

CR 85-28

STATE OF WISCONSIN
RECEIVED AND FILED

JUN 17 1985

DOUGLAS LA FOLLETTE
SECRETARY OF STATE


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

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Thomas P. Fox, Commissioner of Insurance and custodian of the official records of said office, do hereby certify that the annexed order amending a rule relating to health care provider fees for the Patients Compensation Fund was issued by this office June 17, 1985.

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 17th day of June, 1985.



Thomas P. Fox
Commissioner of Insurance

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Bureau

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JUN 17 1985

DOUGLAS LA FOLLETTE
SECRETARY OF STATE

ORDER OF THE COMMISSIONER OF INSURANCE

To repeal Ins 17.28 (intro.), to amend (3) (c), and (6) (intro.), (a) through (d), (e) 1., (f) to (h), and (j) to (k) and to create (3) (c) 1. through 9. and (7) (intro.), (a) 1. through 5., and (b) through (e) relating to health care provider fees for the Patients Compensation Fund.

ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE

The purpose of these changes is to establish health care provider fees for the Patients Compensation Fund for the period from July 1, 1985 through June 30, 1986, and to establish an orderly system by which the health care providers are billed and pay the fees.

The fees are based upon past and prospective loss and expense experience for the various classes of health care providers. The proposed fees have been approved by the Board of Governors. The fees represent a 90% increase over the 1984-1985 fees for all health care providers except podiatrists whose fees are frozen at the 1984-1985 level.

All providers will be billed on July 1, 1985 the fees that each was assessed for fiscal year 1984-1985. On January 1, 1986 and again on April 1, 1986, each provider except podiatrists will be billed one-half the difference between the 1984-1985 assessment and the 1985-1986 assessment. Also with the January and April billings, all providers except podiatrists

will be billed an assessment for one-half the interest that the Fund could have collected had the 1985-1986 assessment been paid in total in July, 1985 and one-half the provider's share of the administrative costs incurred to develop and administer a three-part billing system. The proposed changes also set forth an orderly and equitable means to collect fees from providers who join the Fund anytime after July 1, 1985.

At the recommendation of the Legislative Clearinghouse, the proposal contains a section that describes which specialty health care providers are included under the various classes.

Ins 17.28 implements and interprets s. 655.27 (3).

Pursuant to the authority vested in the Commissioner of Insurance by ss. 601.41 (3), 655.003 and 655.27 (3) (b), Stats., the Commissioner hereby repeals, amends, and creates sections of a rule which implement and interpret s. 655.27 (3) (a) and (h), Stats., as follows:

SECTION 1. Ins 17.28 (3) (c) is amended to read:

(c) "Class" of physicians and surgeons means those classes currently in use by the Wisconsin Health Care Liability Insurance Plan, as authorized by ~~s. Ins 17.25-(12)-(b)~~ listed below:

SECTION 2. Ins 17.28 (3) (c) 1. through 9. are created to read as follow:

1. CLASS 1 health care providers are those engaged in the following medical specialities:

Aerospace Medicine

Allergy

Cardiovascular Disease - no surgery

Dermatology - no surgery

Diabetes - no surgery
Endocrinology - no surgery
Family Practice - no surgery
Forensic Medicine
Gastroenterology - no surgery
General Practice - no surgery
General Preventative Medicine - no surgery
Geriatrics - no surgery
Gynecology - no surgery
Hematology - no surgery
Hypnosis
Infectious Diseases - no surgery
Internal Medicine - no surgery
Laryngology - no surgery
Legal Medicine
Neoplastic Diseases - no surgery
Nephrology - no surgery
Neurology - including child - no surgery
Nuclear Medicine
Nutrition
Occupational Medicine
Ophthalmology - no surgery
Otology - no surgery
Otorhinolaryngology - no surgery
Pathology - no surgery

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Pediatrics - no surgery

Pharmacology - clinical

Physiatry

Physical Medicine and Rehabilitation

Physicians - no surgery

Psychiatry - including child

Psychoanalysis

Psychosomatic Medicine

Public Health

Pulmonary Diseases - no surgery

Radiology - diagnostic - no surgery

Rheumatology - no surgery

Rhinology - no surgery

Post Graduate Medical Education or Fellowship--This

classification applies to all physicians engaged in the first year of post graduate medical education (interns). This classification also applies to physicians engaged in two through six years of an approved post graduate medical education specialty program (residents) listed above which is not ordinarily involved in the performance of or assisting in the performance of obstetrical procedures or surgical (other than incision of boils and superficial abscesses or suturing of skin and superficial fascia) procedures.

