



Construction Industry Round Table

Press Release

A force for positive change in the design / construction industry

Senator Collins Calls Upon Design & Construction CEOs to Voice Their Opposition to Liability Exposure for Employers in any new "Patients Bill of Rights" Legislation

WASHINGTON, D.C.--April 27, 2001--With the Senate in the midst of discussing the scope and nature of this year's "Patients Bill of Rights" legislation, Senator Susan Collins (R-ME), urged design and construction firms to contact their Senators. Senator Collins made her remarks before a gathering of leading industry CEOs at the Construction Industry Round Table's (CIRT) annual Congressional Reception and Dinner held in Washington, DC.

"At this critical juncture, it is vitally important that CIRT members contact their Senators to voice their strong opposition to any provisions in a Senate bill that would expand potential health care liability exposure to **employers**;" **echoed newly elected CIRT Chairman, Peter C. Forster, CEO of The Clark Construction Group. Senator Collins noted that the liability exposure language was a "sleeper issue" that had the potential of disrupting if not actually destroying employee-employer health insurance benefit packages commonly seen today in the workplace.**

Last year, the Senate adopted a "Patients Bill of Rights" that avoided liability provisions and instead created a rapid alternative dispute appeals system to allow patients the ability to question the decision of an HMO. "The Round Table will strongly urge the Senate to maintain this wise approach, and to reject the notion that lawsuits are the way to resolve disputes -- which in the end mostly benefit only trial lawyers" said Mark A. Casso, President of CIRT.

CIRT contends that the evidence is overwhelming, including findings from an exclusive poll of its members on the subject, in support of maintaining a strong employee-employer relationship when it comes to health insurance coverage. This evidence includes:

- The number of people insured by employer-based coverage is at record levels (62% of the population in 1998, and climbing).
- Half of the employers pick-up 90% or more of the premiums for health care insurance, with seven out of ten paying 80% or more of the premium costs. (CIRT found over 97% of its members offer health insurance plans as part of their employee benefit package).
- Adding additional federal regulations and potential lawsuits by preempting HMO decisions will result in higher costs (the CBO estimates the proposed bill could add as much as 5% more in premiums). Studies indicate that for every one percent (1%) increase in premiums 300,000 people lose their coverage.
- According to an exclusive CIRT opinion poll, 47% of the leading architectural, engineering, and construction firms were somewhat or very likely to drop their insurance plans as a worker benefit, *if the employer was exposed to liability claims involving HMOs.*
- An Employee Benefit Research Institute study found that most people (some 89%) were either extremely or at least somewhat satisfied with the quality of their health care.

"The truth is, expanding the right to sue *employers* is an open invitation for lawyers to bring such lawsuits leading to the eventual reduction or even destruction of the employer provided insurance plan system;" asserts Mr. Casso, a lawyer himself. CIRT believes even with matching funds (which the CIRT poll found would be provided by almost 80% of its members), the displacement and confusion.