

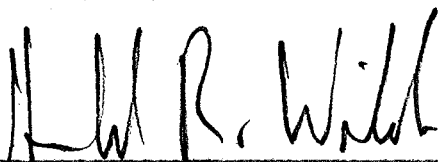
STATE OF WISCONSIN )  
 ) ss.  
OFFICE OF THE COMMISSIONER OF INSURANCE)

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Harold R. Wilde, Commissioner of Insurance and custodian of the official records of said office, do hereby certify that the annexed order amending and creating rules relating to health care liability insurance was issued by this office on April 25, 1977.

I further certify that said copy has been compared by me with the original on file in this office and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name in the City of Madison, State of Wisconsin, this 25th day of April, 1977.



Harold R. Wilde  
Commissioner of Insurance

RECEIVED  
APR 25 1977  
1:15 p.m.

REVISOR OF STATUTES  
BUREAU *G.P. Paulson*

STATE OF WISCONSIN  
DEPARTMENT OF STATE  
RECEIVED AND FILED

APR 25 1977

DOUGLAS LAPOLLETTE  
SECRETARY OF STATE

ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE

APR 25 1977

Amending and Creating Rules

DOUGLAS F. COUETTE  
SECRETARY OF STATE

Pursuant to authority vested in the Commissioner of Insurance by section 601.41 (3), Wis. Stats., the Commissioner of Insurance hereby amends and creates rules as follows:

Sections Ins 3.35 (1) (b), Ins 3.35 (2), Ins 3.35 (4) (c), Ins 3.35 (5) (a), Ins 3.35 (5) (f), Ins 3.35 (10) and Ins 3.35 (15) are amended and Ins 3.35 (4) (h) is created to read:

Ins 3.35 (1) (b) Health care liability insurance for medical or osteopathic physicians or podiatrists licensed under Chapter 448, Wis. Stats., and nurse anesthetists licensed under Chapter 441, Wis. Stats., who practice in this state and for operating cooperative sickness care plans organized under sections 185.981 and 185.985, Wis. Stats., which directly provide services in their own facilities with salaried employees is not readily available in the voluntary market. Health care liability insurance and liability coverage normally incidental to health care liability insurance for hospitals as defined by section 140.24 (1) (a) and (c), Wis. Stats., but excluding, except as otherwise provided herein, those facilities exempted by section 140.29 (3), Wis. Stats., which operate in this state are not readily available in the voluntary market. Health care liability insurance and liability coverage normally incidental to health care liability insurance for those nursing homes as defined in section 146.30 (1) (a), Wis. Stats., which operate in this state and whose functional operations are combined with a hospital as herein defined as a single entity, whether or not the nursing home operations are physically separate from the hospital operations, are not

readily available in the voluntary market. Health care liability insurance and liability coverage normally incidental to health care liability insurance for health care facilities owned or operated by a political subdivision of the state of Wisconsin are not readily available in the voluntary market.

Ins 3.35 (2) PURPOSE. This rule is intended to implement and interpret Chapter 619, Wis. Stats., for the purpose of establishing procedures and requirements for a mandatory risk sharing plan to provide health care liability insurance coverage on a self-supporting basis for medical or osteopathic physicians or podiatrists licensed under Chapter 448, Wis. Stats., and nurse anesthetists licensed under Chapter 441, Wis. Stats., who practice in this state; for operating cooperative sickness care plans organized under sections 185.981 to 185.985, Wis. Stats., which directly provide service in their own facilities with salaried employees; and to provide health care liability insurance coverage and liability coverages normally incidental to health care liability insurance on a self-supporting basis for all hospitals as defined by sections 140.24 (1) (a) and (c), Wis. Stats., but excluding those facilities exempted by section 140.29 (3), Wis. Stats., except as otherwise provided herein, which operate in this state. Health care liability insurance coverage and liability coverages normally incidental to health care liability insurance on a self-supporting basis for those nursing homes as defined in section 146.30 (1) (a), Wis. Stats., which operate in this state and whose functional operations are combined with a hospital as herein defined as a single entity, whether or not the nursing home operations are physically separate from the hospital operations is also provided. Health care liability insurance coverage and liability coverages normally incidental to health care liability insurance

on a self-supporting basis for those health care facilities owned or operated by a political subdivision of the state of Wisconsin is also provided. This rule is also intended to encourage the improvement in reasonable loss prevention measures and to encourage the maximum use of the existing voluntary market.

