



GeorgiaWatch

**55 MARIETTA STREET
SUITE 903
ATLANTA, GA 30303**

Give Big to Georgia Watch

Help us celebrate our fifth year as the state's leading consumer watchdog by contributing to Georgia Watch today. Georgia Watch is doing more than ever to help you learn about and avoid insurance scams, predatory lenders, hospital infection rates, access to affordable health care and other threats to our families and our way of life.

We work to raise these same issues with the media and state officials every day, and guard against attacks on your rights by powerful interest groups at the state Capitol.

Through generous tax-deductible contributions from our members, we are able to grow, and so does our ability to help Georgia consumers.

We're excited about what we've accomplished and what lies ahead – but we can't do it alone. A tax-deductible contribution of any amount to Georgia Watch today is money well spent.

**ALLISON WALL
EXECUTIVE DIRECTOR**

**DANNY ORROCK
POLICY
COORDINATOR**

**HOLLY LANG
COMMUNICATIONS
COORDINATOR**

**NATHAN GAFFNEY
COURT WATCH FELLOW**

**JEANNINE LOWERY
GRASSROOTS
COORDINATOR**

**FOR QUESTIONS
REGARDING
theWATCHER**

**CONTACT US BY
PHONE AT
(866) 33-WATCH
OR BY EMAIL AT
GEORGIAWATCH@
GEORGIAWATCH.ORG**

GeorgiaWatch
is OUTSPOKEN

In 2008, Georgia Watch employees have made consumer presentations to:

- Ellis Realty in Columbus
- ACORN foreclosure summit in Atlanta
- Council on Aging at Clayton State University
- Various legislative committees on consumer issues

You too can book Georgia Watch for a speaking engagement by calling (866) 33-WATCH.



TAKE A LOOK AT PHOEBE PUTNEY MEMORIAL HOSPITAL BY HOLLY LANG

In November, Georgia Watch released a detailed report on the finances of southwest Georgia's largest hospital, Phoebe Putney Memorial Hospital.

Phoebe Putney is located in Albany and serves the country's ninth poorest congressional district, where nearly 30 percent of all residents live below the poverty level.

According to research by Harvard University, approximately half of all Americans who file for bankruptcy in the United States do so because of medical bills. Three-quarters of those patients had health insurance at the time of illness or injury.

But inside the hospital, six figure salaries are common for executives, who also enjoy generous benefits and perks, such as extravagant trips abroad and weekend trips to the beach that cost far more than the average Albany resident's income.

According to our report:

- Phoebe Putney marked up prices overall by 252 percent in 2005, and charges for some services -- such as electrocardiology and laboratory work -- were increased by more than 500 percent. In July 2007, Phoebe CEO Joel Wernick announced an across the board increase of six percent in the hospital's charges.
- Major industries in Albany and Dougherty County claim that the area's health care costs are among the highest in the country for the company, which stifles growth and prevents businesses from expanding.



- Health care costs average about \$7,630 per employee in three key Albany industries -- a figure approximately \$1,400 higher than in other parts of the country for these companies.
- Phoebe Putney has provided large, low-interest loans to its doctors and executives. Between 2002 and 2005, Phoebe Putney extended approximately \$1,074,696 in low-interest loans to a number of key employees.
- CEO Joel Wernick, for example, received a loan for at least \$100,000 the same year that Phoebe Putney sued 176 patients for debt amounts ranging from \$100 to \$5,000.
- Phoebe Putney Memorial Hospital and Phoebe Putney Health System had a combined surplus of more than \$44.6 million in 2005.

Phoebe Putney should utilize these surplus funds to open a Level 1 trauma center, which would serve an unmet need in southwest Georgia. Level 1 trauma centers provide the most timely and comprehensive care to the most critical of trauma patients.

Of the 100 counties in the nation with the highest rates of bankruptcy, 45 are in Georgia. On average, Georgians spend \$4,891 a year on health care at hospitals and doctor's offices.

CHANGES IN CAR INSURANCE COVERAGE BY DANNY ORROCK

Earlier this year, state lawmakers passed a bill that makes major changes to car insurance.

Senate Bill 276, sponsored by Sen. Cecil Staton (R-Macon), gives consumers the choice to purchase uninsured/underinsured motorist (UM) insurance that stacks on top of the insurance policy of an at-fault driver.

In case you are hit by someone who doesn't have enough insurance to pay for your medical bills and property damage, UM coverage would kick in to help cover your costs.

Currently, any money that you receive from the at-fault driver's insurance company would reduce the amount of money that you could access from your UM policy.

By choosing stacking UM coverage, which will soon be available because of SB 276, this reduction of your UM coverage -- called an "offset" -- will no longer be allowed.

However, there are certain cases where UM coverage will be reduced by other payments, such as when an accident involves a worker's compensation claim.

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CHANGES IN CAR INSURANCE COVERAGE

CONTINUED FROM PAGE 1

Once SB 276 goes into effect, you will have three options when buying or renewing car insurance:

- 1) Stacking uninsured/underinsured motorist (UM) insurance;
- 2) UM insurance that would not “stack” on top of other liability coverage; or,
- 3) No UM insurance at all.

SB 276 also eliminates the insurance commissioner’s “prior approval” authority over rate changes on car insurance policies above and beyond the minimum limits required by state law.

In most cases, an insurance company will not have to get approval from the commissioner before charging new rates, which would become effective immediately upon filing.

