 account under s. 20.515 (1) (r) the department of employee trust funds may expend  
6 up to \$150,000, and from the appropriation accounts under s. 20.435 (1) (hg) and (hi)  
7 the department of health and family services, in its capacity as a public health  
8 authority, may expend moneys, to contract jointly with a data organization to  
9 perform services under this chapter that are specified for the data organization  
10 under sub. (1) (c) or, if s. 153.455 (4) applies, for the department of health and family  
11 services to perform or contract for the performance of these services. As condition  
12 of the contract under this subsection, all of the following apply:

13 (a) At least during the period of the contract, the data organization shall  
14 include as voting members of the board of directors of the data organization the  
15 secretary of health and family services and the secretary of employee trust funds, or  
16 their designees.

17 (b) The data organization shall provide matching funds, which may include  
18 in-kind contributions, as specified in the contract.

19 (c) Termination of funding and of services of the data organization under the  
20 contract or modification of the contract is subject to a determination made under s.  
21 153.455 (3).

22 **SECTION 21.** 153.05 (3) (a) of the statutes is amended to read:

23 153.05 (3) (a) Upon request of the department for health care information  
24 relating to health care providers other than hospitals and ambulatory surgery  
25 centers and, if s. 153.455 (4) applies, for health care claims information as specified

**BILL**

1 in sub. (1) (c), state agencies shall provide that ~~health-care~~ information to the  
2 department for use in preparing reports under this chapter.

3 **SECTION 22.** 153.05 (3) (c) of the statutes is created to read:

4 153.05 (3) (c) Upon request of the data organization under contract under sub.  
5 (2r) for health care claims information, insurers and administrators may provide the  
6 health care claims information to the data organization for use in preparing reports  
7 and developing and maintaining a central data repository under this chapter, and,  
8 if s. 153.455 (4) applies, insurers and administrators may provide the health care  
9 claims information as requested by the department.

10 **SECTION 23.** 153.05 (5) (a) of the statutes is amended to read:

11 153.05 (5) (a) Unless sub. (13) applies, subject to s. 153.455, the department  
12 may require health care providers other than hospitals and ambulatory surgery  
13 centers to submit to the department health care information specified by rule under  
14 s. 153.75 (1) (n) for the preparation of reports, plans, and recommendations in the  
15 form specified by the department by rule.

16 **SECTION 24.** 153.05 (5) (c) of the statutes is created to read:

17 153.05 (5) (c) Subject to s. 153.455 (1) to (3), the data organization under  
18 contract under sub. (2r) may request insurers and administrators to submit to the  
19 data organization health care claims information for the preparation of reports,  
20 plans, and recommendations in the form specified by the data organization,  
21 including in standard electronic format. If s. 153.455 (4) applies, the department  
22 may request submission of the health care claims information from insurers and  
23 administrators in the form specified by the department, including in standard  
24 electronic format.

25 **SECTION 25.** 153.05 (6r) of the statutes is repealed.

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1           **SECTION 26.** 153.05 (8) (a) of the statutes is amended to read:

2           153.05 (8) (a) Unless sub. (13) applies, subject to s. 153.455, the department  
3 shall collect, analyze and disseminate, in language that is understandable to  
4 laypersons, claims information and other health care information, as adjusted for  
5 case mix and severity, under the provisions of this chapter, as determined by rules  
6 promulgated by the department, from health care providers, other than hospitals  
7 and ambulatory surgery centers, specified by rules promulgated by the department.  
8 Data from those health care providers may be obtained through sampling techniques  
9 in lieu of collection of data on all patient encounters and data collection procedures  
10 shall minimize unnecessary duplication and administrative burdens. If the  
11 department collects from health care plans data that is specific to health care  
12 providers other than hospitals and ambulatory surgery centers, the department  
13 shall attempt to avoid collecting the same data from those health care providers.

14           **SECTION 27.** 153.05 (8) (c) of the statutes is created to read:

15           153.05 (8) (c) Subject to s. 153.455 (1) to (3), the data organization under  
16 contract under sub. (2r) may request, analyze, and publicly report, in language that  
17 is understandable to laypersons, health care claims information, as adjusted for case  
18 mix and severity, from insurers and administrators. Data from these sources may  
19 be obtained through sampling techniques in lieu of collection of data on all insureds,  
20 and data collection procedures shall minimize unnecessary duplication and  
21 administrative burdens. If s. 153.455 (4) applies, the department may request health  
22 care claims information, which may be voluntarily provided by insurers and  
23 administrators, and may perform or contract for the performance of the other duties  
24 specified for the data organization under this paragraph.

