

Report From Agency

PROPOSED ORDER OF THE OFFICE OF THE COMMISSIONER OF INSURANCE

AND THE

BOARD OF GOVERNORS OF THE INJURED PATIENTS AND FAMILIES COMPENSATION

FUND

AMENDING, AND REPEALING AND RECREATING A RULE

The office of the commissioner of insurance and the board of governors of the injured patients and families compensation fund propose an order to amend s. Ins 17.01 (3), and s. Ins 17.28 (3) (c) 1. and 2., and to repeal and recreate s. Ins 17.28 (6), relating to annual patients compensation fund and mediation fund fees for the fiscal year beginning July 1, 2006 and may have an effect on small businesses.

ANALYSIS PREPARED BY THE OFFICE OF THE COMMISSIONER OF INSURANCE (OCI)

1. Statutes interpreted: s. 655.27 (3), and s.655.61, Stats.

2. Statutory authority: ss. 601.41 (3), 655.004, 655.27 (3) (b), and 655.61, Stats.

3. Explanation of the OCI's authority to promulgate the proposed rule under these statutes:

The commissioner of insurance, with the approval of the board of governors (board) of the injured patients and families compensation fund (fund), is required to establish by administrative rule the annual fees which participating health care providers must pay to the fund.

4. Related Statutes or rules:

None.

5. The plain language analysis and summary of the proposed rule:

This rule establishes the fees which participating health care providers must pay to the fund for the fiscal year beginning July 1, 2006. These fees represent a 25 % increase compared with fees paid for the 2005-06 fiscal year. The board approved these fees at its meeting on December 14, 2005, based on the recommendation of the board's actuarial and underwriting committee and reports of the fund's actuaries.

This rule includes fees for two new categories of health care providers:

1. A new part-time classification for physicians as approved by the fund's board for those physicians working 1040 hours or less per fiscal year, and
2. A new classification for organizations or enterprises not specified as a partnership or corporation, such as a limited liability company (LLC), that are organized and operated in this state for the primary purpose of providing the medical services of physicians or nurse anesthetists pursuant to 2005 Wisconsin Act 36.

This rule includes additions to the Insurance Services Office (ISO) code listing to address new classification specialties. ISO codes are the numerical designation for a health care provider's specialty and are used to classify the provider for assessment purposes.

The board is also required to promulgate by rule the annual fees for the operation of the injured patients and families compensation mediation system, based on the recommendation of the director of state courts. The recommendation of the director of state courts was reviewed by the board's actuarial and underwriting committee which recommended to the board an amount slightly less than what was requested based in part upon the ending balance in the mediation system projected financials. This rule implements the funding level approved by the board by establishing mediation panel fees for the next fiscal year at \$25.00 for physicians and \$2.00 per occupied bed for hospitals, representing a decrease of \$9.00 per physician from 2005-06 fiscal year mediation panel fees.

6. Summary of and preliminary comparison with any existing or proposed federal regulation that is intended to address the activities to be regulated by the proposed rule:

To the fund board's and OCI's knowledge there is no existing or proposed federal regulation that is intended to address patient compensation fund rates, administration or activities.

7. Comparison of similar rules in adjacent states as found by OCI:

To the fund board's and OCI's knowledge there are no similar rules in the adjacent states to compare this rule to as none of these states have a patients compensation fund created by statute where rates are directed to be established yearly by rule as is true in Wisconsin.

8. A summary of the factual data and analytical methodologies that OCI used in support of the proposed rule and how any related findings support the regulatory approach chosen for the proposed rule:

None. This rule establishes annual fund fees pursuant to the requirements of the above-noted Wisconsin statutes.

9. Any analysis and supporting documentation that OCI used in support of OCI's determination of the rule's effect on small businesses under s. 227.114:

This increase in fund fees will have an effect on some small businesses in Wisconsin. However, the vast majority of fund participants that meet the definition of a small business are single shareholder corporations owned by a physician. These entities do not pay an additional fee separate from the fund fee

physicians pay for their individual fund coverage and, therefore, will not be affected by the proposed rule. The fund identified a few small businesses which meet the definition of small business and that may pay an additional fee separate from the physician fee. These small businesses include some small multi shareholder corporations that pay an additional fee to the fund based upon the number of shareholder physicians and employed physicians. However, even for these few entities, although there is an effect it is not significant nor should it negatively effect the small business's ability to compete with other providers not subject to potential additional fee.

