



tort reform alert

What can be done?

Legislation is needed to restore fairness to both the judicial process of finding liability and to balancing the right of a few injured patients to collect unlimited compensation against the right of all citizens to have access to affordable, quality healthcare.

Recommended tort reform measures:

- Establish expert witness qualifications
- Amend the dismissal rule
- Eliminate joint and several liability
- Mandate comparative negligence
- Cap total damages
- Limit attorney fees

What can you do about it?

- Support the Medical Association of Georgia's grass roots public relations program that will help inform physicians about the facts behind tort reform and help them inform their patients
- Attend, and get others to attend, the November 15th "March on the Capitol" as tort reform legislation is introduced
- Discuss tort reform in your community whenever possible
- Use MAG Mutual and MAG speakers for local medical community or other public meetings (Kiwanis, Chamber of Commerce, etc.)
- Talk to your state and federal legislators

MAG Mutual will send a speaker to discuss tort reform to physician groups, service organizations, garden clubs, spouse's organizations, etc. of 25 attendees or more. Please call Steve Davis at 404-842-5690 or 800-282-4882, ext. 5690 for more information or to schedule a speaker.



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Report a Claim Immediately to Assure Efficient Legal Action

Reporting lawsuits, claims, potential claims, medical board hearings or threats of legal action that result from a claim by a patient - as soon as possible - is a policy obligation. More importantly, early reporting can assure efficient action by MAG Mutual. Under the terms of your medical professional liability policy, you must cooperate in the defense of your claim and **refrain from**

admitting liability without MAG Mutual's authorization. If you don't, it could hinder our ability to help you.

Things to do immediately:

- Notify the MAG Mutual claims department
- Cooperate with your insurer and discuss all facts with your claims representative and legal counsel

• In the case of a board hearing arising out of a professional liability claim, never sign a consent order without the advice of an attorney assigned by MAG Mutual

If you need more information or would like to speak with a claims representative, please call MAG Mutual at 404-842-5600 or 800-282-4882. •

In the News...

Savannah's Second Annual Health Care Heroes Awards

The Georgia Medical Society invites you to attend Savannah's second Health Care Heroes Banquet on Thursday, September 26. The banquet is being held at the Alee Shrine Temple located at Eisenberg Drive and Skidaway Road in

Savannah. A cash bar opens at 6:30 p.m. and is followed by dinner at 7:00 p.m. The cost is \$25 per person.

For more information or to make reservations, please call CaRita Connor at 912-355-6607. •

MAG Mutual Healthcare Solutions, Inc. Expands Macon Office

MMHSI is expanding its Macon office and moving to a new location at the end of September. The office provides billing services to Ocmulgee Medical Pathology Association, PA, an affiliate of AmeriPath, and will serve other physician practices throughout middle and South Georgia.

According to Phil Bennett, Director of Central Billing Office, "we felt it was important to all of our clients in the Macon and South Georgia area to show long-term commit-

ment in a very visible way... not only in the new facility but also in customer support. In mid-August, we added a client service consultant, Christi Kirkland, in the Macon office to improve local customer support in the region." Presently, there are 12 full-time MMHSI employees in Macon.

MMHSI's new office is located at 455 Plum Street in Macon. Please call Christi at 478-742-0093 for more information. •

Would You Like Help in Identifying the Potential for Employment Practices Liability in Your Office?

MAG Mutual would like to send you a Risk Assessment Kit free of charge. This handy tool guides you through the steps you need to uncover your organization's hidden potential for a lawsuit and help reduce the risk of employment practices liability claims.

MAG Mutual Insurance Agency's Holly Cary will send you a free copy of our Risk Assessment Kit today. Just give her a call at 404-842-5571 or 800-282-4882 ext. 5571. •

Product News

Did you know?

You are eligible for Long Term Care coverage if you are under age 66 and not presently disabled. MAG Mutual Financial Services, Inc. is currently offering the program to orthopedic surgeons throughout the Southeast and will continue to extend the program, by specialty, to physician owners/insureds in all states over the next several months.