That said, the commissioner still has authority to reject rate changes – increases and decreases – for the first 45 days after the new rates have been put into effect; rate changes for policies with minimum limits would still be approved by the insurance commissioner before going into effect.

There is no shortage of companies selling car insurance in Georgia, and SB 276 may eventually lead to lower prices for consumers, new insurance products rolled out faster, and may make the market even more competitive. Only time will tell.

As a service to our readers, Georgia Watch has compiled the 2008 House and Senate votes to pass SB 276. If you have any questions, please contact Policy Coordinator **Danny Orrock** at (404)525-1084 or dorrock@georgiawatch.org.



VOTES ON PAGE 4

TAKE A LOOK AT PHOEBE PUTNEY MEMORIAL HOSPITAL

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As it stands now, Georgia’s trauma death rate is approximately 20 percent higher than the national average.

For southwest Georgia residents, the nearest Level 1 trauma center is more than 100 miles away in Macon at the Medical Center of Central Georgia.

We also recommend that:

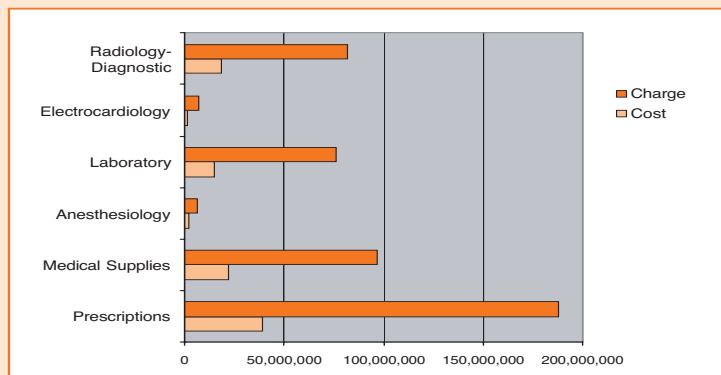
- Charges and financial assistance options should be fair and clearly explained to patients at the time of admission.
- State lawmakers should create and enact definitions for the terms “indigent care,” “charity care” and “bad debt” that are based on cost instead of marked-up charges. This will help state and federal agencies know

the true benefit nonprofit hospitals offer their communities.

- County tax authorities should regularly assess the property holdings of tax-exempt nonprofit hospitals to ensure the community is receiving a comparable benefit for its loss of property tax revenue.
- Phoebe Putney, for example, is one of Dougherty County’s largest landowners. Knowing the current value of their tax-exempt status is essential to knowing what Phoebe Putney should give back to the community.

“A Crisis of Affordable Health Care: Phoebe Putney Health System” can be found at www.GeorgiaWatch.org.

In 2005, Phoebe Putney Memorial Hospital’s prices overall were marked up 252 percent over cost, as the hospital paid approximately \$298,235,192 for services, materials and procedures, but charged \$752,273,508.



Note: All numbers are in millions, and were provided to the US Centers for Medicare and Medicaid Services by Phoebe Putney for Fiscal Year 2005. For electrocardiology services, the cost to Phoebe was approximately \$862,522, which doesn't register on the chart above.

ANDY LORD HIRED AS ADVOCATE FOR GEORGIA WATCH

BY HOLLY LANG



ANDY LORD

Born and raised in Atlanta, lobbyist Andy Lord began working in government relations after spearheading a statewide health coalition with help from many elected officials under the Gold Dome.

before the 2008 General Assembly. To Lord, government relations doesn't just start and stop with the General Assembly. Instead, Lord sees his job as one that is year-round because the opportunities to work with lawmakers don't stop when the session ends.

During this time, Lord discovered an affinity and skill for working with state lawmakers to help pass legislation that benefits the community at large.

Since then, Lord has worked with a variety of nonprofit groups, including the American Cancer Society, where he served as government relations director from 2001 to 2006. He joined the Georgia Watch policy team shortly

Lord tends to work with smaller teams with more modest budgets than most lobbyists at the Capitol, and he sees some of the work he does as akin to the biblical tale of David versus Goliath.

“They outnumber us every year. They outspend us every year, and we beat them every year,” Lord said. “It’s because we are smart, it’s because we have grassroots, and it’s because we are right.”

MRSA AWARENESS MONTH BY HOLLY LANG

March was MRSA awareness month, an event aimed at raising public awareness about the dangerous and destructive bacteria, “Methicillin-resistant Staphylococcus aureus” or MRSA.

MRSA is a strain of a common infection-causing bacterium that has become resistant to treatment by the antibiotic methicillin, which makes it a serious hazard in health care facilities.

In 2005, MRSA was associated with 18,650 hospital-related deaths in the US alone. Hospital infections are one of the top ten leading causes of death in the U.S. and significantly increase the cost of health care.

Often called a “superbug,” many people who are infected with MRSA have pus-filled boils and, occasionally, rashes. Approximately 43 percent of all skin infections in the US are the result of one single – and preventable – strain of MRSA.

- The Association for Professionals in Infection Control & Epidemiology reports that 1.2 million hospital patients are infected with dangerous, drug-resistant staph infections each year.
- According to the Centers for Disease Control and Prevention, one in 20 patients – about two million a year – contract an infection while in the hospital.
- Hospital infections killed more than 94,000 US patients in 2005 – more than breast cancer, AIDS, and auto accidents combined.
- Hospital infections can increase the length of hospital stays up to 30 days, and cause long-term affects that persist throughout life.
- The cost to the U.S. health system of treating hospitalized patients with staph infections is staggering – between \$3.2 billion to \$4.2 billion a year.

