

Raid on the Injured Patients & Families Compensation Fund

Frequently Asked Questions

Q. What is the Injured Patients and Families Compensation Fund?

A. The Injured Patients and Families Compensation Fund was created in 1975 to pay medical liability claims that exceed the primary layer of medical liability insurance coverage Wisconsin health care professionals are required to maintain by law.

Today, most Wisconsin physicians, some certified registered nurse anesthetists, hospitals, some nursing homes and a few other health care professionals are required to participate in the Fund. By law, they must have their own primary layer of medical liability insurance coverage and they must pay an annual assessment to the Fund. There are no taxpayer dollars in the Fund.

Q. What happened to the Fund?

A. In order to balance Wisconsin's budget during the last biennium, the Governor recommended the raid and the State approved the illegal transfer of \$200 million from the Fund. On October 29, 2007, the Wisconsin Medical Society filed suit in Dane County Circuit Court to challenge the legality of the raid and to restore to the Fund all monies taken, plus interest. The Fund's assets are **not** general revenue. These dollars are held in a trust that may only be used for the benefit of injured patients, their families and contributing health care professionals.

Q. How long has the lawsuit been underway?

A. More than 2½ years. Circuit Court Judge Michael Nowakowki issued a decision on December 19, 2008 granting summary judgment to the State. The Society filed an appeal in March 2009, and in December 2009, the Court of Appeals issued a Certification asking the Wisconsin Supreme Court to review the case. In January, the Supreme Court agreed to hear the case, and on April 15, oral arguments were presented.

Q. Why is the Fund important to maintaining high-quality health care?

A. The Fund is a stabilizing influence in the recruitment and retention of quality health care professionals. As such, it is critical to maintaining the high quality of Wisconsin's health care system.

Q. Why is the Fund important to injured patients and families?

A. According to the Fund's 2009 Functional and Progress Report, from July 1, 1975, through December 31, 2009, 5,657 claims were filed in which the Fund was named a party. Of that total, the Fund paid 665 claims totaling \$772,337,268. Fund payouts cover economic damages, as well as some noneconomic damages. *(Of the total number of claims in which the Fund has been named, 4,800 claims have been closed with no indemnity payment.)*

Q. Who should be concerned about this raid?

A. Patients, their families and anyone who values fairness and high-quality health care.

Q. How can I help?

A. Help educate your colleagues, patients, local media and community members about the Fund. Help prevent future raids by talking to or writing to your legislators or sending a letter to the editor.

Visit www.wisconsinmedicalsociety.org for more information.



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