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Patient advocates block tort reform in 2004

Activists bring 'face of malpractice' to Capitol, help kill anti-patient bills

Georgia Watch Staff

ATLANTA - Georgia patients remain protected for another year.

The emotional battle over "tort reform" raged up until the last gavel crack on the final day of the 2004 Legislative Session, but we helped defeat the insurance and medical lobby's push to severely limit the rights of malpractice victims and their families.

Georgia Watch and its medical malpractice activists participated at every level of the legislative process. They testified at hearings, attended committee meetings and stood outside the House and Senate chambers to tell lawmakers their malpractice horror stories.

Insurance and medical lobbyists pushed more than 20 anti-patient bills. But in the end only two bills were brought out for serious consideration — HB 1028 and HB 1712.

Both bills died because a few legislators insisted on adding controversial measures to cap quality-of-life damages to the legislation.

Helping to defeat those measures was a group of Georgia Watch volunteers, who became fixtures under the Gold Dome this year. They wore signature stickers reading "Protect Patients: No tort reform" and took time away from work and family to bring their message to legislators and the media.

They are not paid lobbyists with eel-skin briefcases and alligator shoes. They are people — like Sherry Keller, who now is a partial quadriplegic because of gross medical negligence, and Bebe Miles,

whose mother suffered injury and neglect in a nursing home.



Georgia Watch Executive Director Allison Kelly explains how "tort reform" puts insurance company profits above the interests of malpractice victims

They are the faces of medical malpractice, and they will not let so-called "tort reform" pass quietly. With an aggressive media and grassroots campaigns, Georgia Watch brought their stories to the public debate and helped show lawmakers and the public that "tort reform" isn't a doctors-versus lawyer issue anymore.

Georgia Watch helped kill the bills with a powerful weapon: The Truth.

WAR OF WORDS

The insurance lobbyists clamoring for "tort reform" relied on

exaggerated claims and scare tactics to push anti-patient reforms. Many claimed that doctors were fleeing the state and would continue to do so unless lawmakers limited the compensation wrongfully injured victims could collect from negligent healthcare providers.

Thanks to new research of state and national medical data by Public Citizen, Georgia Watch was able to bring hard evidence to legislators, editors, reporters and news anchors: Georgia is not losing doctors; it is gaining them at a rapid rate.

THE RESULTS

The dramatic findings also indicate that caps will do little, if anything, to lower rising malpractice premiums. The prevalence of medical errors by a mere handful of bad doctors, not overly litigious malpractice victims, are at the root of lawsuits against doctors in the state.

Some of the significant findings are:

- * The Georgia Board of Medical Examiners issued 1,300 licenses to doctors in 2001, before the onset of the "malpractice insurance crisis." In 2003 - when malpractice premiums spiked across the country - Georgia continued to attract doctors and increased its physician population by 1,794.

- * There are between 1,276 and 2,842 preventable deaths in Georgia hospitals each year.

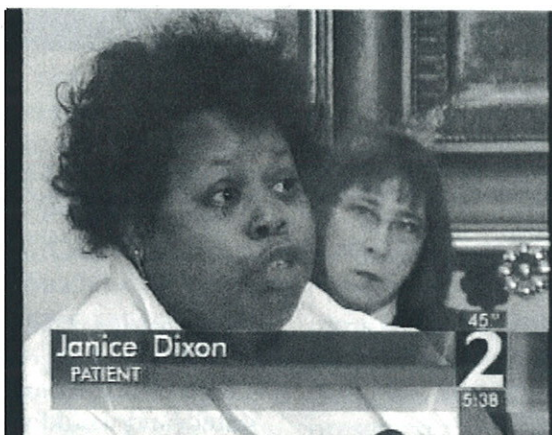
* Those deaths cost Georgia families and communities between \$493 million and \$841 million annually.

* Only 3.5 percent of Georgia doctors are responsible for 40 percent of the malpractice payouts to patients injured by negligence.

* Georgia has 18 doctors who have made between four and eight malpractice payouts since 1991, yet none have been disciplined by the State Medical Board.

* Georgia malpractice victims are far from being lottery winners. In fact, they are having a harder time now than ever collecting just compensation

from negligent doctors. The median payout of \$116,841 to a malpractice victim in 2003 was 1/3 *LESS* than the median payout of \$175,000 in 1998.



Georgia Watch activists tell their shocking stories about how malpractice has forever altered their lives.

