

THE RIGHTS ISSUE

The newsletter of

People's Rights^{INC.}

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Welcome to the first edition of 'The Rights Issue' for 2004, brought to you by People's Rights.

Now that The State Government has comprehensively delivered for the insurance industry we will be expecting another year of insurance industry profit nirvana and continued disregard for anybody suffering injuries as a result of negligence. 'The Rights Issue' will keep you up to date with the activities of the insurance industry and the Government's response as the reality of its actions comes home to roost.

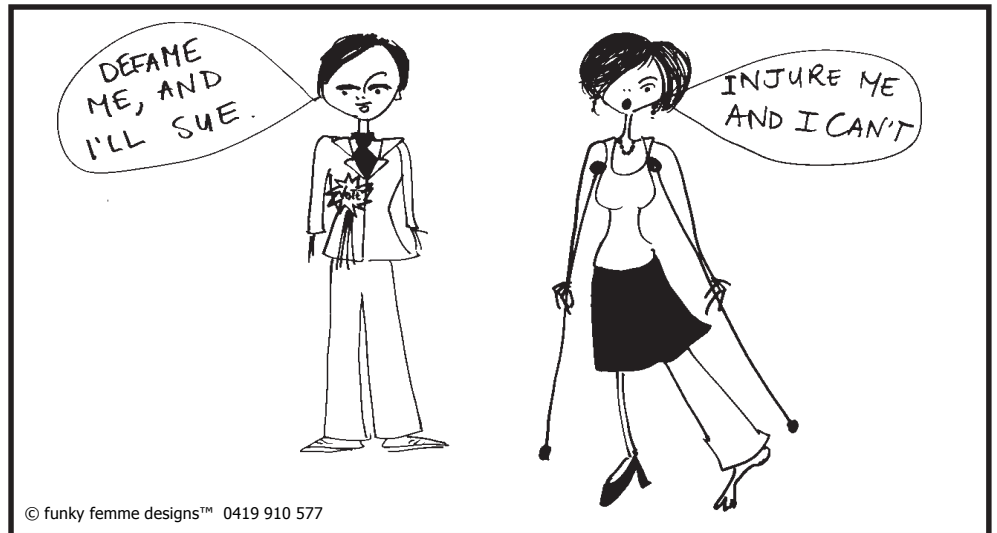
Could Abbott's Med Panel be more stacked?

Tony Abbott's Medical Indemnity Review Panel handed down their findings at the end of last year. The stacked panel (2 Liberal MPs, 4 doctors, an insurance lawyer and a former Reserve Bank Deputy Governor) was only ever going to recommend the creation of a best-case scenario for doctors.

The full details of the arrangements are published on the Government's health website. Changes to the current arrangements include capping and subsidising doctors' medical indemnity fees and removing the levy for past 'claims not yet reported.' There are two effects.

Firstly, capping doctors indemnity fees shields them from the effects of their mistakes, increasing the likelihood that future mistakes will occur.

Secondly, by removing the levy for past 'claims not yet reported' doctors don't have to contribute anything to fixing the mistakes they made in the past. (There is a shortfall in funding for medical mistakes because doctors paid too little in the past: less than \$200 per year in the early 1980s.)



The bogey in the report for maintaining people's rights is that **the panel twice recommended that the process of 'tort reform' (read 'right-slashing') be continued.** Victoria has already passed laws that drastically cut back the rights of medical negligence victims.

The battle to maintain the public's remaining rights to claim medical negligence compensation appears to be ahead of us.

Tell someone.....

- **10% of admissions to acute care hospitals in Australia are associated with medical errors.**
- **As many as 50 000 permanent disabilities and 10 000 deaths occur each year in Australia from medical errors.**
- **Hospitals spend more money treating injury from medical error than on treating injury from road accidents.**

With so many mistakes it's no wonder the AMA wants to remove doctors' liability.

Lenders' lies: an update

The Government's broken promise to appoint an Insurance Commissioner to monitor premiums and provide accountability in the insurance industry is an issue that People's Rights has been pursuing since last September.

After letters from People's Rights requesting an explanation *and* being exposed in *The Herald Sun*, the Finance Ministry has continued to insist that it has "been strongly pushing the need to monitor premiums."

In the latest letter to People's Rights from Finance Minister John Lenders he wrote "the ACCC is monitoring premiums for evidence of untoward behaviour. Their findings are published on a six monthly basis."

The ACCC's latest report found that public liability insurance premiums increased by 19% in 2001 and 44% in 2002. Mid-2003 the insurance industry recorded approximately \$5 billion worth of premium profits.

Mr Lenders concluded his letter by writing that, "No evidence of profiteering has yet emerged."

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