MRSA is an increasingly prevalent and often deadly infection that is easily preventable. So what can be done to help curb infection rates?

The Institute for Health Care Improvement has outlined simple and cost-effective strategies, such as hand washing, to help reduce infection-causing bacteria in health care facilities. Since 2004, the campaign has prevented more than 123,000 unnecessary deaths.

More transparency in the health care market – including tracking and public reporting of infection rates – is also necessary.

In 2006, South Carolina passed S. 1318, which requires hospitals to report their infection rates to the state government and the general public. Nineteen other states have passed or are considering similar measures.

FROM THE DIRECTOR'S CHAIR

THE YEAR OF THE CONSUMER

BY ALLISON WALL – EXECUTIVE DIRECTOR



For all the pre-game hype that this legislative session was only about water, taxes and transportation, perhaps by some the 2008 Georgia General Assembly will also be known as the year of the consumer.

After all, we finally have a low-cost credit freeze law on the books - after three years of committee hearings.

Plus, we now have a better lemon law for car buyers. And bi-partisan, pro-consumer bills were filed to add a consumer member to the state medical board, and restore some fairness to the car title loan and tax refund loan industries.

Oh, did I mention that the payday lenders weren't able to find a single sponsor for a bill to repeal the statewide ban on their triple-digit interest loans?

Every legislative session creates new opportunities for pro-consumer action, and we can all be a part of those successes – constituents, advocates and lawmakers. Here are a few of the best ideas that surfaced in 2008, and the champions who deserve credit for consumer work well done.

Rep. Tommy Benton (R-Jefferson)

There has been a consistent, bi-partisan effort in the state House to lower the fee for a credit freeze so that more Georgians can access this superior protection against account fraud and identity theft.

For a second year, Rep. Benton drew a line in the sand for consumers and sponsored a winning floor amendment that reduced the fee from \$10 to \$3.

Rep. Rich Golick (R-Smyrna)

A co-sponsor of Rep. Benton's \$3 credit freeze amendment, Rep. Golick also sponsored a pro-consumer bill that would return to a borrower any money left over from the sale of a repossessed vehicle.

Under Georgia law, car title lenders can repossess a pawned car if a loan goes bad, and sell it to settle the loan debt and other costs. After the debt is settled, some lenders pocket the extra money made off the sale, but Golick calls that “unjust enrichment.”

His bill would have guaranteed that car title lenders are paid what they are due, but would have given the leftovers back to the borrower, who could use the money to purchase another car.

Rep. Rob Teilhet (D-Smyrna)

Rep. Teilhet co-sponsored both the car title bill and the credit freeze amendment, and sponsored another bill that would require more plain language disclosure from tax preparers, such as H&R Block, who aggressively market high-interest loans on tax refunds.

These are loans secured by your anticipated tax refund, but some tax preparation businesses sell them as “rapid refunds” and disguise the loan terms – including the triple-digit interest.

Under Teilhet's bill, taxpayers who were offered a refund loan would have been given specific information in bolded text spelling out the fact that “THIS IS A LOAN.”

Well said!

Rep. Steve “Thunder” Tumlin (R-Marietta)

Providing back-up support on all three of these measures, Rep. Tumlin crossed the aisle to co-sponsor Rep. Teilhet's disclosure bill on tax refund loans and signed on to Rep. Golick's car title loan bill.

Tumlin has taken some heat in the media, in his district and under the Gold Dome for sponsoring the predatory lenders' bill to repeal the statewide ban on payday lending last year, but there is no doubt that he found his stride in 2008 with a string of consumer wins.

Bravo!

SB 276 final passage votes on March 6, 2008

Key:

- Y: Voted Yea
- N: Voted Nay
- E: Excused, did not vote
- X: Did not vote
- P: Presiding, only votes in case of a tie