10. If these changes may have a significant fiscal effect on the private sector, the anticipated costs that will be incurred by private sector in complying with the rule:

The increase in fees promulgated by this rule does not result in a significant fiscal effect on the private sector. The cost of fund coverage is a very small portion of the expenses incurred by health care providers. This increase is the first such increase after several years of decreases. Fund fees prior to this increase are 55% less than they were 5 years ago and after this increase will still be 43% less than 5 years ago. Although a health care provider may pass this increase on to its patients, there will not be a significant fiscal effect on the private sector as a result of this proposed rule.

11. A description of the Effect on Small Business:

This rule will have little or no effect on small businesses. The increase contained in the proposed rule will require providers to pay an increased assessment which will increase the operational expenses for the providers. However, as stated in response to #10, above, while this proposed rule increases fund fees, the fees that will be assessed are still 43% lower than fees paid 5 years ago and the fee is proportional to all size businesses. As such, small businesses will not be disproportionately affected and the proposed rule will have no effect on the provider's competitive abilities.

12. Agency contact person:

A copy of the full text of the proposed rule changes, analysis and fiscal estimate may be obtained from the WEB sites at: **<http://oci.wi.gov/ocirules.htm>**

or by contacting Inger Williams, OCI Services Section, at:

Phone: (608) 264-8110
Email: Inger.Williams@OCI.State.WI.US
Address: 125 South Webster St – 2nd Floor Madison WI 53702
Mail: PO Box 7873, Madison WI 53707-7873

13. Place where comments are to be submitted and deadline for submission:

The deadline for submitting comments is 4:30p.m. on February 21, 2006.

Mailing address:

Theresa Wedekind
OCI Rule Comment for Rule Ins 17287 PCF fee rule
Office of the Commissioner of Insurance
PO Box 7873

Madison WI 53707-7873

Street address:

Theresa Wedekind
OCI Rule Comment for Rule Ins 17287 PCF fee rule
Office of the Commissioner of Insurance
125 South Webster St – 2nd Floor
Madison WI 53702

WEB Site: <http://oci.wi.gov/ocirules.htm>

The proposed rule changes are:

SECTION 1. Ins 17.01 (3) is amended to read:

Ins 17.01 (3) FEE SCHEDULE. (intro.) The following fee schedule shall be effective July 1, ~~2005~~ 2006:

- (a) For physicians-- ~~\$34.00~~ 25.00
- (b) For hospitals, per occupied bed-- \$2.00

SECTION 2. Ins 17.28 (3) (c) 1. is amended to read:

Ins 17.28 (3) (c) 1. Class 1:

Allergy	80254
Allergy (D.O.)	84254
Cardiovascular Disease – no surgery or Catheterization	80255
Cardiovascular Disease – no surgery or Catheterization (D.O.)	84255
Dermatology – no surgery	80256
Dermatology – no surgery (D.O.)	84256
Diabetes – no surgery	80237
Endocrinology – no surgery	80238
Endocrinology – no surgery (D.O.)	84238
Family or General Practice – no surgery	80420

Family or General Practice – no surgery (D.O.)	84420
Forensic Medicine – Legal Medicine	80240
Forensic Medicine – Legal Medicine (D.O.)	84240
Gastroenterology – no surgery	80241
Gastroenterology – no surgery (D.O.)	84241
General Preventive Medicine – no surgery	80231
General Preventive Medicine – no surgery (D.O.)	84231
Geriatrics – no surgery	80243
Geriatrics – no surgery (D.O.)	84243
Gynecology – no surgery	80244
Gynecology – no surgery (D.O.)	84244
Hematology – no surgery	80245
Hematology – no surgery (D.O.)	84245
Infectious Diseases – no surgery	80246
Infectious Diseases – no surgery (D.O.)	84246
Internal Medicine – no surgery	80257
Internal Medicine – no surgery (D.O.)	84257
Laryngology – no surgery	80258
Manipulator (D.O.)	84801
Neoplastic Disease – no surgery	80259
Nephrology – no surgery	80260
Neurology – no surgery	80261
Neurology – no surgery (D.O.)	84261
Nuclear Medicine	80262

