Gov. Perry Gives Remarks on 10th Anniversary of Proposition 12

*Note - Gov. Perry frequently departs from prepared remarks.
Monday, September 09, 2013 • Edinburg, Texas • Speech

Thank you, Dr. [Carlos] Cardenas, for that introduction.

It is a real honor to be with you today to mark an important day for Texas; a day when we made the commitment to change our medical system for the better.

Ten years ago, Texas doctors were faced with an awful choice: stop providing critical services their patients desperately needed, shut down their practice altogether, or leave the state.

It was a crisis precipitated by a system that fostered an unrelenting stream of lawsuit after lawsuit, headlined by outrageous awards for nebulous damages.

As a result, medical malpractice rates either soared to prohibitively high rates, or were no longer offered by insurers.

Doctors either stopped providing medical care in critical, high-risk specialties or ceased setting up practice in Texas. Hit particularly hard were critically-needed medical specialists and ER doctors, who were the most frequent targets of baseless lawsuits brought by unscrupulous lawyers.

That meant Texans lost access to care.

It was having major effects on our urban areas, as well.

Someone suffering a head injury in an Austin traffic accident, for example, had to be transported to San Antonio, because ERs in Austin didn't have a neurosurgeon on call.

I cannot imagine the desperation of having a loved one face needless delays for life-saving care.

It's horrible to imagine the desperation many in the Valley faced, needing to spend hours in the car just to reach a doctor willing to treat a pregnant woman, or even deliver her baby.

Yet, for far too many Texans, those sorts of situations were, sadly, a fact of life.

The choice we faced, as a state, was simple: We could allow this problem to fester, protecting the ability of trial lawyers to file frivolous, "get rich" lawsuits.
Or we could reform the system, protecting both Texas patients and the doctors who treat them.

Through the hard work of legislators...like Sen. [Eddie] Lucio, Sen. [Robert] Duncan and former Rep. [Joe] Nixon, and through the grassroots efforts of organizations like Citizens Against Lawsuit Abuse, Texans for Lawsuit Reform, Texas Civil Justice League, and so many more, we were able to make the right choice.

Since Proposition 12 passed 10 years ago, Texas has added more than 30,000 doctors, with significant gains in communities that had been traditionally medically underserved.

Over 3,000 new medical licenses have been issued each year for the past seven years, and more than 3,500 over the last two fiscal years.

We also set a record for applications, with more than 4,600 applications filed in Fiscal Year 2013.

I'm continually surprised some people still want to argue the case that tort reform hasn't worked; they're swimming upstream against a flood of hard data.

Many of the same lawsuit reforms we passed also freed entrepreneurs and employers across our state to worry less about lawsuit abuse and invest fewer resources in defending them.

That helped jumpstart an economy that's produced 3 out of every 10 new jobs created in America over the past decade.

Again, that's hard data to quibble with.

Numbers aside, though, what this means is that Texans across our state don't have to wait as long to get help in an emergency; they don't have to drive as far to find care.

Simply put, for people in a crisis, that's not just a positive change: it's a Godsend.

The reforms we passed a decade ago will also make it more likely that the doctors who graduate from the new medical school here in South Texas will stay close to home.

And finally, a thriving, growing medical community in our state increases the quantity and quality of medical research: an industry sector that has the potential to cure diseases, treat ailments, and power our economy for decades to come.

The best thing we can say about tort reform in Texas is also the most basic thing: It's made people's lives better.
Once again, I thank everyone here for everything you've contributed to making lawsuit reform possible, and for helping keep our state the best place to live, work, build a business and raise a family.

God bless you and, through you, may He continue to bless the great state of Texas.
Gov. Perry Commemorates 10th Anniversary of Historic Lawsuit Reform

Monday, September 09, 2013 • Edinburg, Texas • Press Release

Gov. Rick Perry today was joined by the Rio Grande Valley Citizens Against Lawsuit Abuse and members of the medical community to celebrate the 10th anniversary of the passage of landmark medical liability reform in Texas.

"Ten years ago, Texas doctors were faced with an awful choice: stop providing critical services their patients desperately needed, shut down their practice altogether, or leave the state," Gov. Perry said. "The best thing we can say about tort reform in Texas is also the most basic thing: It's made people's lives better. Since Proposition 12 passed 10 years ago, Texas has added more than 30,000 doctors with significant gains in communities that had been traditionally medically underserved. Many of the same lawsuit reforms we passed also freed entrepreneurs and employers across our state to worry less about lawsuit abuse, and invest fewer resources in defending them."

Prior to tort reform in Texas, the medical community faced a frustrating and inefficient legal system. Rising costs made it difficult for physicians and hospitals to attain the insurance coverage necessary to practice. Burdened with skyrocketing insurance rates, good doctors were forced to cut back on high-risk and life-saving care or limit their practices. In the years preceding lawsuit reform, Texas licensed the fewest number of new physicians in a decade, liability claims against doctors occurred at nearly twice the national average, and hospitals saw liability costs rising by as much as 50 percent in a single year.

Authorized by Texas voters in 2003, Proposition 12 was a constitutional amendment aimed at reducing medical malpractice lawsuits and making the state's court system more efficient and fair. These sweeping reforms marked the beginning of a return to balance for the medical liability system.

As a result, claims and lawsuits in most Texas counties have been cut in half. Since 2003, all major physician liability carriers have cut their rates by more than 30 percent and doctors have received a 46 percent average reduction in liability premiums, a total of $1.9 billion across the state. Hospitals are also collectively saving approximately $100 million per year in liability premiums, allowing for investments in new technology, patient care and charity care.

Texas has received a record number of medical license applications this year. Physician growth has increased faster than population growth, with the ranks of high-risk specialists growing more than twice as fast as the population, pediatric sub-specialists growing 10 times faster than the population, and the number of geriatricians more than doubling. Additionally, since 2003, 24 rural...
counties added at least one general surgeon, 35 rural counties added at least one obstetrician, and 39 rural counties added their first emergency medicine physician. The number of rural obstetricians has also grown nearly three times faster than the state's rural population.