

1981 Assembly Bill 365

Date published: May 6, 1982

CHAPTER 323 , Laws of 1981

AN ACT to amend 146.37 (1) and 146.60 (1); and to create 146.60 (1) (a) to (c), (1m) and (1s) of the statutes, relating to membership of bodies that establish standards to encourage control of hospital costs and set hospital rates.

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

SECTION 1. 146.37 (1) of the statutes is amended to read:

146.37 (1) No person acting in good faith who participates in the review or evaluation of the services of health care providers or facilities or the charges for such services conducted in connection with any program organized and operated to help improve the quality of health care, to avoid improper utilization of the services of health care providers or facilities or to determine the reasonable charges for such services, or who participates in the program authorized by contract under s. 146.60, is liable for any civil damages as a result of any act or omission by such person in the course of such review or evaluation.

SECTION 2. 146.60 (1) of the statutes is amended to read:

146.60 (1) CONTRACT RATES. The department may enter into a contract with the Wisconsin hospital association and associated hospital services for the purpose of setting hospital rates prospectively. Any body established to set hospital rates under the contract shall consist of:

SECTION 3. 146.60 (1) (a) to (c), (1m) and (1s) of the statutes are created to read:

146.60 (1) (a) Seven members appointed by the governor. No more than 3 of these members may be state employes or officers, one member shall represent the 2nd largest service insurance corporation licensed under ch. 613, based on premium volume as reported in the 11th annual Wisconsin insurance commissioner's report on business of 1979, and the remaining members shall be consumers of health care services.

(b) Seven members appointed by the Wisconsin hospital association. One of these members shall represent an association of health insurers that does not include the largest service insurance corporation licensed under ch. 613, based on premium volume as reported in the 11th annual Wisconsin insurance commissioner's report on business of 1979.

(c) Seven members appointed by the largest service insurance corporation licensed under ch. 613, based on premium volume as specified in par. (b). One of these members shall represent an association of health insurers that does not include the largest service insurance corporation licensed under ch. 613, based on premium volume as specified in par. (b) and the remaining members shall represent consumers or purchasers of health care. Appointment of 4 of these remaining members is subject to the approval of the governor. None of the members appointed under this paragraph may be:

1. Hospital administrators.

2. Any person licensed, permitted, registered or certified under chs. 441 or 446 to 449 to provide medical care, including physicians, podiatrists, osteopaths, physician's assistants, physical therapists, nurses, chiropractors, dentists, dental hygienists and optometrists.

(1m) STANDARDS DEVELOPMENT. Any contract under this section shall provide for the use of standards to impose sanctions upon and provide incentives to hospitals to encourage control of hospital costs except costs related to salaries. Any body established to develop these standards under the contract shall consist of:

(a) Five members appointed by the Wisconsin hospital association.

(b) Five members appointed by the governor.

(c) Two members appointed by the largest service insurance corporation licensed under ch. 613, based on premium volume as specified in sub. (1) (b).

(d) One member appointed by an association of health insurers that does not include the largest service insurance corporation licensed under ch. 613, based on premium volume as specified in sub. (1) (b).

(e) One member appointed by the 2nd largest service insurance corporation licensed under ch. 613, based on premium volume as specified in sub. (1) (a).

(f) One member appointed by health systems agencies, as defined in s. 140.83 (1).

(1s) REPORTS. Any body established under sub. (1) to set hospital rates or under sub. (1m) to develop standards shall report quarterly and annually to the appropriate standing committees of each house of the legislature, as determined by the presiding officer of each house. The body shall submit the quarterly reports within 30 days after the end of each quarter. The annual report shall be submitted by February 1 of each year.