25           **SECTION 28.** 153.05 (9) (a) of the statutes is amended to read:

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1           153.05 (9) (a) ~~The Subject to s. 153.455, the~~ department shall provide  
2 orientation and training to health care providers, other than hospitals and  
3 ambulatory surgery centers, who submit data under this chapter, to explain the  
4 process of data collection and analysis and the procedures for data verification,  
5 comment, interpretation, and release.

6           **SECTION 29.** 153.05 (9) (c) of the statutes is created to read:

7           153.05 (9) (c) Subject to s. 153.455 (1) to (3), the data organization under  
8 contract under sub. (2r) shall provide orientation and training to insurers and  
9 administrators that submit data under this chapter, to explain the process of data  
10 collection and analysis and the procedures for data verification, comment,  
11 interpretation, and release. If s. 153.455 (4) applies, the department may perform  
12 or contract for the performance of the duties specified for the data organization under  
13 this paragraph.

14           **SECTION 30.** 153.05 (12) (a) of the statutes is amended to read:

15           153.05 (12) (a) ~~The Subject to s. 153.455, the~~ department shall, to the extent  
16 possible and upon request, assist members of the public in interpreting data in  
17 health care information disseminated by the department.

18           **SECTION 31.** 153.05 (12) (c) of the statutes is created to read:

19           153.05 (12) (c) The data organization under contract under sub. (2r) shall,  
20 subject to s. 153.455 (1) to (3), to the extent possible and upon request, assist  
21 members of the public in interpreting data in health care information disseminated  
22 by the data organization. If s. 153.455 (4) applies, the department may perform or  
23 contract for the performance of the duties specified for the data organization under  
24 this paragraph.

25           **SECTION 32.** 153.07 of the statutes is repealed.

**BILL**

1           **SECTION 33.** 153.10 (1) of the statutes is amended to read:

2           153.10 (1) ~~The Subject to s. 153.455, the~~ department shall prepare, and submit  
3 to the governor and the chief clerk of each house of the legislature for distribution  
4 to the legislature under s. 13.172 (2), standard reports concerning health care  
5 providers other than hospitals and ambulatory surgery centers that the department  
6 prepares and shall collect information necessary for preparation of those reports. If  
7 s. 153.455 (4) applies, the department shall include in the reports under this  
8 subsection reports concerning any health care claims information the department  
9 collects or contracts to collect under s. 153.05.

10           **SECTION 34.** 153.22 (1) of the statutes is renumbered 153.22.

11           **SECTION 35.** 153.45 (intro.) of the statutes is created to read:

12           153.45 (intro.) Subject to s. 153.455:

13           **SECTION 36.** 153.45 (1) (b) 9. of the statutes is amended to read:

14           153.45 (1) (b) 9. Information that contains the name of a health care provider  
15 that is not a hospital or ambulatory surgery center, if the ~~independent review board~~  
16 department first reviews and approves the release ~~or if the department promulgates~~  
17 ~~rules that specify circumstances under which the independent review board need not~~  
18 ~~review and approve the release.~~

19           **SECTION 37.** 153.45 (1) (b) 11. of the statutes is amended to read:

20           153.45 (1) (b) 11. Information other than patient-identifiable data, as defined  
21 in s. 153.50 (1) (b), as approved by the ~~independent review board~~ department.

22           **SECTION 38.** 153.45 (1) (c) (intro.) of the statutes is amended to read:

23           153.45 (1) (c) (intro.) Custom-designed reports containing portions of the data  
24 under par. (b). ~~Of information submitted by health care providers that are not~~  
25 ~~hospitals or ambulatory surgery centers, requests under this paragraph for data~~

**BILL****SECTION 38**

1 ~~elements other than those available for public use data files under par. (b), including~~  
2 ~~the patient's month and year of birth, require review and approval by the~~  
3 ~~independent review board before the data elements may be released.~~ Information  
4 that contains the name of a health care provider that is not a hospital or ambulatory  
5 surgery center may be released only if the ~~independent review board~~ department  
6 first reviews and approves the release ~~or if the department promulgates rules that~~  
7 ~~specify circumstances under which the independent review board need not review~~  
8 ~~and approve the release.~~ Reports under this paragraph may include the patient's zip  
9 code only if at least one of the following applies:

10 **SECTION 39.** 153.45 (6) of the statutes is repealed.