Dist.	Representative	Party	City	Vote
	Roberta Abdul-Salaam	D	Riverdale	Y
74	Salaam	D	Riverdale	Y
84	Stacey Abrams	D	Atlanta	Y
9	Amos Amerson	R	Dahlonega	Y
56	Kathy Ashe	D	Atlanta	Y
166	Terry Barnard	R	Glennville	Y
68	Tim Bearden	R	Villa Rica	Y
	Sharon Beasley-Teague	D	Red Oak	Y
65	Stephanie Benfield	D	Atlanta	Y
85	Benfield	D	Atlanta	Y
31	Tommy Benton	R	Jefferson	Y
174	Ellis Black	D	Valdosta	Y
10	Ben Bridges	R	Cleveland	Y
63	Tyrone Brooks	D	Atlanta	N
64	Roger Bruce	D	Atlanta	E
160	Bob Bryant	D	Garden City	X
130	Debbie Buckner	D	Junction City	X
50	Mark Burkhalter	R	Alpharetta	Y
157	Jon Burns	R	Newington	Y
18	Mark Butler	R	Carrollton	N
20	Charlice Byrd	R	Woodstock	X
159	Amy Carter	D	Valdosta	Y
	Earl "Buddy" Carter	R	Pooler	Y
175	Carter	R	Pooler	Y
103	David Casas	R	Lilburn	X
81	Jill Chambers	R	Atlanta	Y
116	Mickey Channell	R	Greensboro	Y
134	Mike Cheokas	D	Americus	Y
101	Mike Coan	R	Lawrenceville	Y
125	Jim Cole	R	Forsyth	Y
97	Brooks Coleman	R	Duluth	E
27	Doug Collins	R	Gainesville	Y
41	Sharon Cooper	R	Marietta	Y
102	Clay Cox	R	Lilburn	Y
16	Rick Crawford	D	Cedartown	Y
109	Hardie Davis	D	Gracewood	Y
122	Steve Davis	R	McDonough	Y
163	Burke Day	R	Tybee Island	Y
13	Katie Dempsey	R	Rome	Y
6	Tom Dickson	R	Cohutta	Y
45	Matt Dollar	R	Marietta	E
86	Karla Drenner	D	Avondale Est.	Y
150	Winfred Dukes	D	Albany	Y
	Earl Ehrhart	R	Sprgs.	X
36	Ehrhart	R	Sprgs.	X
108	Terry England	R	Auburn	Y
128	Carl Von Epps	D	LaGrange	Y
106	Melvin Everson	R	Snellville	Y
117	Barry Fleming	R	Harlem	Y
99	Hugh Floyd	D	Norcross	E
147	Johnny Floyd	R	Cordele	Y
66	Virgil Fludd	D	Fayetteville	Y
3	Ron Forster	R	Ringgold	E
43	Bobby Franklin	R	Marietta	Y
123	Gloria Frazier	D	Gracewood	Y
140	Allen Freeman	R	Macon	Y
57	Pat Gardner	D	Atlanta	Y
48	Harry Geisinger	R	Roswell	Y
76	Mike Glanton	D	Ellenwood	Y
34	Rich Golick	R	Smyrna	X
162	J. Craig Gordon	D	Savannah	Y
12	Tom Graves	R	Ranger	Y
149	Gerald Greene	D	Cuthbert	E
23	Mark Hamilton	R	Cumming	Y
148	Bob Hanner	D	Parrott	Y
118	Ben Harbin	R	Evans	Y
177	J. Mark Hatfield	R	Waycross	Y
104	John W. Heard	R	Lawrenceville	Y
114	Keith Heard	D	Athens	Y
62	Joe Heckstall	D	East Point	Y
67	Bill Hembree	R	Douglasville	Y
87	Michele Henson	D	Stone Mtn.	E
21	Calvin Hill	R	Woodstock	Y
180	Cecily A. Hill	R	St. Marys	Y
61	Bob Holmes	D	Atlanta	Y
112	Doug Holt	R	Social Circle	Y
71	Billy Horne	R	Newnan	Y
170	Penny Houston	R	Nashville	Y
	Henry "Wayne" Howard	D	Augusta	Y
121	Howard	D	Augusta	Y
124	Sistie Hudson	D	Sparta	X
	Carolyn Fleming Hugley	D	Columbus	Y
133	Hugley	D	Columbus	Y
161	Lester Jackson	D	Savannah	E
80	Mike Jacobs	R	Atlanta	Y
135	Lynmore James	D	Montezuma	X
	Jeanette Jamieson	D	Toccoa	Y
28	Jamieson	D	Toccoa	Y
8	Charles Jenkins	D	Blairsville	Y
22	Sean Jerguson	R	Canton	Y
75	Celeste Johnson	D	Jonesboro	Y
37	Terry Johnson	D	Marietta	Y
46	Jan Jones	R	Alpharetta	Y
44	Sheila Jones	D	Atlanta	Y
77	Darryl Jordan	D	Riverdale	Y
59	Margaret Kaiser	D	Atlanta	Y
179	Jerry Keen	R	St. Simons I.	Y