While Georgia Watch succeeded in preserving patients' rights, tort reform remains a threat.

With your support, we will continue building out network of grassroots activists,

which we grew from a few dozen individuals and families to more than 120 this year, and bring our message to reporters and editors in key media markets. From Augusta to Americus, from Columbus to Cordele, no town is too big or too small for us to reach.

New law harpoons loan sharks

Georgia Watch Staff

ATLANTA - Georgia Watch and a coalition of groups united against loan sharking helped to drive financial predators out of the Peach State for good. In passing one of the nation's strongest laws against unscrupulous lenders, the General Assembly and Gov. Sonny Perdue sent a strong message to illegal payday lenders who profited on the misery of Georgia's soldiers and working poor.

That message was, "Play by the rules or get out of Georgia."

People of color, military personnel, the working poor and elderly people on fixed incomes all are targets of this shady but highly profit-



Kathy Floyd
Advocacy
Director
AARP Georgia

able sector of the lending industry. With the promise of fast cash, lenders lure vulnerable Georgians to take out short-term loans carrying illegal interest rates.

Borrowers who cannot fully repay the lender on time are often forced to "roll over" the loan, which triggers high fees and mounting debt.

Already illegal in Georgia, payday loans carry annual percentage rates of 150 percent to 1200 percent, much higher than Georgia's APR cap of 60 percent. But because this predatory act carried only a misdemeanor charge, payday lenders rarely faced prosecution, and, even when they did, they were able to continue doing business.

ENTER GEORGIA WATCH

Because their ill-gotten profits went unchallenged for decades, payday lenders weren't just going to go away.

See Payday lending page 3

Director's Chair

Allison Kelly Executive Director

Georgia Watch's work as the state's leading consumer advocacy network is expanding, and along with that growth comes added responsibilities.

I am pleased to announce we have moved into new headquarters at 70 Fairlie Street in downtown Atlanta. The larger space accommo-



Allison Kelly

dates two new staff members: Legislative Coordinator Danny Orrock as well as Communications Coordinator Matthew Monroe.

Danny has been working on public interest policy issues at the Georgia General Assembly for four years. Danny is an Atlanta native and a graduate of Georgia Tech.

Matthew is an award-winning journalist who has covered business and public affairs in Atlanta and the Caribbean. A graduate of Georgia State, he has worked as a private communications consultant for businesses and public interest groups and has extensive experience reporting on the insurance industry.

With the addition of two talented and hardworking staff members, Georgia Watch has vastly expanded our presence at the Capitol, our grassroots activism and our voice in the media.

Going forward, we are now even better equipped to shape the debate on the consumer issues that matter most in 2005.

Before the 2004 Legislative Session Began, Georgia Watch Executive Director Allison Kelly met with military officers and other personnel about the impact that payday lending has had on men and women in the armed forces and their families. Georgia Watch also began building a grassroots network of payday lending victims, who banded together and shared their stories with legislators and the media.

From the outset of the session, payday lending proved to be a tough issue. The industry's lobbyists built rhetorical roadblocks through its allies in the Legislature.

Senate Bill 157 was designed to push illegal payday loan sharks out of Georgia.

As the debate over SB 157 reached the floor of the House, payday lenders flooded the capitol with lobbyists pushing a message to preserve payday lending.

Georgia Watch joined the Atlanta Branch of the National Association for the Advancement of

Colored People (NAACP) and AARP Georgia, which worked for five years to force payday lenders out of Georgia. Georgia Watch launched an aggressive media campaign by sending dozens of guest columns and letters to editors across the state.



As the debate heated up in March, Georgia Watch allied itself with NAACP's Michael Bond, who urged African American legislators to vote in favor of SB 157. Despite many attempts on the floor and in committee to weaken the bill, the House and Senate ultimately passed a tough version of SB 157 that

makes payday lending a felony under strict RICO provisions and allows payday lending victims to pursue illegal lenders in classaction cases. "Passing SB 157 is the culmination of a five-year, uphill battle to protect consumers from payday loans. The payday loan industry spends piles of money in its efforts to guard profits they bleed out of desperate consumers," said AARP's Kathy Floyd.

In their words: Insurers on reform:

"We wouldn't tell you or anyone that the reason to pass tort reform would be to reduce insurance rates." **Sherman Joyce, president of the American Tort Reform Association, Liability Week, July 19, 1999.**

"[M]any tort reform advocates do not contend that restricting litigation will lower insurance rates, and 'I've never said that in 30 years.'"