Nuclear Medicine (D.O.)	84262
Nutrition	80248
Occupation Medicine	80233
Occupation Medicine (D.O.)	84233
Ophthalmology – no surgery	80263
Ophthalmology – no surgery (D.O.)	84263
Osteopathy – manipulation only	84801
<u>Otology – no surgery</u>	<u>80247</u>
Otorhinolaryngology – no surgery	80265
Otorhinolaryngology – no surgery (D.O.)	84265
Pathology – no surgery	80266
Pathology – no surgery (D.O.)	84266
Pediatrics – no surgery	80267
Pediatrics – no surgery (D.O.)	84267
Pharmacology – Clinical	80234
Physiatry – Physical Medicine	80235
Physiatry – Physical Medicine (D.O.)	84235
Physicians – no surgery	80268
Physicians – no surgery (D.O.)	84268
Psychiatry	80249
Psychiatry (D.O.)	84249
Psychoanalysis	80250
Public Health	80236
Pulmonary Disease – no surgery	80260
Pulmonary Disease – no surgery (D.O.)	84260

Radiology – diagnostic	80253
Radiology – diagnostic (D.O.)	84253
Radiopaque dye	80449
Radiopaque dye (D.O.)	84449
Rheumatology – no surgery	80252
Rheumatology – no surgery (D.O.)	84252
<u>Rhinology – no surgery</u>	<u>80264</u>
Shock Therapy	80431
Shock Therapy – insured	80162
Urgent Care – Walk-in or After Hours	80424
Urgent Care – Walk-in or After Hours (D.O.)	84424

SECTION 3. Ins 17.28 (3) (c) 2. is amended to read:

Ins 17.28 (3) (c) 2. Class 2:

<u>Acupuncture</u>	<u>80437</u>
<u>Acupuncture (D.O.)</u>	<u>84437</u>
Anesthesiology	80151
Anesthesiology (D.O.)	84151
Angiography – Arteriography – catheterization	80422
Angiography – Arteriography – catheterization (D.O.)	84422
Broncho – Esophagology	80101
Cardiovascular Disease – minor surgery	80281
Cardiovascular Disease – minor surgery (D.O.)	84281
Colonoscopy – ERCP – Pneu or mech esoph dil (D.O.)	84443
Colonoscopy – ERCP – pneu or mech	80443

Dermatology – minor surgery	80282
Dermatology – minor surgery (D.O.)	84282
<u>Diabetes – minor surgery</u>	<u>80271</u>
Emergency Medicine – No Major Surgery	80102
Emergency Medicine – No Major Surgery (D.O.)	84102
Endocrinology – minor surgery	80272
Endocrinology – minor surgery (D.O.)	84272
Family Practice – and general practice minor surgery – No OB	80423
Family Practice – and general practice minor surgery – No OB (D.O.)	84423
Family or General Practice – including OB (D.O.)	84421
Family or General Practice including OB	80421
Gastroenterology – minor surgery	80274
Gastroenterology – minor surgery (D.O.)	84274
Geriatrics – minor surgery	80276
Geriatrics – minor surgery (D.O.)	84276
Gynecology – minor surgery	80277
Gynecology – minor surgery (D.O.)	84277
Hematology – minor surgery	80278
Hematology – minor surgery (D.O.)	84278
Infectious Diseases – minor surgery	80279
Intensive Care Medicine	80283
Intensive Care Medicine (D.O.)	84283
Internal Medicine – minor surgery	80284
Internal Medicine – minor surgery (D.O.)	84284

