

No. 421, A.]

[Published August 22, 1945.]

CHAPTER 552.

AN ACT to create 20.41 (20) of the statutes, relating to an investigation of the underground water resources of the state and the present use and depletion of the same, and making an appropriation.

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

20.41 (20) of the statutes is created to read:

20.41 (20) UNDERGROUND WATER RESOURCES.

There is appropriated on July 1, 1945, \$10,000, and annually beginning July 1, 1946, \$15,000 as a nonlapsible appropriation for the purpose of investigating the underground water resources of the state, determining the present use and depletion thereof and recommending to the legislature such action as may be deemed necessary to conserve these underground water supplies as a public resource. The funds made available by this appropriation may be expended for the employment of technical personnel, travel, purchase of equipment, publication of findings and in any way necessary to carry out the purpose of this subsection. The university is authorized to co-operate with the appropriate agencies of the federal government in conducting such study. All divisions, officials and employes of state and local government, as well as private agencies, are requested to co-operate with the university in this investigation by making available pertinent information and data in their possession.

Approved August 16, 1945.

No. 434, A.]

[Published August 22, 1945.]

CHAPTER 553.

AN ACT to repeal and recreate 180.32 (2), (3) (a) and (c), (7) and to create 180.32 (3) (d) of the statutes, relating to hospital service corporations.

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

SECTION 1. 180.32 (2) and (3) (a) and (c) of the statutes are repealed and recreated to read:

180.32 (2) (a) Nonprofit corporations, that is corporations formed without capital stock, operated not for profit and exclusively for the purposes in this section set forth, and which declare no dividend, benefit or pecuniary profit, to be paid to or received by any of their members, directors or officers, may be organized, under this section for the purpose of establishing, maintaining and operating service plans, whereby hospital services may be provided to persons or groups of persons, subscribers to such plans, and their respective dependents, by hospitals with which such corporations may make a contract therefor.

(b) Such contracts shall be with participating hospitals or with service hospitals, hereinafter defined. Whenever their boards of directors may order, such corporations may pay other hospitals, in Wisconsin or elsewhere, with which they may not have contractual relations, for services to a subscriber or his dependents, such amounts and under the terms, conditions and regulations as the said boards may prescribe.

(c) The boards of directors shall have control of all of the management and business of such corporations, and they may do all things necessary, proper or incidental to the exercise of the powers granted to such corporations in this section.

(d) Such hospitals shall be participating hospitals or service hospitals. The term "participating hospital," as used in this section, is defined to mean a voluntary nonprofit hospital, acceptable to the corporation, and accepted by action of its board of directors, which may contract with the corporation under the terms, conditions, provisions and regulations as the board of directors may prescribe, qualifying it to designate members of the corporation as hereinafter provided. The term "service hospital," as used in this section, is defined to mean a voluntary nonprofit hospital, or a hospital owned, operated and maintained by the state or any political subdivision thereof, acceptable to the corporation and accepted by action of its board of directors, which may contract with it under the terms, conditions, provisions and regulations that the board of directors may prescribe, but which will grant no right to such service hospital to designate members of the corporation as aforesaid. The term "subscriber," as used herein, is defined to mean any person to whom the corporation shall issue a service contract, entitling such person or his dependents to hospital services as provided therein.

(e) Such hospital service corporations may enter into contracts with the state medical society of Wisconsin or with county medical societies of this state, operating plans under chapter 148, or with medical or surgical indemnity corporations licensed to transact business in this state, to act as enrolling and billing agent to such extent as may be agreed.

(3) (a) That the members of the corporation shall be: 1. Three non-medical persons, excepting medical administrators, designated by each participating hospital, at least 2 of whom shall be directors or be active in the operation of such participating hospital; and 2. A number of persons equal to the number of participating hospitals, each of whom shall be a physician and surgeon and shall be appointed by the medical staff of the hospital from its own members. In case there should be no such staff, or in case of the failure of the staff so to appoint, then such appointment shall be made by the governing board of the hospital, but in either case the physicians and surgeons so appointed shall be approved by the state medical society of Wisconsin. The members shall be appointed annually for terms of one year each and shall be such members until their successors are appointed and qualified and vacancies shall be filled by the same method of appointment for unexpired terms.

(c) That all contracts between such corporations and a subscriber shall provide for hospital services only and shall not embrace medical services. Such contract shall not be interpreted to place upon the subscriber the obligation of choosing for hospital services any particular participating or service hospital among the contracting hospitals, or give the corporation the right to designate or require the choice of any particular participating or service hospital.

SECTION 2. 180.32 (3) (d) of the statutes is created to read:

180.32 (3) (d) Such hospital service corporations, heretofore or hereafter so formed and conducted, shall be governed by the provisions of this section.

SECTION 3. 180.32 (7) of the statutes is repealed and recreated to read:

180.32 (7) The funds of any such corporation shall be invested as provided in sections 206.34 and 206.35 relating to investments of domestic life insurance companies.

Approved August 16, 1945.