11 **SECTION 40.** 153.455 of the statutes is created to read:

12 **153.455 Data organization; contract contingency.** (1) Except as provided  
13 in subs. (2), (3), and (4), beginning on the date, if any, that is 60 days after the contract  
14 under s. 153.05 (2r) takes effect, the department shall cease collecting, for calendar  
15 quarters that occur after that date, health care information as specified under s. HFS  
16 120.14 (1), 2005 Wis. Adm. Code, in effect on the effective date of this subsection ....  
17 [revisor inserts date].

18 (2) Subsection (1) does not apply to ss. 153.21 (1) and 153.60 (1).

19 (3) Beginning on the date, if any, that the secretary of health and family  
20 services and the secretary of employee trust funds determine that the data  
21 organization is not in compliance with the contract under s. 153.05 (2r) with respect  
22 to the performance of the collection and public reporting of information regarding the  
23 cost, quality, and effectiveness of health care, including the development and  
24 maintenance of a centralized data repository, or determine that there is insufficient  
25 statewide participation under the requirements of the contract, the secretaries may



**BILL**

1 modify or terminate the contract. If the secretaries terminate the contract, they shall  
2 recommend to the department of administration that that department use a  
3 competitive request-for-proposal process to solicit offers from other organizations  
4 for performance of the services required of the data organization under the  
5 terminated contract. If no organization responds to the request for proposals or if a  
6 successor contract cannot be achieved, sub. (4) applies.

7 (4) If the contract with the data organization is terminated under sub. (3) and  
8 no organization responds to the request for proposals or a successor contract cannot  
9 be achieved, the department, in its capacity as a public health authority, shall collect  
10 health care information, including as specified under s. HFS 120.14 (1), Wis. Adm.  
11 Code, in effect on the effective date of this subsection ... [revisors inserts date], and  
12 may request health care claims information, which may be voluntarily provided by  
13 insurers or administrators, under this chapter; shall analyze and disseminate, or  
14 contract for the performance of analysis and dissemination of, the health care  
15 information; and may analyze and disseminate, or may contract for the performance  
16 of analysis and dissemination of, the health care claims information.

17 **SECTION 41.** 153.50 (intro.) of the statutes is created to read:

18 153.50 (intro.) Subject to s. 153.455:

19 **SECTION 42.** 153.50 (1) (b) 1m. of the statutes is created to read:

20 153.50 (1) (b) 1m. “Patient-identifiable data” does not include calculated  
21 variables that are derived from patient-identifiable data and the dissemination of  
22 which does not permit patient identification.

23 **SECTION 43.** 153.50 (1) (b) 2. (intro.) of the statutes is amended to read:

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1           153.50 (1) (b) 2. (intro.) “Patient-identifiable data”, for information submitted  
2 by health care providers who are not hospitals or ambulatory surgery centers and by  
3 insurers and administrators, means all of the following data elements:

4           **SECTION 44.** 153.50 (3) (intro.) of the statutes is amended to read:

5           153.50 (3) MEASURES TO ENSURE PROTECTION OF PATIENT IDENTITY. (intro.) To  
6 ensure that the identity of patients is protected when information obtained by the  
7 department ~~or~~, by the entity under contract under s. 153.05 (2m) (a), or by the data  
8 organization under contract under s. 153.05 (2r) is disseminated, the department  
9 ~~and~~, the entity, and the data organization shall do all of the following:

10          **SECTION 45.** 153.50 (3) (a) of the statutes is amended to read:

11          153.50 (3) (a) Aggregate any data element category containing small numbers.  
12 The department, in so doing, shall use procedures that are developed by the  
13 department ~~and approved by the board~~ and that follow commonly accepted  
14 statistical methodology.

15          **SECTION 46.** 153.50 (3) (b) (intro.) of the statutes is amended to read:

16          153.50 (3) (b) (intro.) Remove and destroy all of the following data elements on  
17 the uniform patient billing forms that are received by the department ~~or by~~, the  
18 entity, or the data organization under the requirements of this chapter:

19          **SECTION 47.** 153.50 (3) (d) of the statutes is amended to read:

20          153.50 (3) (d) Require that a purchaser of data under this chapter sign and have  
21 notarized the data use agreement of the department ~~or of~~, the entity ~~specified in par.~~  
22 (e), or the data organization, as applicable.