This is a guaranteed issue policy—once it is declined by the physician, it won't be offered again. Long Term Care coverage can significantly reduce retirement cash flow disruptions, so for more information please call John E. Redfearn III, CSA, SPHR, CLU at 404-842-5563 or 800-282-4882.

Managing Safety in Your Home... Back-to-School Backpack Tips

It's that time of year again! Backpacks may be the most popular item on your child's back-to-school shopping list, but as the school year progresses, backpacks may become the cause of your child's aching back.

- An overloaded backpack can cause your child to compensate by leaning forward, which over time can cause his/her shoulders to become rounded and upper back to become curved
- If the backpack is worn on one shoulder, your child may end up leaning to one side to offset the extra weight, causing lower and upper back pain and strained shoulders and neck
- Narrow straps that dig into his/her shoulders can interfere with circulation and the nervous system, and cause tingling and weakness in the arms and hands
- Girls and younger children may be especially at risk for backpack-related injuries because they are smaller and may carry loads that are heavier in proportion to their body weight

However, backpacks can't be beat for helping students stay organized, and they also have health benefits. Compared to shoulder bags or purses, backpacks are better because the strongest muscles in the body, the back and the abdominal muscles, support the weight of the pack. So, whether it's your child's first day of kindergarten or your teen's senior year, make sure they start it off right by wearing their backpack safely and avoiding backpack-related injuries.●

A Better Way to Save for College Educations

Great news for parents and grandparents who want to take advantage of the new tax bill, i.e. a 529 College Savings Plan and saving for college expenses with tax-free earnings. Georgia's 529 plan has earned the highest rating (five caps) on the Web site that compares all the 529 plans, www.savingforcollege.com.

Here are the major aspects of a 529 Plan:

- The plan owner maintains control of the assets
- Contributions are flexible - ranging from \$500 to \$250,000 per year
- The assets grow tax-deferred just like your pension assets
- Plan distributions for qualified educational expenses (including reasonable room and board amounts) are tax-free
- Like an IRA, if you withdraw money for other than educational purposes, the IRS imposes a 10 percent penalty; money can be withdrawn from the plan at any time
- Assets can be used to fund college, graduate and post-graduate programs and certain proprietary and vocational schools
- 529 Plan assets are treated as parent's assets for financial aid purposes
- The account holder (parent) may name a new child beneficiary that is a family member (including first cousins) for assets not used for educational purposes by a previous beneficiary

MAG Mutual Financial Services, Inc. provides these financial planning services as a complimentary member benefit. If you would like more information, please call John Redfean at 404-842-5600 ext. 5563 or 800-282-4882 ext. 5563.●

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Starting this month and continuing through the end of the year, this column will keep you up-to-date on the medical liability crisis in Georgia and the Medical Association of Georgia's tort reform efforts. Following is a brief synopsis of the issues.

Why are your premiums going through the roof?

An out-of-control litigious environment threatens today's practice of medicine. Huge medical liability verdicts and settlements in Georgia are causing skyrocketing premiums, which the medical community hasn't seen since the "affordability" crisis in the mid-1980s.

Plaintiff attorneys allege that:

- There is no crisis - insurance companies set premiums too low during the 1990s so they could write a lot of business and use the money to chase the stock market. Now insurers are raising premiums to make up for the declining stock market
- The problem is caused by "repeat offender bad doctors" who cause everyone else to pay more

These charges are easily refuted by the facts:

- Medical liability insurers have never been big investors in stocks - on average they invest about 90 percent of their assets in U.S. Treasury and corporate bonds
- Ninety-three percent of claims paid during the last decade were on behalf of physicians who had only one or two claims during that same time frame

If insurers caught in a bad stock market didn't cause the medical liability crisis, and if "repeat offender bad doctors" aren't the problem, what is the cause? LARGE LOSSES!