173	Mike Keown	R	Coolidge	E
126	David Knight	R	Griffin	Y
24	Tom Knox	R	Cumming	Y
158	Bob Lane	R	Statesboro	Y
167	Roger Lane	R	Darien	Y
82	Kevin Levitas	D	Atlanta	Y
15	Jeff Lewis	R	White	Y
54	Edward Lindsey	R	Atlanta	Y
142	Jimmy Lord	D	Sandersville	X
	Barry Loudermilc	R	Cassville	Y
14	Loudermilc	R	Cassville	Y
139	David Lucas	D	Macon	Y
110	John Lunsford	R	McDonough	Y
127	Billy Maddox	R	Concord	Y
172	Gene Maddox	R	Cairo	Y
	Randal Mangham	D	Decatur	X
94	Mangham	D	Decatur	X
32	Judy Manning	R	Marietta	Y
96	Pedro Marin	D	Duluth	Y
47	Chuck Martin	R	Alpharetta	Y
	Howard R. Maxwell	R	Dallas	Y
17	Maxwell	R	Dallas	Y
111	Jeff May	R	Monroe	Y
30	Tom McCall	R	Elberton	Y
115	Doug McKillip	D	Athens	Y
5	John Meadows	R	Calhoun	Y
79	Fran Millar	R	Dunwoody	X
25	James Mills	R	Gainesville	Y
88	Billy Mitchell	D	Stone Mtn.	X
	Alisha Thomas Morgan	D	Austell	Y
39	Morgan	D	Austell	Y
155	Greg Morris	R	Vidalia	Y
90	Howard Mosby	D	Atlanta	Y
95	Robert Mumford	R	Conyers	Y
120	Quincy Murphy	D	Augusta	Y
1	Jay Neal	R	LaFayette	E
69	Randy Nix	R	LaGrange	Y
	Mary Margaret Oliver	D	Decatur	Y
83	Oliver	D	Decatur	Y
	Larry O'Neal	R	Robins	E
146	O'Neal	R	Robins	E
141	Bobby Parham	D	Milledgeville	X
	Larry "Butch" Parrish	R	Swainsboro	Y
156	Parrish	R	Swainsboro	Y
42	Don Parsons	R	Marietta	Y
137	Allen Peake	R	Macon	Y
143	Dubose Porter	D	Dublin	Y
29	Alan Powell	D	Hartwell	Y
144	Jimmy Pruett	R	Eastman	Y
7	David Ralston	R	Blue Ridge	Y
	Matt Ramsey	R	City	Y
72	Ramsey	R	City	Y
138	Nikki Randall	D	Macon	X
	Barbara Massey Reece	D	Menlo	X
11	Reece	D	Menlo	X
98	Bobby Reese	R	Sugar Hill	Y
51	Tom Rice	R	Norcross	Y
	Richardson Glenn	R	Hiram	P
19	Richardson	R	Hiram	P
154	Jay Roberts	R	Ocilla	Y
26	Carl Rogers	R	Gainseville	Y
171	Richard Royal	R	Camilla	Y
152	Ed Rynders	R	Albany	Y
93	Ron Sailor	D	Decatur	X
153	Austin Scott	R	Tifton	Y
2	Martin Scott	R	Rossville	Y
136	Tommy Sellier	R	Fort Valley	E
35	Ed Setzler	R	Acworth	Y
176	Jay Shaw	D	Lakeland	Y
105	Donna Sheldon	R	Dacula	Y
58	Robin Shipp	D	Atlanta	Y
119	Barbara Sims	R	Augusta	Y
169	Chuck Sims	R	Ambrose	Y
	Freddie Powell Sims	D	Albany	Y
151	Sims	D	Albany	Y
	Georganna Sinkfield	D	Atlanta	N
60	Sinkfield	D	Atlanta	N
113	Bob Smith	R	Watkinsville	Y
	Lynn Ratigan Smith	R	Newnan	X
70	Smith	R	Newnan	X
131	Richard Smith	R	Columbus	Y
168	Tommy Smith	R	Nicholls	Y
	Vance Smith	R	Mountain	Y
129	Smith	R	Mountain	Y
132	Calvin Smyre	D	Columbus	Y
	LaNett Stanley-Turner	D	Atlanta	X
53	Turner	D	Atlanta	X
78	Wade Starr	D	Jonesboro	X
164	Ron Stephens	R	Savannah	Y
92	Pam Stephenson	D	Atlanta	X
	Willie Talton	R	Robins	Y
145	Talton	R	Robins	Y
40	Rob Teihet	D	Smyrna	Y
	"Able" Mable Thomas	D	Atlanta	Y
100	Thomas	D	Atlanta	Y
55	Brian Thomas	D	Lilburn	Y
	Steve "Thunder" Tumlin	R	Marietta	Y
38	Tumlin	R	Marietta	Y
107	Len Walker	R	Loganville	Y
91	Stan Watson	D	Decatur	E
52	Joe Wilkinson	R	Sandy Sprgs.	Y
49	Wendell Willard	R	Atlanta	Y
165	Al Williams	D	Midway	X
	Earnest "Coach" Williams	D	Avondale Est.	Y
89	Williams	D	Avondale Est.	Y
178	Mark Williams	R	Jesup	Y
4	Roger Williams	R	Dalton	Y
33	Don Wix	D	Mableton	E
73	John Yates	R	Griffin	Y