<u>Laparoscopy</u>	<u>80440</u>
<u>Laparoscopy (D.O.)</u>	<u>84440</u>
Laryngology – minor surgery	80285
<u>Myelography – Discogram</u>	<u>80428</u>
Nephrology – minor surgery	80287
Neoplastic Disease – minor surgery	80286
Neurology – minor surgery	80288
Neurology – minor surgery (D.O.)	84288
Ophthalmology – minor surgery	80289
Ophthalmology – minor surgery (D.O.)	84289
<u>Otology – minor surgery</u>	<u>80290</u>
Otorhinolaryngology – minor surgery	80291
Otorhinolaryngology – minor surgery (D.O.)	84291
Pathology – minor surgery	80292
Pathology – minor surgery (D.O.)	84292
Pediatrics – minor surgery	80293
Pediatrics – minor surgery (D.O.)	84293
Physicians – minor surgery	80294
Radiation Therapy – lasers	80425
Radiation Therapy – lasers (D.O.)	84425
<u>Radiation Therapy – other than lasers</u>	<u>80165</u>
Radiology – diagnostic – interventional procedures	80280
Radiology – diagnostic – interventional procedures (D.O.)	84280
<u>Rhinology – minor surgery</u>	<u>80270</u>

Surgery – Colon & Rectal	80115
<u>Surgery – Endocrinology</u>	<u>80103</u>
Surgery – General Practice or Family Practice	80117
<u>Surgery – General Practice or Family Practice (D.O.)</u>	<u>84117</u>
<u>Surgery – Geriatrics</u>	<u>80105</u>
Surgery – Neoplastic	80107
<u>Surgery – Nephrology</u>	<u>80108</u>
Surgery – Ophthalmology	80114
Surgery – Urological	80145
Surgery – Urological (D.O.)	84145

SECTION 4. Ins 17.28 (6) is repealed and recreated to read:

Ins 17.28 (6) FEE SCHEDULE. The following fee schedule is in effect from July 1, 2006, to June 30, 2007:

(a) Except as provided in pars. (b) to (f) and sub. (6e), for a physician for whom this state is a principal place of practice:

Class 1	\$ 1,074	Class 3	\$4,457
Class 2	\$ 1,933	Class 4	\$ 6,444

(b) For a resident acting within the scope of a residency or fellowship program:

Class 1	\$ 537	Class 3	\$2,229
Class 2	\$ 967	Class 4	\$3,222

(c) For a resident practicing part-time outside the scope of a residency or fellowship program:

All classes	\$ 644
-------------	--------

(d) For a medical college of Wisconsin, inc., full-time faculty member:

Class 1	\$ 430	Class 3	\$1,785
Class 2	\$ 774	Class 4	\$2,580

(e) For physicians who practice part-time:

1. For a physician who practices fewer than 500 hours during the fiscal year, limited to office practice and nursing home and house calls, and who does not practice obstetrics or surgery or assist in surgical procedures: \$ 269

2. For a physician who practices 1040 hours or less during the fiscal year, including those who practice fewer than 500 hours during the fiscal year who's practice is not limited to office practice, nursing homes or house calls or who do practice obstetrics, surgery or assist in surgical procedures:

Class 1	\$ 644	Class 3	\$2,674
Class 2	\$1,160	Class 4	\$3,866

(f) For a physician for whom this state is not a principal place of practice:

Class 1	\$ 537	Class 3	\$2,229
Class 2	\$ 967	Class 4	\$3,222

(g) For a nurse anesthetist for whom this state is a principal place of practice: \$ 264

(h) For a nurse anesthetist for whom this state is not a principal place of practice: \$ 132

(i) For a hospital, all of the following fees:

1. Per occupied bed \$ 65

2. Per 100 outpatient visits during the last calendar year for which totals are available: \$ 3.25

(j) For a nursing home, as described under s. 655.002 (1) (j), Stats., which is wholly owned and operated by a hospital and which has health care liability insurance separate from that of the hospital by which it is owned and operated:

Per occupied bed	\$ 13
------------------	-------

(k) For a partnership comprised of physicians or nurse anesthetists, organized for the primary purpose of providing the medical services of physicians or nurse anesthetists, all of the following fees:

1. a. If the total number of partners and employed physicians and nurse anesthetists is from 2 to 10	\$ 37
--	-------

b. If the total number of partners and employed physicians and nurse anesthetists is from 11 to 100	\$ 370
---	--------

c. If the total number of partners and employed physicians and nurse anesthetists exceeds 100	\$ 923
---	--------

