



t o r t r e f o r m
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What is the Medical Association of Georgia Doing to Promote Medical Liability Reform?

- Faxing members a flyer and registration sheet regarding the upcoming **Rally at the Capitol, November 15**. Physicians are encouraged to plan ahead and come to the Capitol to show support for medical liability reform
- Mailing a **physician/patient education packet** to members in October. It will contain everything physicians need to get involved in helping the Medical Association of Georgia pass the much-needed tort reform bill
- Continuing to attend various physician meetings around the state, along with MAG Mutual, to educate physicians on medical liability reform and to rally support behind tort reform
- Working with the leadership of the Georgia General Assembly and educating them on the need for professional liability reform. The Medical Association of Georgia offered testimony in a hearing of the Senate Appropriations Committee on the Professional Liability Crisis
- Continuing to work with the Georgia Hospital Association and the Georgia Chamber of Commerce to build support for a broad coalition

To register for the **November 15 Rally at the Capitol**, schedule a speaker on tort reform for an upcoming meeting or for more information on how you can get personally involved in the tort reform effort, please call the Medical Association of Georgia's Lynne Connor at 404-876-7535 or 800-282-5453. You can also go to the Medical Association of Georgia's Professional Liability Resource Center at www.mag.org for the latest news and information on medical liability reform in Georgia and throughout the nation.



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Your Personal Assets Could Be At Risk!

Enron, WorldCom, Tyco and Global Crossing—all large corporate names that have been in the news lately for accounting irregularities. What if you were an officer or board member of one of these corporations? Would your personal assets be at risk for the decisions that were made (or not made)? Can you expect to be named in litigation from creditors, shareholders and employees?

The answer to these questions is YES! But you do not have to be an officer or director of a large Fortune 500 corporation to be sued like one.

Because of these corporate debacles and the general public's increased awareness regarding corporate governance, smaller companies and firms are experiencing increased litigation in these areas. Failure or alleged failure of the directors and officers to perform their responsibilities may give rise to claims for "wrongful acts." Claims can be brought against an officer or the entire board. Nationally, there were 110 companies sued by shareholders in 1996, but 114 companies sued in just the *first six months* of this year.

Directors and officers liability insurance provides protection for "wrongful acts" actually or allegedly committed by the directors and officers of a firm. If you serve as an officer or director for your group or in a similar position with a non-profit or charity organization, be sure your personal assets are protected.

For more information about directors and officers liability insurance, please call MAG Mutual Insurance Agency, Ltd. at 404-842-5600 or 800-282-4882. ●

Do You Have Colleagues in Need?

These are difficult times for the medical professional liability industry. Physicians are having trouble finding protection with a strong, stable insurer—and in some situations, they can't find any coverage at all. At least 25 insurers to date have abandoned this market; others are asking for additional capital from their existing and new policyholders or have stopped accepting new insureds altogether. And while others have abandoned physicians or are struggling to stay above water, MAG Mutual Insurance Company's financial strength was again confirmed with the **2002 renewal of our A.M. Best "A" Excellent** financial rating. We're one of only a handful of medical liability insurers in the nation to receive this rating.

In the midst of this turmoil, MAG Mutual Insurance Company stands out among our peers. Our position as the Southeast's largest physician-owned mutual medical professional liability insurer comes from the mission we adhere to in all aspects of our operations—providing total solutions to our physician policyholders so they can focus on providing quality care to their patients. So, if you or a colleague is in need of insurance, financial services, office solutions or practice management consulting, you can count on MAG Mutual to provide them. We're here for the long run. Call 800-282-4882 or 404-842-5600 today. ●

Get Out and Vote!

It is very important for all physicians, medical office personnel and other healthcare workers to get out and vote during the upcoming November elections. In this election, healthcare issues are top on the list of the public's concerns. How medical services are delivered to our citizens is decided by elected officials at all levels. You **can** make a difference with your vote.

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Product News

Did you know?

MAG Mutual HealthCare Consultants, Inc. is taking advance orders for their 2003 *Physicians Fee & Coding Guide*. This is the publication used by thousands of physicians, hospitals and insurance companies nationwide to establish fees for physician services.