Dist.	Senator	Party	City	Vote
42	Adelman	D	Decatur	Y
	Don Balfour	R	Snellville	Y
9	Balfour	R	Snellville	Y
	Robert Brown	D	Macon	Y
26	Brown	D	Macon	Y
	John Bulloch	R	Ochlocknee	E
11	Bulloch	R	Ochlocknee	E
	Gloria S. Butler	D	Stone Mtn.	Y
55	Butler	D	Stone Mtn.	Y
	Joseph Carter	R	Tifton	Y
13	Carter	R	Tifton	Y
	Ronnie Chance	R	Tyrone	Y
16	Chance	R	Tyrone	Y
	Jeff Chapman	R	Brunswick	N
3	Chapman	R	Brunswick	N
	Bill Cowsert	R	Athens	Y
46	Cowsert	R	Athens	Y
	Gail Davenport	D	Jonesboro	Y
44	Davenport	D	Jonesboro	Y
	John Douglas	R	Covington	Y
17	Douglas	R	Covington	Y
	Vincent Fort	D	Atlanta	Y
39	Fort	D	Atlanta	Y
	Gregg Goggans	R	Douglas	N
7	Goggans	R	Douglas	N
	Tim Golden	D	Valdosta	Y
8	Golden	D	Valdosta	Y
	Johnny Grant	R	Milledgeville	Y
25	Grant	R	Milledgeville	Y
	Bill Hamrick	R	Carrollton	Y
30	Hamrick	R	Carrollton	Y
	Ed Harbison	D	Columbus	E
15	Harbison	D	Columbus	E
	Seth Harp	R	Midland	Y
29	Harp	R	Midland	Y
	Steve Hawkins	R	Gainesville	Y
49	Hawkins	R	Gainesville	Y
	Bill Heath	R	Bremen	Y
31	Heath	R	Bremen	Y
	Steve Henson	D	Tucker	Y
41	Henson	D	Tucker	Y
	Jack Hill	R	Reidsville	Y
4	Hill	R	Reidsville	Y
	George Judson Hill	R	Marietta	Y
32	Judson Hill	R	Marietta	Y
	Yvonne Hooks	D	Americus	Y
14	Hooks	D	Americus	Y
	Ralph Hudgens	R	Comer	Y
27	Hudgens	R	Comer	Y
	Bill Jackson	R	Appling	Y
24	Jackson	R	Appling	Y
	Eric Johnson	R	Savannah	Y
1	Johnson	R	Savannah	Y
	Manuel Jones	D	Decatur	Y
10	Jones	D	Decatur	Y
	Michael Meyer Von Bremen	D	Albany	Y
12	Bremen	D	Albany	Y
	Dan Moody	R	Alpharetta	Y
56	Moody	R	Alpharetta	Y
	Jeff Mullis	R	Chickamauga	Y
53	Mullis	R	Chickamauga	Y
	Jack Murphy	R	Cumming	Y
27	Murphy	R	Cumming	Y
	Nan Orock	D	Atlanta	Y
36	Orock	D	Atlanta	Y
	Chip Pearson	R	Dawsonville	Y
51	Pearson	R	Dawsonville	Y
	J.B. Powell	D	Blythe	Y
23	Powell	D	Blythe	Y
	Ronald Ramsey	D	Decatur	Y
43	Ramsey	D	Decatur	Y
	Kasim Reed	D	Atlanta	X
35	Reed	D	Atlanta	X
	Chip Rogers	R	Woodstock	Y
21	Rogers	R	Woodstock	Y
	Nancy Schaefer	R	Turnerville	N
50	Schaefer	R	Turnerville	N
	Mitch Seabaugh	R	Sharpsburg	Y
28	Seabaugh	R	Sharpsburg	Y
	Valencia Seay	D	Riverdale	Y
34	Seay	D	Riverdale	Y
	David Shafer	R	Duluth	N
48	Shafer	R	Duluth	N
	Preston Smith	R	Rome	Y
52	Smith	R	Rome	Y
	Cecil Staton	R	Macon	Y
18	Staton	R	Macon	Y
	Doug Stoner	D	Smyrna	Y
6	Stoner	D	Smyrna	Y
	Ed Tarver	D	Augusta	Y
22	Tarver	D	Augusta	Y
	Horacena Tate	D	Atlanta	Y
38	Tate	D	Atlanta	Y
	Don Thomas	R	Dalton	N
54	Thomas	R	Dalton	N
	Regina Thomas	D	Savannah	N
2	Thomas	D	Savannah	N
	Curt Thompson	D	Norcross	N
5	Thompson	D	Norcross	N
	Steve Thompson	D	Marietta	N
33	Thompson	D	Marietta	N
	Ross Tolleson	R	Perry	N
20	Tolleson	R	Perry	N
	Renee Unterman	R	Buford	N
45	Unterman	R	Buford	N
	Dan Weber	R	Dunwoody	Y
40	Weber	R	Dunwoody	Y
	John Wiles	R	Marietta	Y
37	Wiles	R	Marietta	Y
	Tommie Williams	R	Lyons	Y
19	Williams	R	Lyons	Y

ESTABLISHING OUR ROOTS

BY MAGGIE WHITE

Every winter, when the state legislature convenes in Atlanta, Georgia Watch scales back much of our traveling and outreach across the state. Though we might not be as mobile, consumer feedback continues to pour in through our website and our toll-free hotline.

Keep reading for a sampling of the Georgia citizens and the consumer issues we get to work on every day!

Dr. Konrad Hayashi moved to Atlanta in 2007 after spending six years in Hawaii. Beginning with Pearl Harbor, Hayashi served in the US Navy for 30 years, most recently as the public health director for the United States Pacific Command.

While in Hawaii, Hayashi was a member of the First Unitarian Church of Honolulu's Social Justice Council, worked on Hawaii Rx Plus to get pharmaceutical coverage for lower income individuals, worked to secure housing for low-income individuals, and served on a public health committee. He will soon start with the US Centers for Disease Control and Prevention.

His interest in high-cost lending – and the advertising that often targets members of the military – brought him to Georgia Watch. Hayashi is eager to get involved in his newly-adopted state and has invited Georgia Watch to be regular guests with his church's outreach program for racial justice.

Dewayne Hamilton of Savannah recently moved from Athens to open a consumer education organization called Totally Free. He is a certified credit counselor who helps consumers in financial crisis get out of debt, avoid foreclosure, refinance high interest loans, and learn general financial literacy.

Hamilton served as a state representative for 10 years and believes there is a need for consumer

protection improvements in current state law. For example, Hamilton believes consumers should know that:

- Most store clerks are not responsible for requesting your I.D. when you make a purchase, which opens the door for identity theft. Consumers should protect their credit cards and regularly monitor their credit reports for unauthorized purchases made with cards in their name.
- Clerks often offer store credit cards, though the credit inquiry made to determine whether a consumer qualifies for that card can shave precious points off their credit score. Store managers are often paid bonuses for the number of applications, making this a credit trap.

