



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2005 Assembly Bill 769

**Assembly
Amendment 1**

Memo published: October 21, 2005

Contact: Joyce L. Kiel, Senior Staff Attorney (266-3137)

Under *current law*, certain health care providers are required to have medical malpractice coverage with certain liability limits (underlying coverage) and to pay fees into the Injured Patients and Families Compensation Fund (IPFCF), which then pays eligible claims that exceed the limits of the underlying coverage. Certain other health care providers may optionally elect to participate in the IPFCF.

The IPFCF is managed by a 13-member Board of Governors (Board) whose membership is set forth in s. 619.04 (3), Stats. The fees paid into the IPFCF are established by administrative rule promulgated by the Commissioner of Insurance after approval by the Board.

2005 Assembly Bill 769 includes two provisions:

1. It requires the Board to regularly, but at least every two years, contract for the performance of an actuarial audit of the IPFCF.
2. It authorizes the Board to organize an insurance corporation to write and offer the underlying health care liability insurance coverage to health care providers in Wisconsin if the Board determines that there is not enough price competition among insurers that offer underlying coverage in the state.

Assembly Amendment 1 to the bill deletes the second provision. Thus, Assembly Bill 769, as amended, simply requires the Board to conduct actuarial audits of the IPFCF, as noted above.

Legislative History

Assembly Amendment 1 to the bill was offered by the Assembly Committee on Insurance which then recommended adoption of the amendment on a vote of Ayes, 15; Noes, 0. The committee recommended the bill, as amended, for passage on a vote of Ayes, 15; Noes, 0.

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