23          **SECTION 48.** 153.50 (3m) of the statutes is amended to read:

24          153.50 (3m) ~~HEALTH CARE PROVIDER~~ PROVIDER, ADMINISTRATOR, OR INSURER  
25 MEASURES TO ENSURE PATIENT IDENTITY PROTECTION. A health care provider that is not

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1 a hospital or ambulatory surgery center or an insurer or an administrator shall,  
2 before submitting information required by the department, or by the data  
3 organization under contract under s. 153.05 (2r), under this chapter, convert to a  
4 payer category code as specified by the department or the data organization, as  
5 applicable, any names of an insured's payer or other insured's payer.

6 **SECTION 49.** 153.50 (4) (a) (intro.) of the statutes is amended to read:

7 153.50 (4) (a) (intro.) Except as specified in ~~par.~~ pars. (b) and (c), under the  
8 procedures specified in sub. (5), release of patient-identifiable data may be made  
9 only to any of the following:

10 **SECTION 50.** 153.50 (4) (a) 1. a. of the statutes is amended to read:

11 153.50 (4) (a) 1. a. An agent of the department who is responsible for the  
12 patient-identifiable data in the department, in order to store the data and ensure the  
13 accuracy of the information in the database of the department or to create a  
14 calculated variable that is derived from the patient-identifiable data.

15 **SECTION 51.** 153.50 (4) (a) 1. b. of the statutes is amended to read:

16 153.50 (4) (a) 1. b. An agent of the entity under contract under s. 153.05 (2m)  
17 (a) who is responsible for the patient-identifiable data of the entity, in order to store  
18 the data and ensure the accuracy of the information in the database of the entity or  
19 to create a calculated variable that is derived from the patient-identifiable data.

20 **SECTION 52.** 153.50 (4) (a) 1. c. of the statutes is created to read:

21 153.50 (4) (a) 1. c. An agent of the data organization under contract under s.  
22 153.05 (2r) who is responsible for the patient-identifiable data of the data  
23 organization, in order to store the data and ensure the accuracy of the information  
24 in the database of the data organization or to create a calculated variable that is  
25 derived from the patient-identifiable data.

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1           **SECTION 53.** 153.50 (4) (a) 2. of the statutes is amended to read:

2           153.50 (4) (a) 2. A health care provider that is not a hospital or ambulatory  
3 surgery center or the agent of such a health care provider, to ensure the accuracy of  
4 the information in the database of the department or the data organization under  
5 contract under s. 153.05 (2r), or a health care provider that is a hospital or  
6 ambulatory surgery center or the agent of such a health care provider, to ensure the  
7 accuracy of the information in the database of the entity under contract under s.  
8 153.05 (2m) (a).

9           **SECTION 54.** 153.50 (4) (a) 3. of the statutes is amended to read:

10           153.50 (4) (a) 3. The department or its agent, for purposes of epidemiological  
11 investigation, or, with respect to information from health care providers that are not  
12 hospitals or ambulatory surgery centers, the department or the data organization  
13 under contract under s. 153.05 (2r), to eliminate the need for duplicative databases.

14           **SECTION 55.** 153.50 (4) (c) of the statutes is created to read:

15           153.50 (4) (c) The data organization under contract under s. 153.05 (2r) may  
16 not share health care claims data collected by the data organization unless the  
17 sharing is in compliance with 42 USC 1320d-2 and 1320d-4 and 45 CFR 164.

18           **SECTION 56.** 153.50 (5) (a) (intro.) of the statutes is amended to read:

19           153.50 (5) (a) (intro.) The department ~~or~~, an entity that is under contract under  
20 s. 153.05 (2m) (a), or a data organization that is under contract under s. 153.05 (2r)  
21 may not release or provide access to patient-identifiable data to a person authorized  
22 under sub. (4) (a) unless the authorized person requests the department ~~or~~, entity,  
23 or data organization, in writing, to release the patient-identifiable data. The request  
24 shall include all of the following:

25           **SECTION 57.** 153.50 (5) (b) (intro.) of the statutes is amended to read:

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1           153.50 (5) (b) (intro.) Upon receipt of a request under par. (a), the department  
2   or, ~~entity under contract under s. 153.05 (2m) (a)~~, or data organization, whichever  
3   is ~~appropriate~~ applicable, shall, as soon as practicable, comply with the request or  
4   notify the requester, in writing, of all of the following:

5           **SECTION 58.** 153.50 (5) (b) 1. of the statutes is amended to read:

6           153.50 (5) (b) 1. That the department ~~or, entity, or data organization, as~~  
7   applicable, is denying the request in whole or in part.