Rita Baker of Warner Robins has been a Georgia Watch member since 2005. Baker wants to see laws passed that protect patients who experience medical negligence and abuse.



RITA BAKER

Her husband, Ronnie, died in 2001 because of a prescribed overdose of the blood thinner Coumadin. The doctor admitted guilt, though the incident was not reported on his permanent record because the medical board didn't acknowledge the negligence as a "wrongful death."

She was happy to learn of House Bill 492, which would have added a non-doctor member to the state medical board. Currently, there is only one non-doctor out of 13 total medical board members, a fact that many feel affects the objectivity and neutrality of the board.

Despite passing the state House unanimously, HB 492 failed during the last days of the 2008 General Assembly after a controversial and unrelated amendment

was tacked on in the Senate. Rep. Mike Keown (R-Coolidge), the sponsor of HB 492, has already committed to filing the bill again in 2009.

"I just want better for patients and their families who are left to deal with the aftermath of medical errors," Baker said.

Scott McGee of Marietta came to Georgia Watch after learning his Waste Management service regularly cast some of his recyclables into a landfill.

In July 2007, McGee received a letter from the company claiming that all recyclables would now be collected together with garbage and yard debris, and eventually processed into a soil-like compost marketed as Bio-Blend. When McGee called the county government to confirm this, though, he was told that all plastic, aluminum and glass items were no longer recycled at all.

McGee believes that he and other Waste Management customers have been grossly misinformed about Bio-Blend, and is upset that a business operating under the guise of a recycling service is actually doing more damage than good.

We want to hear from you!

Never hesitate to contact us about your consumer concerns – we want to hear all about it. Let's organize our efforts to bring more consumer protection to Georgia.

See our website, www.GeorgiaWatch.org, for regularly updated feature stories on consumers like you. If you would like to share your experience with other Georgians, contact Jeannine Lowery at jlowery@georgiawatch.org or toll-free at **(866) 33-WATCH**.

FORECLOSURES AND GEORGIA CONSUMERS

BY DANNY ORROCK



A foreclosure crisis has hit the country hard, and Georgia is no exception. Many recent homebuyers have had a difficult time staying current on their mortgages while still putting food on the table.

Foreclosures have risen sharply in recent months, largely due homebuyers being pushed towards certain loans that lead to unaffordable payments at a later date. In addition, inflated appraisals on property have allowed for larger mortgages.

Bill Brennan, director of the Home Defense Program at Atlanta Legal Aid Society, said the subprime mortgage industry has been looking for new markets in which to make new home loans.

“Years ago the mortgage industry ran out of financially eligible borrowers,” Brennan said.

But subprime lending was very profitable, so lenders looked for ways to extend loans to people with impaired credit.

“They came up with products that made the initial payments appear to be affordable --adjustable rate mortgages (ARMs), interest-only loans and option ARMs, where the borrower could pick one of three levels of payments,” Brennan said.

The problem with these types of products is that they lead to higher payments down the road. Add in the fact that some lenders offered credit without taking into account the borrower’s ability to repay, and many loans went into default.

Homeowners lost their house, which is auctioned off to the highest bidder on the courthouse steps.

Also, mortgages are often sold several times, meaning it can be difficult for a homeowner to determine who holds their loan. To Brennan, this creates at least two problems.

“Is the foreclosure legal? And what if we want to call the mortgage holder and try to work out a settlement to save the house? We can’t do that because we don’t know who they are,” Brennan said.

Several pieces of legislation were introduced this year to help alleviate the foreclosure crisis:

- SB 519 (sponsored by Sen. Bill Hamrick, R-Carrollton) – This bill would require mortgage holders to give more notice to homeowners before putting a property up for sale at auction. Current law only requires that 15 days be given. This bill would extend that window to 30 days, allowing a homeowner more time to try and work out a solution to keep their home.
- SB 531 (sponsored by Sen. Bill Hamrick, R-Carrollton) – Current law requires an ad to be placed in a local newspaper listing the time, date and place of sale on a foreclosed home. This bill would require that the ad list the creditor that holds the lien on the property and that the creditor be the party that conducts the sale. This legislation aims to make it easier for individuals and families to locate and contact the holder of the debt in order to negotiate a way to keep their home.
- SB 496 (sponsored by Sen. Horacena Tate, D-Atlanta) – This bill would make it illegal for banks and mortgage brokers to bribe or coerce a real estate appraiser to overvalue a property. Overvalued homes are used to make artificially high loans to borrowers. When the real value of a home is less than the amount of the mortgage, homeowners are left upside down, a situation in which they owe more than what the property is worth.

BY THE NUMBERS FORMER REP. RON SAILOR



Payday lending supporter and State Representative Ron Sailor (D-Decatur) recently resigned his office amidst a money laundering conviction, and news reports about money loaned to him by Willie Green, a lobbyist who works on behalf of payday lenders.

Amount of money Sailor laundered: **\$375,000**

Average fee Sailor charged the federal agents posing as drug dealers: **10 percent**

Amount payday lender Willie Green loaned Sailor: **\$80,000**

Amount to be repaid in five days: **\$120,000**

Annual percentage rate on Sailor’s loan: **3,600 percent**

Number of times Sailor voted to legalize payday lending in 2007: **2**

Number of times payday loan legalization failed in the House: **2**

Value of mortgage Sailor secretly took out on his church: **\$250,000 each year.**

Source: Atlanta Journal-Constitution articles

THE TRUTH ABOUT “RAPID REFUNDS”

BY HOLLY LANG

H&R Block claims that they are your “people” when it comes to getting your tax refund fast. But would a friend try to keep part of your refund for themselves?

