

ASSOCIATED INDUSTRIES OF FLORIDA
**LEGISLATIVE
INTERIM BRIEF**



P.O. BOX 784 • Tallahassee, FL 32302-0784 • Phone: (850) 224-7173 • Fax: (850) 224-6532 • Internet: <http://aif.com> • fbnnet.com

WEEKLY INTERIM LEGISLATIVE BRIEF FOR THE WEEK OF FEBRUARY 10-14, 2003
SOURCE: ASSOCIATED INDUSTRIES OF FLORIDA

This week most regular committees were off. Rather, the House and Senate appropriators went line by line through the Governor's budget. Special interests, which are facing cuts in the Governor's proposal, were also in force at the capital. Of note, was a large rally to defeat proposed cuts in Bright Futures Scholarships. The House and Senate have not come to consensus yet whether to rely on deep cuts or increased revenue in order to balance the budget. Trust funds are also at risk, including those of particular interest to Florida's business community.

MEDICAL MALPRACTICE

The budget discussion this week masked a major fight brewing on the issue of providing litigation reform to physicians, hospitals and nursing homes. Physician rallies have occurred across the state in support of a \$250,000 cap on non-economic damages. While the House appears sympathetic to addressing the medical community's concerns there currently is not enough support in the Senate to pass a meaningful medical malpractice proposal.

To gauge public sentiment on the issue, the House Select Committee on Medical Malpractice held public hearings on Thursday and Friday in Miami, Fort Lauderdale, Orlando and Tampa. Committee members took testimony from the Governor's Academic Task Force on Medical Malpractice. That group proposed 60 recommendations, including most importantly a \$250,000 cap on non-economic damages. The hearings attracted an array of doctors, lawyers, and some victims. Passionate testimony was presented on both sides of the issue.

In opposition to meaningful tort reform, trial lawyers are seeking to divert attention away from the real problem, (i.e., frequency and severity of litigious claims for medical malpractice) by blaming the insurance industry for increases in premiums for professional liability insurance. Unfortunately, some legislators seem willing to accept a specious argument that litigation reform for Florida doctors can somehow be avoided, if only the legislature would mandate a rollback in insurance rates! However, any such action would only trigger an insurance availability crisis and a severe disruption in the delivery of critical care by health care providers.

The \$250,000 cap on non-economic damages is a bare minimum response to the current medical malpractice insurance problem, lest a growing percentage of Florida's physicians "go bare" (i.e., practice medicine without any liability insurance coverage) or leave the state to practice medicine elsewhere.

Vulnerability to large jury awards is why insurers have not returned to the Florida market. Therefore, AIF supports caps on non-economic damages in nursing home and medical malpractice cases.

Please send your comments or suggestions to us at aif@aif.com or call the Governmental Affairs department at (850)224-7173.

- For more information on all of the important legislative information concerning the business community, go to our "members only" Florida Business Network web site at <http://fbnnet.com>
- Send us your E-mail address and we will begin to send this report to you automatically via E-mail.