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2. CLASS 2 health care providers are those engaged in the following medical specialties:

Cardiovascular Disease - minor surgery

Dermatology - minor surgery

Diabetes - minor surgery

Endocrinology - minor surgery

Family Practice - minor surgery

Gastroenterology - minor surgery

General Practice - minor surgery

Geriatrics - minor surgery

Gynecology - minor surgery

Hematology - minor surgery

Infectious Diseases - minor surgery

Intensive Care Medicine

This classification applies to any general practitioner or specialist employed in an intensive care hospital unit.

Internal Medicine - minor surgery

Laryngology - minor surgery

Neoplastic Diseases - minor surgery

Nephrology - minor surgery

Neurology - including child- minor surgery

Ophthalmology - minor surgery

Otology - minor surgery

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Otorhinolaryngology - minor surgery

Pathology - minor surgery

Pediatrics - minor surgery

Physicians - minor surgery

Radiology - diagnostic - minor surgery

Rhinology - minor surgery

Post Graduate Medical Education or Fellowship--This

classification applies to physicians engaged in two through six years of an approved post graduate medical education specialty program listed above or any other specialty which ordinarily involves the performance of minor surgery and is not listed under Classes 3, 4, 5, 6, or 7.

3. CLASS 3 health care providers are those engaged in the following medical specialities:

Broncho-Esophagology

Surgery - colon and rectal

Surgery - endocrinology

Surgery - gastroenterology

Surgery - general practice or family practice

(not primarily engaged in major surgery)

Surgery - geriatrics

Surgery - neoplastic

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Surgery - nephrology

Surgery - ophthalmology

Cardiology (including catheterization, but not including cardiac surgery)

Surgery - urological

Post Graduate Medical Education or Fellowship--This

classification applies to physicians engaged in two through six years of an approved post graduate medical education specialty program indicated above or any other specialty which involves the performance of major surgery and is not listed under Classes 4, 5, 6, or 7.

4. CLASS 4 health care providers are those engaged in the following medical specialities:

Emergency Medicine - no major surgery--This classification applies to any general practitioner or specialist primarily engaged in emergency practice at a clinic, hospital or rescue facility who does not perform major surgery.

Post Graduate Medical Education or Fellowship--This

classification applies to physicians engaged in two through six years of an approved post graduate medical education specialty program indicated above.

5. CLASS 5 health care providers are those engaged in the following medical specialities:

Anesthesiology--This classification applies to all general practitioners or specialists who perform general anesthesia or acupuncture anesthesia.

Emergency Medicine - including major surgery

Surgery - abdominal

Surgery - cardiac

Surgery - general (specialists in general surgery)

Surgery - laryngology

Surgery - otology (no plastic surgery)

Surgery - otorhinolaryngology (no plastic surgery)

Surgery - plastic - otorhinolaryngology

Surgery - rhinology

Surgery - gynecology

Surgery - hand

Surgery - head and neck

Surgery - plastic

Post Graduate Medical Education or Fellowship--This

classification applies to physicians engaged in two through six years of an approved post graduate medical education specialty program indicated above.

6. CLASS 6 health care providers are those engaged in the following medical specialties:

Surgery - cardiovascular disease

Surgery - orthopedic

Surgery - thoracic

Surgery - traumatic

Surgery - vascular

Weight Control - bariatrics

Post Graduate Medical Education or Fellowship--This

classification applies to physicians engaged in two through six

years of an approved post graduate medical education specialty program indicated above.

7. CLASS 7 health care providers are those engaged in the following medical specialities:

Surgery - Obstetrics - Gynecology

Surgery - Obstetrics

Post Graduate Medical Education or Fellowship--This

classification applies to physicians engaged in two through six years of an approved post graduate medical education specialty program indicated above.

8. CLASS 8 health care providers are those engaged in the following medical specialties:

Osteopathic Physicians and Surgeons--This classification applies only to osteopathic manipulation, use of modalities except X-ray and radioactive materials, treatment of cuts and wounds, procedures common to practice of pathology by the named insured, administration of anesthesia topically or by local infiltration, and subcutaneous, intradermal, or intramuscular injections. It does not apply to diagnosis by the named insured using X-ray or radioactive materials. Other osteopathic physicians and surgeons shall be classified in accordance with the foregoing classifications.