Victor Schwartz, Liability Week, July 19, 1999.

"Insurers never promised that tort reform would achieve specific premium savings."

Debra Ballen, AIA executive vice president, March 13, 2002. news release

Published columns, news articles and letters by or featuring Georgia Watch

"Perdue signs Payday lending plan," **Atlanta Journal-Constitution**, Saturday, 04/10/2004

"Officials fear crisis over lawsuits," **Augusta Chronicle**, Tuesday, 03/16/2004.

"Tort reform won't resolve high premiums or negligent doctors," **Athens Banner Herald**, Sunday, 03/07/2004.

"Insurance Costs Hurting Everyone," **Brunswick News**, Friday, 03/19/2004.

"Winning' lawsuit does nothing to ease pain," **Atlanta Journal-Constitution**, Friday, 03/05/2004

"Tort reform heads for second debate," **Rome News-Tribune**, Monday, 03/29/2004.

"Tort bill needs close scrutiny," **Albany Herald**, Sunday 04/04/04.

"Tort reform: Justice for whom?" **Atlanta Journal-Constitution**, Sunday, 2/08/2004.

Press Award

"In its second year under the Gold Dome, Georgia Watch, led by Allison Kelly, with trusty staffers Matt Monroe and Danny Orrock, organized victims of medical malpractice to testify against pain and suffering jury award caps pushed by big business and big insurance. They also rounded up people taken advantage of by payday lenders and worked Successfully to push the bill through the General Assembly."

-- Creative Loafing's Arnie Award for "Rookie(s) of the Year," 03/31/04

"Changes in tort laws might be dead," **Atlanta Journal-Constitution**, 3/10/2004.

"Rookie(s) of the Year," **Creative Loafing**, Wednesday, 03/31/2004

"Patients left holding the bag in malpractice," **Gwinnett Daily Post**, Thursday, 04/08/2004.

"Georgia needs reforms in both insurance, healthcare industries," **The Augusta Chronicle**, Sunday, 12/21/2003.

"Reducing medical malpractice, reforming insurance should top list for Georgia lawmakers," **Columbus Ledger-Enquirer**, Thursday, 12/11/2003.

"Doctors paint bleak, inaccurate picture," **The Valdosta Daily Times**, Thursday, 12/11/2003

"GA consumers need protection," **The Valdosta Daily Times**, Tuesday, 12/02/2003.

"Lawmakers should drive payday lenders out of state," **Athens Banner-Herald**, Thursday, 01/29/04.

Coalition elevates Georgia Watch's profile, voice

Georgia Watch Staff

Georgia Watch has found that strength does indeed come in numbers.

As a young, non-profit group, our success depends on our credibility and our ability to project our voices above the well-heeled lobbyists and their rhetorical spin machines.

At Georgia Watch's third and final Capitol Hill press conference this year, we organized a diverse coalition to speak together. The informal coalition comprised Georgia Watch, AARP Georgia, The Women's Policy Group, Public Citizen's Policy Group, Public Citizen's Congress Watch and the Atlanta Chapter of the National Association for the Advancement of Colored People.

Such high-profile groups working together resulted in our best turn-

out of print, television and radio reporters to date.

On behalf of the groups' varied constituencies -- consumers, the elderly, women and people of color -- we brought a unified message: Caps on quality-of-life damages will hurt innocent victims of negligence and it will not lower malpractice premiums for doctors.

Flanked by more than 80 malpractice victims and activists opposing tort reform, representatives of each group took turns speaking, and Congress Watch's Frank Clemente presented the dramatic findings of the new reports, "Medical Misdiagnosis in Georgia: Challenging the Claims of the Doctors' Lobby."

The report received significant media coverage and was noted by legislators debating "tort reform" measures in the final days of the legislative session.

In educating the public about the payday lending bill, Georgia Watch worked closely with AARP Georgia and local NAACP leadership.

It was not without help from other hard-working non-profit groups that Georgia Watch found success in its two primary initiatives for the 2004 session.

Together, we helped ensure the passage of a strong payday lending bill and blocked tort reforms that would have protected bad doctors at the expense of innocent malpractice victims.

For Questions, comments and suggestions regarding content of "The Watcher" newsletter, please contact Georgia Watch Communications Coordinator Matthew Monroe by phone at (404) 525-1084 or by e-mail at mmmonroe@georgiawatch.org



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