These days, many tax preparation chains market refund anticipation loans (RALs) as a rapid refund, but RALs are really high-interest loans on your tax refund. When consumers opt for a RAL, they are simply borrowing money from themselves.

Most often, RALs affect low-income families who must complete additional paperwork to qualify for and receive the Earned Income Tax Credit (EITC). The EITC is the country’s largest anti-poverty program to reduce the tax burden for low-income filers.

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NONPROFIT HOSPITALS AND THEIR RESPONSIBILITY TO CARE

BY HOLLY LANG

By definition, tax-exempt nonprofit hospitals do not pay most taxes, including sales, income or property taxes. They also receive millions from the state Indigent Care Trust Fund (ITCF) to reimburse them for health care programs for indigent patients.

Tax exemptions and the ITCF are just two examples of the many ways that our state and local governments subsidize nonprofit hospitals.

In return, nonprofit hospitals are obligated to provide affordable health care to uninsured and indigent patients, regardless of ability to pay.

However, many of the state's large nonprofit hospitals provide very little indigent or charity care, despite having the financial resources to do so.

We have noticed in their annual filings with the IRS that nonprofit hospitals also use a variety of terms to describe their financial losses on services provided in the community. For example:

- **Indigent care:** Health care services for self-pay patients who are unable to pay any portion of their bill.
- **Charity care:** Health care services delivered to a patient with no expectation of payments for those services.
- **Uncompensated care:** Health care services that go uncompensated, regardless of the reason, and which may include charity care, bad debts and discounts for Medicaid and Medicare.
- **Bad debt:** Services that a patient is unwilling to pay for, and should never be included in community benefit.

While this may or may not be their intention, the confusing terminology makes it extremely difficult to figure out exactly what some hospitals believe they are spending on health care for uninsured and low-income patients.

The confusion and the inequities between hospitals will continue until there are clear definitions for different types of care, and some standard for the amount of indigent and charity care that a nonprofit hospital should offer every year.

This year, Rep. John Lunsford (R- McDonough) sponsored House Bill 906, which would have required Georgia's nonprofit hospitals to provide at least five percent of their total adjusted gross revenue as indigent care.

Hospitals that didn't provide the five percent bare minimum would have had to pay back into the ITCF to make up the difference.

And if a hospital failed to provide at least five percent indigent care for two consecutive years, it would have lost its nonprofit status.

In 2005, more than half of the state's nonprofit hospitals failed to meet the five percent benchmark, including: Northside, Henry Medical Center, Children's Healthcare Scottish Rite, Archbold Medical Center, Children's Healthcare Egleston, Emory Crawford Long, Piedmont Healthcare, WellStar Windy Hill, WellStar Kennesaw, Southeast Georgia Regional Medical Center, St. Joseph's, St. Joseph's-Candler, and Rockdale Medical Center, among many others.

Though HB 906 did not make it through the state legislature as hoped, Rep. Lunsford was successful in passing House Resolution 1625, which created a legislative study committee to examine the issue of indigent care over the remainder of the year.

BY THE NUMBERS - RALS

9 million: Number of taxpayers who bought RALs in 2006

40 - 700 percent: Range of interest rates for RALs

36 percent: Interest rate cap on RALs for active duty service members

10 - 15: Average days to receive an income tax return, if filed electronically

One out of 3: Number of Earned Income Tax Credit (EITC) recipients who bought a RAL in 2006

\$904 million: Amount RALs drained from the EITC program in 2004

Source: www.consumerfed.org

Eighty-seven percent of the nearly 500,000 Georgians who requested a RAL for their 2006 tax refund were filers with an adjusted gross income less than \$37,263.

Five of Georgia's rural counties are in the top 25 in the US for RAL usage. Metro Atlanta ranks fifth in the nation among large metropolitan areas.

In January, Rep. Rob Teilhet (D-Smyrna), Rep. Steve "Thunder" Tumlin (R-Marietta) and other House members from both parties filed House Bill 1030, which would have required tax prep chains to better inform consumers of RALs loan terms, fees and interest.

Specifically, HB 1030 would have:

- Required tax preparers to inform consumers that RALs are loans that must be repaid even if the actual tax refund is less than expected.
- Required tax preparers to inform consumers that they could electronically file for and receive a tax refund in ten days, free of charge.
- Required tax preparers to display information about the fees and interest in the store, so that consumers know exactly what they are paying to receive a RAL.

While HB 1030 never received a hearing this year, Reps. Teilhet and Tumlin have committed to work on this issue again in 2009.

BY THE NUMBERS - GEORGIA NONPROFITS AND INDIGENT CARE

65: Number of nonprofit hospitals in Georgia with more than 100 beds

19: Number of those hospitals that provided at least 5 percent of their adjusted gross revenue (AGR) as indigent care.

9: Number of those hospitals that didn't even provide 1 percent of their AGR as indigent care.

29: Number of nonprofit hospitals in the 13-county metro Atlanta area.

13: Number of those hospitals that provided at least 5 percent of their AGR as indigent care.

Source: Georgia Department of Community Health Annual Hospital Questionnaire Fiscal Year 2005