9. CLASS 9

Surgery - neurology - including child

Post Graduate Medical Education or Fellowship--This

classification applies to physicians engaged in two through six years of an approved post graduate medical education specialty program indicated above.

SECTION 3. Ins 17.28 (intro.) is repealed.

SECTION 4. Ins 17.28 (6) (intro.), (a) through (d), (e) 1., (f) to (h), and (j) to (k) are amended to read:

(6) FEE SCHEDULE. The following fee schedule shall be effective from July 1, ~~1984-1985~~ to June 30, ~~1985-1986~~:

(a) For physicians and surgeons:

Class 1	\$-952.00	<u>\$ 1,809.00</u>	Class 6	\$-5,878.00	<u>\$11,168.00</u>
Class 2	1,905.00	<u>3,620.00</u>	Class 7	6,858.00	<u>13,030.00</u>
Class 3	2,449.00	<u>4,653.00</u>	Class 8	476.00	<u>904.00</u>
Class 4	2,939.00	<u>5,584.00</u>	Class 9	10,287.00	<u>19,545.00</u>
Class 5	4,899.00	<u>9,308.00</u>			

(b) For resident physicians and surgeons involved in post graduate medical education or a fellowship:

Class 1	\$-571.00	<u>\$ 1,085.00</u>	Class 5	\$2,939.00	<u>\$ 5,584.00</u>
Class 2	1,143.00	<u>2,172.00</u>	Class 6	3,527.00	<u>6,701.00</u>
Class 3	1,470.00	<u>2,793.00</u>	Class 7	4,115.00	<u>7,819.00</u>
Class 4	1,764.00	<u>3,352.00</u>	Class 9	6,172.00	<u>11,727.00</u>

(c) For resident physicians and surgeons who practice outside residency or fellowship:

All Classes	\$735.00	<u>\$1,397.00</u>
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(d) For Medical College of Wisconsin full time faculty:

Class 1	\$-390.00	<u>\$ 741.00</u>	Class 5	\$2,008.00	<u>\$ 3,815.00</u>
Class 2	781.00	<u>1,484.00</u>	Class 6	2,410.00	<u>4,579.00</u>
Class 3	1,004.00	<u>1,908.00</u>	Class 7	2,812.00	<u>5,343.00</u>
Class 4	1,205.00	<u>2,290.00</u>	Class 9	4,218.00	<u>8,014.00</u>

(e) For Medical College of Wisconsin resident physicians and surgeons:

1. Class 1	\$--476.00	\$ <u>904.00</u>	Class 5	\$2,449.00	\$ <u>4,653.00</u>
Class 2	952.00	<u>1,809.00</u>	Class 6	2,939.00	<u>5,584.00</u>
Class 3	1,225.00	<u>2,328.00</u>	Class 7	3,429.00	<u>6,515.00</u>
Class 4	1,470.00	<u>2,793.00</u>	Class 9	5,144.00	<u>9,774.00</u>

(f) For government employees--state, federal, municipal:

Class 1	\$--714.00	\$ <u>1,357.00</u>	Class 6	\$4,409.00	\$ <u>8,377.00</u>
Class 2	1,428.00	<u>2,713.00</u>	Class 7	5,144.00	<u>9,774.00</u>
Class 3	1,837.00	<u>3,490.00</u>	Class 8	357.00	<u>678.00</u>
Class 4	2,204.00	<u>4,188.00</u>	Class 9	7,715.00	<u>14,659.00</u>
Class 5	3,674.00	<u>6,981.00</u>			

(g) For retired or part time physicians and surgeons with an office practice only and no hospital admissions who practice less than 500 hours per annum-year:

Class 1	Physicians	\$--571.00	\$ <u>1,085.00</u>
Class 8	Osteopathic physicians	\$--286.00	\$ <u>543.00</u>
(h)	For nurse anesthetists	\$--285.00	\$ <u>542.00</u>
(j)	For hospitals per occupied bed	\$--81.00	\$ <u>154.00</u>
(k)	For nursing homes per occupied bed	\$--15.00	\$ <u>29.00</u>