2. The following fee for each of the following employees employed by the partnership as of July 1, 2006:

Employed Health Care Persons	July 1, 2006 Fund Fee
Nurse Practitioners	\$ 269
Advanced Nurse Practitioners	376
Nurse Midwives	2,363
Advanced Nurse Midwives	2,470
Advanced Practice Nurse Prescribers	376
Chiropractors	430
Dentists	215
Oral Surgeons	1,611
Podiatrists-Surgical	4,565

Optometrists	215
Physician Assistants	215

(L) For a corporation, including a service corporation, with more than one shareholder organized under ch. 180, Stats., for the primary purpose of providing the medical services of physicians or nurse anesthetists, all of the following fees:

1. a. If the total number of shareholders and employed physicians and nurse anesthetists is from 2 to 10

	\$ 37
--	-------

b. If the total number of shareholders and employed physicians and nurse anesthetists is from 11 to 100

	\$ 370
--	--------

c. If the total number of shareholders and employed physicians or nurse anesthetists exceeds 100

	\$ 923
--	--------

2. The following for each of the following employees employed by the corporation as of July 1, 2006:

Employed Health Care Persons	July 1, 2006 Fund Fee
Nurse Practitioners	\$ 269
Advanced Nurse Practitioners	376
Nurse Midwives	2,363
Advanced Nurse Midwives	2,470
Advanced Practice Nurse Prescribers	376
Chiropractors	430
Dentists	215
Oral Surgeons	1,611
Podiatrists-Surgical	4,565
Optometrists	215
Physician Assistants	215

(m) For a corporation organized under ch. 181, Stats., for the primary purpose of providing the medical services of physicians or nurse anesthetists, all of the following fees:

- 1. a. If the total number of employed physicians and nurse anesthetists is from 1 to 10 \$ 37
- b. If the total number of employed physicians and nurse anesthetists is from 11 to 100 \$ 370
- c. If the total number of employed physicians or nurse anesthetists exceeds 100 \$ 923

2. The following for each of the following employees employed by the corporation as of July 1, 2006:

Employed Health Care Persons	July 1, 2006 Fund Fee
Nurse Practitioners	\$ 269
Advanced Nurse Practitioners	376
Nurse Midwives	2,363
Advanced Nurse Midwives	2,470
Advanced Practice Nurse Prescribers	376
Chiropractors	430
Dentists	215
Oral Surgeons	1,611
Podiatrists-Surgical	4,565
Optometrists	215
Physician Assistants	215

(n) For an operational cooperative sickness care plan as described under s. 655.002 (1) (f), Stats., all of the following fees:

1. Per 100 outpatient visits during the last calendar year for which totals are available \$ 0.08

2. 2.5% of the total annual fees assessed against all of the employed physicians.

3. The following for each of the following employees employed by the operational cooperative sickness plan as of July 1, 2006:

Employed Health Care Persons	July 1, 2006 Fund Fee
Nurse Practitioners	\$ 269
Advanced Nurse Practitioners	376
Nurse Midwives	2,363
Advanced Nurse Midwives	2,470
Advanced Practice Nurse Prescribers	376
Chiropractors	430
Dentists	215
Oral Surgeons	1,611
Podiatrists-Surgical	4,565
Optometrists	215
Physician Assistants	215

(o) For a freestanding ambulatory surgery center, as defined in s. HFS 120.03 (13), per 100 outpatient visits during the last calendar year for which totals are available:

\$ 16.00

(p) For an entity affiliated with a hospital, the greater of \$100 or whichever of the following applies:

1. 7% of the amount the entity pays as premium for its primary health care liability insurance, if it has occurrence coverage.

2. 10% of the amount the entity pays as premium for its primary health care liability insurance, if it has claims-made coverage.

(q) For an organization or enterprise not specified as a partnership or corporation that is organized and operated in this state for the primary purpose of providing the medical services of physicians or nurse anesthetists, all of the following fees:

- 1. a. If the total number of employed physicians and nurse anesthetists is from 1 to 10 \$ 37
- b. If the total number of employed physicians and nurse anesthetists is from 11 to 100 \$ 370
- c. If the total number of employed physicians or nurse anesthetists exceeds 100 \$ 923

2. The following for each of the following employees employed by the organization or enterprise not specified as a partnership or corporation as of July 1, 2006:

Employed Health Care Persons	July 1, 2006 Fund Fee
Nurse Practitioners	\$ 269
Advanced Nurse Practitioners	376
Nurse Midwives	2,363
Advanced Nurse Midwives	2,470
Advanced Practice Nurse Prescribers	376
Chiropractors	430
Dentists	215
Oral Surgeons	1,611
Podiatrists-Surgical	4,565
Optometrists	215
Physician Assistants	215

SECTION 5 EFFECTIVE DATE. This rule will take effect on July 1, 2006.

