

ASSOCIATED INDUSTRIES OF FLORIDA
**LEGISLATIVE
DAILY BRIEF**



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FROM JULY 9, 2003

Special Session C began today with weary senators filing into their chamber to meet in a rare joint Republicans-Democratic caucus, a format chosen by Senate President Jim King (R-Jacksonville) because it would allow free give-and-take among the members.

The meeting began with a point-by-point explanation of the negotiated alterations to the existing Senate bill, which was conducted by Senators Rod Smith (D-Gainesville) and Tom Lee (R-Brandon). Senator Smith assured his colleagues that, while matters seemed to be in a lull, hard work was going on behind the scenes, although progress has been limited to the easily resolved issues.

The members were also given the opportunity to express their frustration with what they view as the governor's disrespect for them as an equal branch of government. Senate President King was applauded for his courage in standing up to the governor.

Elsewhere in the Capitol, Governor Jeb Bush was receiving his share of plaudits from an assembled group of AIF members and other business leaders. The governor convened the meeting to receive input from employers on the toll the medical-liability-insurance crisis was taking on their employees and their companies.

Please go to <http://www.aif.com/taxmedia.htm> to view video clips of comments to the Governor from Susan Story, Gulf Power Corp. and Allen Keesler, chairman of the AIF board of directors.

The Special Session began in a week that revealed conclusions of a new study by Aon Consulting predicting average health-insurance premium increases of 16 percent next year. Also unveiled this week was a report from the U.S. Department of Health and Human Services showing that states with caps on non-economic damages in medical lawsuits have about 12 percent more physicians per capita than do states without such limits.

According to a Florida State University study, 62 percent of Floridians receive their health care coverage through their employees. Three and four years of double-digit increases in health-insurance premiums are taking their toll on Floridians. Well-documented research shows that every five-percent increase in premiums translates to 19,830 lost jobs. Governor Bush warned the business leaders that Florida would experience an actual increase in its uninsured population for the first time in several years.

Please go to <http://www.aif.com/taxmedia.htm> to view comments by Allen Keesler, chairman of the AIF board of directors and retired president of Florida Power Corporation, on the medical-liability-insurance crisis.

Governor Bush and the Republican leadership of the Florida House truly appreciate the magnitude of this problem and are collaborating to fashion a workable response. Not so with the more “bipartisan” Senate. The governor understands that something can be done immediately to reduce the upward pressure on health-insurance rates: *reduce the upward pressure on medical-liability-insurance rates*. (Please go to <http://fbnnet.com/2003-Articles/MedMalbriefing.htm> to view the *Executive Briefing on Medical-Liability Insurance*). A 1996 study by two Stanford University researchers found that reducing exposure to medical-malpractice lawsuits resulted in reductions of five to nine percent in health-care expenditures without substantial consequences to mortality and medical complications.

Now the real work will begin. The Senate Judiciary Committee will meet on Thursday morning to discuss the procedures it will follow to collect data, issue subpoenas, and set up an agenda for future hearings. In the afternoon the Senate Health, Aging, Long-Term Care Committee will meet on its medical malpractice bills, SB 2C, 4C, and 6C. The members will take up amendments to align the bills with the changes negotiated with the House and the governor’s office. On Friday, the Senate will meet in session to debate the bill and vote on it. Senate President Jim King has announced that he expects the chamber to finish its business by noon on Friday.

The House’s plans remain somewhat fluid. The chamber will meet in session on Thursday afternoon, when it plans to take up its new reform package, HB 15C. We expect the House to pass the bill without any amendments, at which time it may adjourn or the members may wait until Friday to find out what the Senate will do.

At Wednesday’s meeting with AIF members and other business leaders, the governor signaled his intention to support the House bill, which includes some new language on key provisions that House leaders and Governor Bush hope will make the package more appealing to the Senate.

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.