



**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 1995 ASSEMBLY BILL 1034**

March 20, 1996 - Offered by Representatives PROSSER, URBAN and UNDERHEIM.

1 **AN ACT to amend** 15.01 (4); and **to create** 15.107 (6) and 146.36 of the statutes;
2 **relating to:** creating and specifying the powers and duties of the council on
3 health care fraud and abuse.

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

4 **SECTION 1.** 15.01 (4) of the statutes, as affected by 1995 Wisconsin Act 27, is
5 amended to read:

6 15.01 (4) "Council" means a part-time body appointed to function on a
7 continuing basis for the study, and recommendation of solutions and policy
8 alternatives, of the problems arising in a specified functional area of state
9 government, except the Milwaukee river revitalization council has the powers and
10 duties specified in s. 23.18, the council on physical disabilities has the powers and
11 duties specified in s. 46.29 (1) and (2) ~~and~~, the state council on alcohol and other drug
12 abuse has the powers and duties specified in s. 14.24 and, before January 1, 2001,
13 the council on health care fraud and abuse has the powers and duties specified in s.
14 146.36.

1 **SECTION 2.** 15.107 (6) of the statutes is created to read:

2 15.107 (6) COUNCIL ON HEALTH CARE FRAUD AND ABUSE. (a) There is created a
3 council on health care fraud and abuse which is attached to the department of
4 administration under s. 15.03. The council consists of 15 members appointed for
5 3-year terms, at least one of whom shall have expertise in the medical assistance
6 program and the remainder of whom shall include representatives of insurers, as
7 defined in s. 146.36 (1) (d); employe benefit plan administrators; health maintenance
8 organizations, as defined in s. 609.01 (2); physicians, as defined in s. 448.01 (5);
9 health care providers, as defined in s. 146.81 (1), other than physicians; and law
10 enforcement.

11 (b) The governor shall designate one of the members to serve as chairperson
12 of the council and shall establish the length of term for that office.

13 (c) The council shall meet at least twice annually.

14 (d) This subsection does not apply after December 30, 2000.

15 **SECTION 3.** 146.36 of the statutes is created to read:

16 **146.36 Council on health care fraud and abuse. (1)** In this section:

17 (a) "Agency" has the meaning given in s. 13.62 (2).

18 (b) "Council" means the council on health care fraud and abuse.

19 (c) "Health care provider" has the meaning given in s. 146.81 (1).

20 (d) "Insurer" means an insurer, as defined in s. 600.03 (27), that is authorized
21 to do business in this state in one or more lines of insurance that includes health
22 insurance.

23 **(2)** The council may do all of the following:

24 (a) Study all aspects of health care fraud and abuse.

1 (b) Develop strategies to combat health care fraud and abuse by health care
2 consumers, health care providers and insurers.

3 (c) Examine problems that relate to electronic claims for payment.

4 (d) Survey efforts of other states to reduce health care fraud and abuse.

5 (e) Collect information relevant to preparation of the report specified under
6 sub. (3), from health care providers, insurers, employe benefit plan administrators,
7 law enforcement agencies and other sources.

8 (f) Conduct public hearings concerning health care fraud and abuse.

9 (g) Engage in public information programs concerning health care fraud and
10 abuse.

11 (h) Receive, for deposit in the council's account under s. 20.505 (4) (gm), gifts,
12 grants or bequests to fund its operating expenses.

13 **(3)** Annually, the council shall submit to the governor and, under s. 13.172 (2),
14 to the legislature a report that does all of the following:

15 (a) Identifies different types of fraud and abuse in health care.

16 (b) Analyzes issues relating to health care fraud and abuse, such as
17 self-interested referrals.

18 (c) Lists successful prosecutions of health care fraud and activities to combat
19 health care abuse that have been conducted in courts in this state or as contested
20 cases under subch. III of ch. 227.

21 (d) Specifies activities conducted by the council to combat health care fraud and
22 abuse.

23 (e) Recommends specific proposed changes to state statutes or administrative
24 rules to define terms and to combat health care fraud and abuse.

1 (4) A council member shall be immune from civil liability and criminal
2 prosecution for any act or omission done in good faith within the scope of his or her
3 powers and duties under this section.

4 (5) This section does not apply after December 30, 2000.

5 **SECTION 4. Nonstatutory provisions; administration.**

6 (1) INITIAL APPOINTMENTS OF MEMBERS OF THE COUNCIL ON HEALTH CARE FRAUD AND
7 ABUSE. Notwithstanding the length of terms specified in section 15.107 (6) (a) of the
8 statutes, as created by this act, the initial members of the council on health care
9 fraud and abuse shall be appointed for the following terms:

10 (a) Five members, for terms expiring on July 1, 1997.

11 (b) Five members, for terms expiring on July 1, 1998.

12 (c) Five members, for terms expiring on July 1, 1999.

13 (END)