Dated at Madison, Wisconsin, this ___ day of _____ 2006.

Jorge Gomez
Commissioner of Insurance

Office of the Commissioner of Insurance
Private Sector Fiscal Analysis

for Rule Ins 17.28 PCF fee rule relating to annual injured patients and families
compensation fund fees for fiscal year beginning July 1, 2006

The increase in fees promulgated by this rule does not result in a significant fiscal effect on the private sector. The cost of Fund coverage is a very small portion of the expenses incurred by health care providers. This increase is the first such increase after several years of decreases. Fund fees prior to this increase are 55% less than they were 5 years ago and after this increase will still be 43% less than 5 years ago. Although a health care provider may pass this increase on to its patients, there will not be a significant fiscal effect on the private sector as a result of this proposed rule.

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB Number	Amendment No. if Applicable
Bill Number	Administrative Rule Number INS 17.28

Subject

annual injured patients and families compensation fund fees for fiscal year beginning July 1, 2006

One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
None

Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$ 0	\$ -0
(FTE Position Changes)	(0 FTE)	(-0 FTE)
State Operations - Other Costs	0	-0
Local Assistance	0	-0
Aids to Individuals or Organizations	0	-0
TOTAL State Costs by Category	\$ 0	\$ -0
B. State Costs by Source of Funds		
GPR	\$ 0	\$ -0
FED	0	-0
PRO/PRS	0	-0
SEG/SEG-S	0	-0
C. State Revenues <small>Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</small>		
GPR Taxes	\$ 0	\$ -0
GPR Earned	0	-0
FED	0	-0
PRO/PRS	0	-0
SEG/SEG-S	0	-0
TOTAL State Revenues	\$ 0 None	\$ -0 None

NET ANNUALIZED FISCAL IMPACT

NET CHANGE IN COSTS	\$ <u>STATE</u> None 0	\$ <u>LOCAL</u> None 0
NET CHANGE IN REVENUES	\$ <u>STATE</u> None 0	\$ <u>LOCAL</u> None 0

Prepared by: Theresa Wedekind	Telephone No. 608-266-0953	Agency IPFCF/OCII
Authorized Signature:	Telephone No.	Date (mm/dd/ccyy) 1-4-06

FISCAL ESTIMATE

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB Number	Amendment No. if Applicable
Bill Number	Administrative Rule Number INS 17.28

Subject
 annual injured patients and families compensation fund fees for fiscal year beginning July 1, 2006

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

- Increase Costs - May be possible to Absorb Within Agency's Budget Yes No
 Decrease Costs

Local: No local government costs

1. Increase Costs
 Permissive Mandatory
 2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory
 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
 Towns Villages Cities
 Counties Others _____
 School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Chapter 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

The Injured Patients and Families Compensation Fund (IPFCF or Fund) is a segregated fund. Annual Fund fees are established to become effective each July 1 based on actuarial estimates of the Fund's needs for payment of medical malpractice claims. The proposed fees were approved by the Fund's Board of Governors at its December 14, 2005 meeting.

The Fund is a unique fund; there are no other funds like it in the country. The WI Fund provides unlimited liability coverage and participation is mandatory. These two features make this Fund unique compared to funds in other states. The only persons who will be affected by this rule change are the Fund participants themselves as the IPFCF is fully funded through assessments paid by Fund participants.

There is no effect on GPR.

Estimated revenue from fees for fiscal year 2006-2007 is approximately \$24 million which represents a 25% increase in fees as compared to 2005-2006 Fund fees.

Long-Range Fiscal Implications

None

Prepared by:

Theresa Wedekind

Telephone No.

(608) 266-0953

Agency

IPFCF

Authorized Signature:

Telephone No.

Date (mm/dd/ccyy)

1-4-06