SECTION 5. Ins 17.28 (7) (intro.), (a) 1. through 5., and (b) through (e) are created to read as follows:

(7) COLLECTION OF FEES. In the event that the effective date for the rule establishing the fees for fiscal year 1985-1986 does not take effect prior to June 2, 1985, (a) for all health care providers permanently practicing or operating in the state on July 1, 1985, the commissioner shall

1. On July 1, 1985, or as soon as feasible thereafter, bill health care providers for the fees assessed for fiscal year 1984-1985 for the provider's particular class;

2. On January 1, 1986, or as soon as feasible thereafter, bill all health care providers except podiatrists one-half the difference between the fee assessment for the provider's particular class for fiscal year 1985-1986 and the fee assessment for the provider's class for fiscal year 1984-1985;

3. On April 1, 1986, or as soon as feasible thereafter, bill all health care providers except podiatrists one-half the difference between the fee assessment for the provider's particular class for fiscal year 1985-1986 and the fee assessment for the provider's class for fiscal year 1984-1985.

4. Include with the January 1, 1986, and the April 1, 1986, billing statements a fee assessment for one-half the interest the Fund could reasonably have expected to earn had the fee assessment for 1985-1986 been paid in total at the beginning of the fiscal year. The rate of interest shall be the average annualized rate earned by the Fund for the preceding fiscal year as determined by the state Investment Board;

5. Include with the January 1, 1986, and the April 1, 1986, billing statements a fee assessment for one-half the health care provider's share of the administrative expense incurred by the Fund during fiscal year 1985-1986 to develop and administer a three part payment system. The administrative expenses shall be apportioned on an equal basis to all providers who are practicing or operating on December 31, 1985.

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(b) No refunds due to changes in classification shall be given to health care providers until after January 1, 1986. Refunds due to death, retirement, or change of residence shall be determined on a pro rata basis of the fee assessments for fiscal year 1985-1986.

(c) Health care providers except podiatrists who begin practicing or operating at any time after July 1, 1985, and before December 31, 1985, shall be assessed and shall pay in one sum the pro-rata fee subject to sub. (4) for fiscal year 1985-1986 from the date the provider begins practicing or operating through December 31, 1985. On January 1, 1986, and again on April 1, 1986, or as soon as possible thereafter, the commissioner shall bill all health care providers except podiatrists who entered the Fund after July 1, 1985, one-fourth of the fee assessment for fiscal year 1985-1986. Interest shall be assessed in accordance with par. (a) 4. An administrative fee assessment shall be assessed in accordance with par. (a) 5.

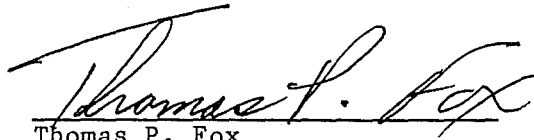
(d) Health care providers who begin practicing or operating at any time after January 1, 1986, and before June 30, 1986, shall be assessed and shall pay in one sum the pro-rata fee subject to sub. (4) for fiscal year 1985-1986 from the date the provider begins practicing or operating through June 30, 1986.

(e) Podiatrists who begin operating or practicing at any time after July 1, 1985 and before June 30, 1986 shall be assessed and shall pay in one sum the pro rata fee subject to sub. (4) for fiscal year 1984-1985 for the podiatrist's classification.

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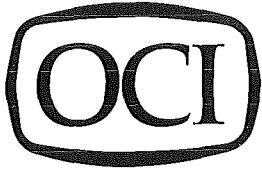
The rules, amendments and repeals contained in this order shall take effect on the first day of the month following their publication in the Wisconsin Administrative Register as provided in s. 227.026 (1), Stats.

Dated at Madison, Wisconsin, this 17th day of June, 1985.



Thomas P. Fox
Commissioner of Insurance

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The State of Wisconsin
Office of the Commissioner of Insurance

Thomas P. Fox
Commissioner
(608) 266-3585

DATE: June 17, 1985
TO: Gary Poulson
FROM: M. E. Van Cleave
Assistant Deputy Commissioner of Insurance
SUBJECT: Ins 17.28, Clearinghouse No. 85-28

Enclosed are two copies of an Order of the Commissioner of Insurance
repealing, amending and creating Ins 17.28, Clearinghouse No. 85-28 relating
to health care provider fees for the Patients Compensation Fund.

MEV:LH:imk
Enclosure
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