

State of Wisconsin

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Joint Committee on Finance

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Howard Marklein
Representative Mark Born

Date: March 18, 2024

Re: 14-Day Passive Review Approval – OCI

Pursuant to s. 655.27(3)(bt), Stats., attached is a 14-day passive review request from the Office of the Commissioner of Insurance, received on March 18, 2024.

Please review the material and notify **Senator Marklein** or **Representative Born** no later than **Thursday, April 4, 2024**, if you have any concerns about the request or if you would like the Committee to meet formally to consider it.

Also, please contact us if you need further information.

Attachments

HM:MB:jm



Injured Patients & Families Compensation Fund

Tony Evers, Governor of Wisconsin
Nathan Houdek, Commissioner of Insurance

March 18, 2024

THE HONORABLE HOWARD MARKLEIN
SENATE CO-CHAIR, JOINT COMMITTEE ON FINANCE
STATE CAPITOL
ROOM 316 EAST
MADISON WI 53707

MAR 18 2024

St. Finance

THE HONORABLE MARK BORN
ASSEMBLY CO-CHAIR, JOINT COMMITTEE ON FINANCE
STATE CAPITOL
ROOM 308 EAST
MADISON WI 53708

Re: Report of the Injured Patients and Families Compensation Fund Annual
Fund Fee and Medical Mediation Panel Fee Changes for Fiscal Year 2025
Beginning July 1, 2024.

Dear Senator Marklein and Representative Born:

Please allow this letter to serve as the Office of the Commissioner of Insurance (Office) report to the Joint Committee on Finance regarding the office's request for a change in the Injured Patients and Families Compensation Fund (Fund) annual Fund fees and medical mediation panel (Panel) fees in accordance with Wis. Stat. § 655.27 (3) (bt).

The Fund was established by and is operated under Wis. Stat. Ch. 655. Pursuant to Wis. Stat. § 655.27 (3) (b), the Commissioner, after approval by the Fund Board of Governors, shall set the Fund fees annually and by Wis. Stat. § 655.61, shall set the Panel fees at a level sufficient to provide the necessary revenue to fund the medical mediation panels. The fees become effective following submission to and review by the Joint Committee on Finance and in accordance with 2015 Wis. Act 90.

Fund Fees

For the fiscal year 2025 beginning July 1, 2024, the Commissioner is requesting to set Fund fees that participating health care providers must pay to the Fund at the same rate as fees paid for the 2024 fiscal year. The Board approved these fees at its meeting on December 20, 2023, based upon the recommendation of the Board's actuarial and underwriting committee and reports of the Fund's actuaries.

Mediation Panel Fees

The Board is required to set the annual fees for the operation of the medical mediation panel and submit the fees to the Joint Committee on Finance in accordance with Wis. Stat. § 655.27 (3) (bt), based on the recommendation of the Director of State Courts. The Director of State Courts submitted its fiscal year 2025 request on December 8, 2023. The Board's actuarial and underwriting committee voted on December 13, 2023, and recommended to the Board at the December 20, 2023, meeting an amount for the Panel fees not to exceed \$177,500 in total mediation assessment Panel fees. The Commissioner is setting the 2025 fiscal year Panel fees in accordance with the Board authorization from the December 20, 2023, meeting approved Panel fees at \$5.25 for physicians, an increase from the 2024 fiscal year of \$0.25, and \$1.00 per occupied bed for hospitals, representing no change in fees from the 2024 fiscal year Panel fees.

The Fund and Panel fees, once reviewed by the Joint Committee on Finance, will be published to the Office's and Fund's website in accordance with Wis. Stat. § 655.27 (3) (bt), and will request the Director of State Courts to also post the rates on its website.

Please do not hesitate to contact our office if you have further questions or need additional information.

Respectfully submitted,



Nathan Houdek
Commissioner

cc: Kristina Thole, Dir., Office of Administrative Service