

OCPA • FaxLine Report

a public policy information service for members of the Oklahoma Council of Public Affairs, Inc.

Dear OCPA Member:

Thursday, May 22, 2008

The *Tulsa World* headline on April 25 predicted “Lawsuit reform dead this session.” In an *AP* story on March 9 the headline read, “Henry vetoes lawsuit reform bill.” A May 13 *Journal Record* headline noted, “House veto override on lawsuit reform bill falls short.” Three headlines from three different news sources properly note the state of lawsuit reform in Oklahoma. Once again, no relief is in sight and the damages are coming at a time when the economic competitiveness between states is more crucial than ever. If you don’t believe it, read Kevin D. Williamson’s article, “Texas Holds ‘Em” in the May 5 edition of *National Review*, on the steps Texas has taken to change the lawsuit abuse climate in their state.

Williamson notes, that after years of applications declining to the Texas medical board, suddenly refugee doctors from other states are applying in droves, increasing 60 percent and causing the state legislature to approve emergency funds just to process the influx of new applicants. “The board has licensed nearly 11,000 physicians in the four years since tort reform was enacted,” notes Williamson. Insurance companies have increased from four to more than 30. Things are certainly looking up for Texas, all because of Proposition 12, (passed by voters) which amended the state constitution to make the legislature, not the courts, have final say in medical malpractice matters.

A new report by economist Ray Perryman confirms the facts. Lawsuit reforms enacted in Texas beginning in 1995 have resulted in \$112.5 billion in annual spending in Texas; 499,000 new, permanent jobs and a \$2.6 billion increase in state tax revenue giving Texas a significant competitive advantage in these challenging economic times. “Lawsuit reform has led to improvements in the Texas business climate that have generated hundreds of thousands of jobs,” notes Perryman. “Approximately 8.5 percent of Texas economic growth over the past decade is the result of lawsuit reform.”

Such public policy reforms have additional human components. Former Texas state representative Joe Nixon told Williamson, “‘We had a neurosurgeon move to Corpus Christi. He was the only one they had – there wasn’t one there before him,’ he says. ‘He’d been there a week when a man walked into his office with an abscess on his spine. He was put into surgery immediately. He had an hour – one hour—or he would have been certainly paralyzed, probably dead. Today, he’s alive and walking.’ The physician who treated him came to Corpus because of Proposition 12.”

Healthcare is one of the top concerns for citizens today. Failure to implement genuine lawsuit reform in Oklahoma could hamper adequate healthcare provisions if doctors migrate to states with true reforms. And the threat of lawsuits in Oklahoma says one survey released by the Oklahoma Alliance of Physicians for Tort Reforms has caused nearly one-fifth of Oklahoma doctors to consider leaving the state and 51 percent of physicians to consider early retirement. It’s time our Governor and our legislators take to heart one of the principal precepts all medical students are taught in medical school “*Primum non nocere*” a Latin phrase that means “First, do no harm.”

Until next time. . . Brett A. Magbee, Vice President for Operations

Oklahoma Council of Public Affairs, Inc., 1401 N. Lincoln Blvd., Oklahoma City, Oklahoma 73104

Tel: 405-602-1667 / Fax: 405-602-1238 / Website: www.ocpathink.org

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