



GEORGIA'S SOURCE FOR IMPORTANT PHYSICIAN INFORMATION

Civil Justice Reform Today...

As we all know, the medical liability insurance crisis is a serious problem in Georgia. It is having a significant negative effect on access to affordable, quality healthcare—particularly with regard to obstetrics, orthopedic surgery, radiology and emergency medical services.

The Georgia Board for Physician Workforce recently completed a survey mailed to 6,181 practicing Georgia physicians in all specialties, which came to the same conclusion. The survey confirmed that many physicians in Georgia are having difficulty finding medical liability insurance and that the cost of medical liability insurance is increasing at an unsustainable rate. About 2,800 Georgia doctors are expected

to stop providing high-risk procedures as a way of limiting their liability risk and lowering premiums. Nearly a third of OB/GYNs and a fifth of family practitioners surveyed said they'd restrict the scope of their services, such as treating high-risk pregnancies. It also indicated that about four percent of physicians are leaving their practice, retiring early and moving to other states. If no action is taken, the survey indicates that these trends will likely continue and patients will pay the highest price: access to affordable, quality healthcare.

Note: As *The MAGnet* went to press, the proposed Civil Justice Reform bill had been introduced to the legislature as SB 133. We will update you in future issues. •

Special Program Implemented for Policyholder/Reservists

As our country prepares to meet the challenges ahead, MAG Mutual Insurance Company recognizes the sacrifices of our policyholders who are called to active duty in the military. To help lessen the burden of leaving an active medical practice, our employees and physician/owners will do our part to help our policyholder/reservists meet their obligations.

What do you need to do?

As a policyholder, you need to notify us in writing that you have been called to active duty.

What will MAG Mutual do for you?

1. We will continue to cover your prior medical acts for up to one full year at no cost if you are called to active military duty
2. You will not have to pay your premium during the time you are actively serving in the military, up to one year
3. After one year, depending on the circumstances, we will reevaluate whether or not prior acts coverage and the premium waiver can be extended

If you are in the reserves or National Guard and have questions or need more information, please call MAG Mutual at 404-842-5600 or 800-282-4882 and ask for the underwriting department. •

Product News

Did you know?

New Disability Coverage Continues Funding Your Retirement Plan

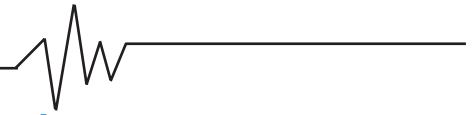
If you become disabled, you not only lose your ability to earn a full income, but also to continue funding your retirement plan. Why should you be concerned about this gap in protection?

Disability income insurance plans provide a portion of your current income to help cover the expenses of daily life. But many physicians can't find enough coverage to protect their annual income adequately, let alone fund retirement contributions.

Since most disability benefits end at age 65, your retirement funds will be vital to continuing the lifestyle you want.

MAG Mutual Financial Services, Inc. (MMFSI) has found a new disability coverage for our physicians that will provide funds to continue your annual pension contributions, up to the existing federal limits. By continuing these contributions, you'll build retirement assets just as if you had continued your practice.

These assets will be available to you after you turn 65 and will help you just when you need them most. This new coverage will be in addition to any existing group or individual long-term disability income plan you have, **so please call Les Pauyo with MMFSI for more information today at 404-842-5551.**



15,000 Policyholders Strong...and Still Counting

MAG Mutual Insurance Company, the largest mutual medical liability insurer in the Southeast, now insures more physicians than ever—we're 15,000 policyholders strong. Last year we added 1,249 insureds in Georgia and 2,503 in Alabama, Florida, North Carolina, South Carolina, Tennessee and Virginia. Thanks to the loyalty of our physician owners, and your trust and confidence in the physician Board of Directors, nearly 93 percent of physicians renewed their insurance. Retirement, disability and relocation accounted for most of those who did not renew their policy.

In addition to our strong retention rate, we won 82 percent of all cases taken to trial in 2002. We attribute this high percentage of cases won to the expertise of our underwriting, risk management and claims handling teams.

And even though these are difficult times for medical liability insurers, MAG Mutual is maintaining a strong financial foundation—our assets now exceed a half billion dollars. Our close management of premium levels, policy limits and coverage will keep your company strong as we move through the challenging years immediately ahead.

HIPAA Business Associate Agreements

In February, MAG Mutual Insurance Company mailed HIPAA Business Associate Agreements to its policyholders and to physicians with claims that we are currently defending. Physicians and others involved in the delivery of healthcare to patients must be in compliance with HIPAA privacy regulations by April 14, 2003. These regulations require that physicians obtain contractual assurance as to how their business associates handle patients' protected health information (PHI). MAG Mutual is a business associate of the physicians that we insure for medical professional liability coverage. Although we may never receive PHI from many of our policyholders, the Business Associate Agreement describes what we will and will not do with that information. You don't need to sign or

return the Business Associate Agreement, but please make certain your privacy officer receives it, and that it is kept with other documents that show your compliance with HIPAA privacy regulations.

Also, most of you are currently developing your Notice of Privacy Practices under HIPAA. As you describe the situations in which you may disclose PHI to third parties, add the "defense of medical professional liability claims asserted by patients" to your list.

If your practice has not received a Business Associate Agreement from MAG Mutual by March 14, please visit our Customer Service Center at www.magmutual.com for a copy or contact MAG Mutual's legal department at 404-842-5600. •

Order Your Documentation and Coding for Physician Services Today

MAG Mutual Healthcare Solutions, Inc. is taking orders for the 2003 *Documentation and Coding for Physician Services* reference book. It is an easy-to-use, comprehensive guide to documenting your medical records. It contains information essential to all physicians, office managers, administrators and anyone who charts medical records or is involved in the coding process.

Key topics include:

1. Documentation rules for Medicare, Medicaid and commercial insurance
2. Coding rules for teaching physicians

3. Procedures to have denied claims reviewed and paid
4. Specialty-specific information for surgery, cardiology, radiology, pathology, psychiatry and many others
5. Perfect for the new physician, office manager or billing clerk

Order this year's book for \$99.95 or take advantage of subscription savings—two years for \$179.95 or three years for \$249.95. **To order your copy from the company you own, call toll-free 800-253-4945 today or order online at www.coderscentral.com.** •

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