8           **SECTION 59.** 153.60 (title) of the statutes is amended to read:

9           **153.60 (title) Assessments to fund operations of department and board.**

10          **SECTION 60.** 153.60 (intro.) of the statutes is created to read:

11          153.60 (intro.) Subject to s. 153.455:

12          **SECTION 61.** 153.60 (1) of the statutes, as affected by Wisconsin Act 25, is  
13   amended to read:

14          153.60 (1) The department shall, by the first October 1 after the  
15   commencement of each fiscal year, estimate the total amount of expenditures under  
16   this chapter for the department and the board for that fiscal year for data collection,  
17   database development and maintenance, generation of data files and standard  
18   reports, orientation and training provided under s. 153.05 (9) (a) ~~and~~, maintaining  
19   the board, and contracting with the data organization under s. 153.05 (2r). The  
20   department shall assess the estimated total amount for that fiscal year, less the  
21   estimated total amount to be received for purposes of administration of this chapter  
22   under s. 20.435 (1) (hi) during the fiscal year and the unencumbered balance of the  
23   amount received for purposes of administration of this chapter under s. 20.435 (1)  
24   (hi) from the prior fiscal year, to health care providers, other than hospitals and  
25   ambulatory surgery centers, who are in a class of health care providers from whom

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1 the department collects data under this chapter in a manner specified by the  
2 department by rule. ~~The department shall obtain approval from the board for the~~  
3 ~~amounts of assessments for health care providers other than hospitals and~~  
4 ~~ambulatory surgery centers.~~ The department shall work together with the  
5 department of regulation and licensing to develop a mechanism for collecting  
6 assessments from health care providers other than hospitals and ambulatory  
7 surgery centers. ~~No health care provider that is not a facility may be assessed under~~  
8 ~~this subsection an amount that exceeds \$75 per fiscal year.~~ If the department  
9 proposes to increase the assessment for a health care provider that is not a facility  
10 to a specific amount that exceeds \$70 per fiscal year, the department shall submit a  
11 request to the joint committee on finance for approval to increase the assessment by  
12 that amount. If the cochairpersons of the committee do not notify the secretary  
13 within 14 working days after the date of the department's submittal that the  
14 committee intends to schedule a meeting to review the request, the department may  
15 increase the assessment by the requested amount. If, within 14 working days after  
16 the date of the department's request submittal, the cochairpersons of the committee  
17 notify the secretary that the committee intends to schedule a meeting to review the  
18 request, the the department may increase the assessment only as approved by the  
19 committee. All payments of assessments shall be credited to the appropriation under  
20 s. 20.435 (1) (hg).

21 **SECTION 62.** 153.60 (1) of the statutes, as affected by 2005 Wisconsin Act ....  
22 (this act), is amended to read:

23 153.60 (1) The department shall, by the first October 1 after the  
24 commencement of each fiscal year, estimate the total amount of expenditures under  
25 this chapter for the department ~~and the board~~ for that fiscal year for data collection,

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1 database development and maintenance, generation of data files and standard  
2 reports, orientation and training provided under s. 153.05 (9) (a), ~~maintaining the~~  
3 ~~board,~~ and contracting with the data organization under s. 153.05 (2r). The  
4 department shall assess the estimated total amount for that fiscal year, less the  
5 estimated total amount to be received for purposes of administration of this chapter  
6 under s. 20.435 (1) (hi) during the fiscal year and the unencumbered balance of the  
7 amount received for purposes of administration of this chapter under s. 20.435 (1)  
8 (hi) from the prior fiscal year, to health care providers, other than hospitals and  
9 ambulatory surgery centers, who are in a class of health care providers from whom  
10 the department collects data under this chapter in a manner specified by the  
11 department by rule. The department shall work together with the department of  
12 regulation and licensing to develop a mechanism for collecting assessments from  
13 health care providers other than hospitals and ambulatory surgery centers. If the  
14 department proposes to increase the assessment for a health care provider that is not  
15 a facility to a specific amount that exceeds \$70 per fiscal year, the department shall  
16 submit a request to the joint committee on finance for approval to increase the  
17 assessment by that amount. If the cochairpersons of the committee do not notify the  
18 secretary within 14 working days after the date of the department's submittal that  
19 the committee intends to schedule a meeting to review the request, the department  
20 may increase the assessment by the requested amount. If, within 14 working days  
21 after the date of the department's request submittal, the cochairpersons of the  
22 committee notify the secretary that the committee intends to schedule a meeting to  
23 review the request, the department may increase the assessment only as approved  
24 by the committee. All payments of assessments shall be credited to the appropriation  
25 under s. 20.435 (1) (hg).