It's easy-to-use and provides more features than any other fee and coding resource, such as longer descriptions for each code to help insure appropriate billing. Also included are:

- Updated fee ranges for all CPTTM codes, including hundreds of codes not found elsewhere
- Medicare's National Average Allowances
- RBRV values for all CPT codes

MAG Mutual policyholders can purchase the *Guide* for \$127, which is 15 percent off the retail price. To reserve your copy, call 888-738-7490 today.

(Vote, continued from page 1)

Please become informed on the issues and voting records of those who represent you. It is extremely important to know where all the candidates stand on healthcare issues before you cast your ballot. Information on the candidate's voting record and opinions is available by going to the Medical Association of Georgia's Web site at www.mag.org. Just double click on Legislative Affairs, then double click on the "Legislative Grassroots" Web page and choose the category you wish to investigate.

If you factor in your candidate's voting record on these issues when you vote in November, you will be casting a vote that may have a positive impact on your livelihood and professional well-being. If you have any questions, please call the Medical Association of Georgia at 800-282-0224 or 404-876-7535. •

CME Articles on the MAG Mutual Web Site

MAG Mutual's Web site offers short articles with post-tests. Each offers .5 hours of Category 1 continuing medical education credit to physicians who read the text and take the test on-line. Current topics are "What Plaintiff Attorneys Hope to Find in Your Medical Records" and "Women and Heart Disease: CAD Until Proven Otherwise." This educational service is free from MAG Mutual; we mail your CME certificate after you've completed your test and evaluation.

New topics are being added. Coming up next is "Making a Timely Diagnosis of Lung Cancer," by Ralph L. Haynes, M.D. Watch for this and others; be sure to add this Web page to "favorites" in your browser. Questions? Contact Kjones@magmutual.com. •

Getting Paid for the Work You Do?

Cuts to Medicare reimbursement and the proliferation of managed care plans have hit physicians right in the take-home pay. More and more physicians are asking questions like: "How much money should I make?" "How much is too much overhead?" and "How can I legitimately get paid for what I do?"

MAG Mutual HealthCare Consultants, Inc., your practice consulting and medical publication resource, introduces a new service that can answer your number one question, "How can I get paid fairly for what I do?"

The Revenue Cycle Analysis service covers five areas that can significantly change the amount of revenue your practice makes:

- Understanding the reimbursement process
- Understanding EOMBs and EOBs
- Reducing claim denials
- Revenue collections and overhead
- Dealing with accounts receivable

Additionally, our consultants will show you how to analyze the top 10 services you provide. You will learn what you should charge and learn to avoid the most common pitfalls in the payment process. Participants will walk away with a clear understanding of why payors deny up to 20 percent of services billed. You will also learn how you can participate in the EOMB/EOB review process with coding and billing staff to reduce your claim denials.

To find out more about improving your revenue, please call Randy Thompson at 706-738-2078 to set up an appointment with one of our consultants. •



This column will keep you up-to-date on the medical liability crisis in Georgia and what you can do to get involved.

The Medical Liability Crisis: Is It Manufactured?

Georgia's medical liability crisis and escalation in premiums is a serious threat to affordable, quality medical care for all patients. The litigious environment and increasing awards have almost made the cost of liability insurance unaffordable. Nationwide, insurers are paying out \$1.54 for every \$1 they take in.

The crisis has led to insurance companies leaving the market and to hospitals and physicians re-evaluating whether they can remain in business. Some physicians have stopped high-risk procedures such as delivering babies or reading mammograms; others are simply retiring early or relocating to another state.

- MAG Mutual paid only one claim totaling \$1 million in 1990
- That number increased to 13 in 2000
- We paid one claim of \$2 million or more in 1991, but have paid five already this year

This deteriorating judicial environment threatens both the availability and affordability of quality patient care. **The key ingredients to effective tort reform are:**

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

Tort reform will have an effect on all Georgians. Access to quality healthcare will be preserved, moderation of rate increases will help keep healthcare affordable and increased competition will help restrain future premium increases.

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