Gov. Perry Speaks at Med Mal Bill Signing

*Note - Gov. Perry frequently departs from prepared remarks.

Friday, July 11, 2003

Today I am proud to sign House Bill 4, the most sweeping, comprehensive lawsuit reform measure in the nation. This bill will keep doctors practicing medicine and will keep the doors of many of our businesses open by bringing balance to our civil justice system.

This lawsuit reform measure is good for patients, consumers, doctors and job creators. And it sends a powerful message to employers and entrepreneurs across the nation: Texas is open for business.

Because of the medical malpractice reforms of House Bill 4, our hospitals and clinics will remain open to the patients who need them. Pregnant women will not have to worry about finding an obstetrician to help them deliver their newborn children. And Texans who suffer a trauma can know that when their life is on the line, the specialist they need will be on call.

The reason is simple. We are removing the incentive personal injury trial lawyers currently have to file frivolous lawsuits and run health care professionals out of business.

With a $250,000 cap on non-economic damages that can be awarded against health care providers, as well as a cap on additional non-economic damages that can be awarded against health care institutions, we are providing stability and predictability to malpractice insurance rates.

By capping non-economic damages and providing greater protections for many of our hospitals that provide charity care, we are taking strong actions to lower malpractice insurance rates and keep doctors, nurses and hospitals doing what they do best: providing health care to Texans in need.

And it is worth pointing out that Texans wrongfully harmed by an act of malpractice can still recover all economic damages, such as all medical bills and lost wages. And if a jury unanimously agrees, harmed Texans can also recover punitive damages in addition to economic and non-economic damages.

We are also cracking down on the use by plaintiffs lawyers of bought-and-paid-for professional experts who no longer practice medicine. The so-called experts on a firm’s payroll must still be practicing medicine in order to testify as a medical expert at trial.
The days of trial lawyers playing the lawsuit lottery with Texans’ access to health care are over. And furthermore, we are taking strong actions to eliminate the frivolous lawsuits that cost businesses money and drive up the cost of goods and services for all of our 21 million citizens.

With this comprehensive lawsuit reform measure, we are ending costly and intentional legal delays, requiring reasonable attorneys’ fees in class action lawsuits, and removing the incentive for trial lawyers to file frivolous lawsuits.

Those who use the law to hold companies hostage and extort large settlement sums will no longer have legal cover. Businesses will no longer be held responsible for a disproportionate share of a judgment simply because they have deep pockets and other responsible parties do not.

This legislation also provides reasonable reforms to our class action laws and our product liability laws while also providing plaintiffs and their lawyer’s strong incentives to accept reasonable settlement offers.

And if a plaintiff in a case involving a vehicle accident didn’t wear a seat belt, we now have common sense reform that allows that fact to be introduced into evidence as a possible contributing factor to the plaintiff’s injuries.

And I am very proud of the fact that we are providing additional lawsuit protections for teachers, charity volunteers and volunteer firefighters. Good Samaritans should not be dissuaded from charitable deeds because of the threat of a lawsuit.

These measures were passed with strong support in the legislature – 90 percent of the Senate supported HB 4, as did 76 percent of the Texas House.

The reason is clear: by passing comprehensive lawsuit reform, we will create thousands of jobs, generate millions in new revenue to the state, and protect patient access to quality health care. Doctors, patients, employers and workers all stand to benefit from HB4. The only folks hurt in the pocketbook by this lawsuit reform measure are the plaintiff trial lawyers who have profited from frivolous lawsuits and by gaming of the legal system.

I want to commend the author of this bill, Rep. Joe Nixon, the Senate sponsor, Sen. Bill Ratliff, and the senate sponsor of the constitutional amendment that will go before voters in September…Sen. Jane Nelson. Their hard work made these reforms law. Texans are indebted to them.

With these reasonable and balanced reforms to our civil justice system, we are protecting patient access to quality health care while ensuring Texas has a strong foundation for a more prosperous future.