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1           **SECTION 63.** 153.60 (3) of the statutes, as affected by 2005 Wisconsin Act 25,  
2 is repealed.

3           **SECTION 64.** 153.65 (1) of the statutes, as affected by 2005 Wisconsin Act 25,  
4 is amended to read:

5           153.65 (1) The Subject to s. 153.455, the department may, but is not required  
6 to, provide, upon request from a person, a data compilation or a special report based  
7 on the information collected by the department. The department shall establish user  
8 fees for the provision of these compilations or reports, payable by the requester,  
9 which shall be sufficient to fund the actual necessary and direct cost of the  
10 compilation or report. All moneys collected under this subsection shall be credited  
11 to the appropriation under s. 20.435 (1) (hi).

12           **SECTION 65.** 153.67 of the statutes is repealed.

13           **SECTION 66.** 153.75 (1) (intro.) of the statutes is amended to read:

14           153.75 (1) (intro.) ~~Following approval by the board, the~~ The department shall  
15 promulgate the following rules:

16           **SECTION 67.** 153.75 (1) (intro.) of the statutes, as affected by 2005 Wisconsin  
17 Act .... (this act), is amended to read:

18           153.75 (1) (intro.) The department shall promulgate the following rules, of  
19 which pars. (a), (b), (f), (h), (m), (n), (o), (r), (t), and (u) shall apply only if the contract  
20 under s. 153.05 (2r) is terminated under s. 153.455 (3) and s. 153.455 (4) applies:

21           **SECTION 68.** 153.75 (2) (intro.) of the statutes is amended to read:

22           153.75 (2) (intro.) ~~Following approval by the board, the~~ The department may  
23 promulgate all of the following rules:

24           **SECTION 69.** 153.75 (2) (intro.) of the statutes, as affected by 2005 Wisconsin  
25 Act .... (this act), is amended to read:



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1           153.75 (2) (intro.) The department may promulgate all of the following rules,  
2           which shall apply only if the contract under s. 153.05 (2r) is terminated under s.  
3           153.455 (3) and s. 153.455 (4) applies:

4           **SECTION 70.** 153.75 (2) (d) of the statutes is repealed.

5           **SECTION 71.** 153.76 of the statutes is repealed.

6           **SECTION 72.** 253.12 (4) (b) of the statutes is repealed.

7           **SECTION 73. Effective dates.** This act takes effect on the day after publication,  
8           except as follows:

9           (1) **ELIMINATION OF BOARD ON HEALTH CARE INFORMATION.** The treatment of  
10           sections 15.07 (2) (b) and (3) (bm) 1., 15.195 (6), 20.435 (1) (hg) (by SECTION 8), 153.01  
11           (2), 153.05 (6r), 153.07, 153.50 (3) (a), 153.60 (title), 153.60 (1) (by SECTION 62), 153.75  
12           (1) (intro.) (by SECTION 66) and (2) (intro.) (by SECTION 68), and 153.76 of the statutes  
13           takes effect on July 1, 2006.

14           (2) **ELIMINATION OF INDEPENDENT REVIEW BOARD.** The treatment of sections  
15           15.195 (9), 153.45 (1) (b) 9. and 11. and (c) (intro.) and (6), and 153.67 of the statutes  
16           takes effect on July 1, 2006.

17           (3) **VOLUNTARY HEALTH CARE PLAN REPORTING.** The treatment of sections 153.05  
18           (6r), 153.60 (3), and 153.75 (2) (d) of the statutes takes effect on the date specified in  
19           section 153.455 (1) of the statutes, as created by this act.

20           (4) **ELIMINATION OF INTERAGENCY COORDINATING COUNCIL.** The treatment of  
21           sections 15.107 (7), 16.03 and 253.12 (4) (b) of the statutes takes effect on July 1,  
22           2006.