Ins 3.35 (4) (c) Health care liability insurance means insurance against loss, expense and liability resulting from errors, omissions or neglect in the performance of any professional service by any medical or osteopathic physician or podiatrist licensed under Chapter 448, Wis. Stats., and nurse anesthetists licensed under Chapter 441, Wis. Stats., who practice in this state; by operating cooperative sickness care plans organized under sections 185.981 to 185.985, Wis. Stats., which directly provide services in their own facilities with salaried employees; by all hospitals as defined by section 140.24 (1) (a) and (c), Wis. Stats., but excluding those facilities exempted by section 140.29 (3), Wis. Stats., except as otherwise provided; by those nursing homes as defined in section 146.30 (1) (a), Wis. Stats., whose functional operations are combined with a hospital as herein defined as a single entity, whether or not nursing home operations are physically separate from the hospital operations, which operate in this state; and by health care facilities owned or operated by a political subdivision of the state of Wisconsin.

Ins 3.35 (4) (h) Political subdivision means counties, cities, villages and towns.

Ins 3.35 (5) (a) All medical or osteopathic physicians or podiatrists licensed under Chapter 448, Wis. Stats., and nurse

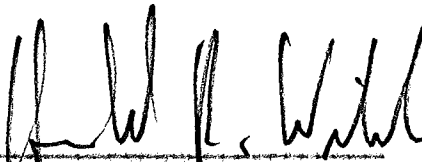
anesthetists licensed under Chapter 441, Wis. Stats., who practice in this state; operating cooperative sickness care plans organized under sections 185.981 to 185.985, Wis. Stats., which directly provide services in their own facilities with salaried employees; all hospitals as defined by section 140.24 (1) (a) and (c), Wis. Stats., but excluding those facilities exempted by section 140.29 (3), Wis. Stats., except as otherwise provided herein; those nursing homes as defined in section 146.30 (1) (a), Wis. Stats., whose functional operations are combined with a hospital as defined as a single entity, whether or not the nursing home operations are physically separate from the hospital operations; and health care facilities owned or operated by a political subdivision of the state of Wisconsin, which operate in this state and are equitably entitled to but are otherwise unable to obtain suitable health care liability insurance in the voluntary market shall be eligible to apply for insurance under this Plan.

Ins 3.35 (5) (f) Coverage for hospitals, nursing homes, or health care facilities owned or operated by a political subdivision of the state of Wisconsin which are eligible for insurance under this plan may include liability coverages normally incidental to health care liability insurance as defined in subsection (4) (d) 1.

Ins 3.35 (10) Application for insurance. (a) Any medical or osteopathic physician, podiatrist, nurse anesthetist, operating cooperative sickness care plan, hospital, nursing home, or health care facility owned or operated by a political subdivision of the state of Wisconsin eligible for insurance under this plan may submit an application for insurance by the plan directly or through any licensed agent.

Ins 3.35 (15) Commission. Commission to the licensed agent designated by the applicant shall be \$125.00 for each new or renewal policy issued to medical or osteopathic physicians; \$15.00 for each new or renewal policy issued to podiatrists or nurse anesthetists; and 5% of the annual premium for each new or renewal policy issued to operating cooperative sickness care plans, or to teaching facilities for medical or osteopathic physicians, or to hospitals, or to health care facilities owned and operated by a political subdivision of the state of Wisconsin, not to exceed \$2,500.00 per policy period. The agent need not be licensed with the servicing company.

Dated at Madison, Wisconsin, this \_\_\_\_\_ day of April, 1977.

  
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Harold E. Wilde  
Commissioner of Insurance