

ALEC EXPOSED

"ALEC" has long been a secretive collaboration between Big Business and "conservative" politicians. Behind closed doors, they ghostwrite "model" bills to be introduced in state capitols across the country. This agenda-underwritten by global corporations--includes major tax loopholes for big industries and the super rich, proposals to offshore U.S. jobs and gut minimum wage, and efforts to weaken public health, safety, and environmental protections. Although many of these bills have become law, until now, their origin has been largely unknown. With ALEC EXPOSED, the Center for Media and Democracy hopes more Americans will study the bills to understand the depth and breadth of how big corporations are changing the legal rules and undermining democracy across the nation.

DID YOU KNOW? Corporations VOTED to adopt this. Through ALEC, global companies work as "equals" in "unison" with politicians to write laws to govern your life. Big Business has "a VOICE and a VOTE," according to newly exposed documents. DO YOU?

Home -> Model Legislation -> Health and Human Services

Resolution on Quality Managed Care in a Litigious Marketplace

WHEREAS, health plans are currently accountable for their coverage decisions to state and federal regulators, to employers, and to consumers; and

WHEREAS, consumers currently have the ability to appeal coverage decisions with which they disagree to an objective health plan panel or other objective reviewers; and

WHEREAS, in many cases consumer appeals may also be reviewed by state regulators or federal regulators; and

WHEREAS, health plans currently can be sued under common law theories of contracts and liability, as well as statutory contract law, for failure to provide a covered benefit; and

WHEREAS, the tort law system is a notoriously inefficient method of resolving disputes, taking three to five years to reach a conclusion, and

WHEREAS, the tort law system does not promote the provision of quality health care or the prompt, fair, and equitable resolution of consumer appeals; and

WHEREAS, the key to a quality healthcare system is addressing problems in a fast, fair and efficient manner before patients are harmed rather than compensating them long after an injury; and

WHEREAS, creating a new cause of action against health plans in state or federal courts will encourage frivolous lawsuits and will run counter to the important efforts underway to curb lawsuit abuse; and

WHEREAS, imposing new liability on health plans may result in payment for unnecessary and ineffective treatments in order to ward off lawsuits, thus increasing costs for governments, employers, and consumers; and

WHEREAS, a recent study has shown that imposing new liability on health plans may increase premiums by as much as 8.6% resulting in \$123.1 billion more in health care costs nationwide over the next five years; and

WHEREAS, studies have shown that just a 1% real increase in the cost of health care can cause a minimum of 400,000 Americans to lose their health coverage.

NOW, THEREFORE BE IT RESOLVED THAT {insert State } opposes expansion of tort liability in the health care system since such expansion will result in the provision of unnecessary medical treatments, increased costs for employers and consumers, and the loss of health coverage for hundreds of thousands or millions of Americans, and;

BE IT FURTHER RESOLVED, THAT {insert State} believes that a more appropriate way to ensure that consumers have the ability to address their concerns with coverage decisions made by health plans, is to make certain that consumers have access to rigorous and effective appeals programs that provide prompt, fair, and equitable resolution of consumer concerns while at the same time preserving the availability of affordable health coverage for Americans.

Adopted by the HHS Task Force and approved by the ALEC Board of Directors in 1998

Did you know that global pharmaceutical company Bayer Healthcare was the corporate co-chair in 2011?

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Center for Media and Democracy's quick summary

This is another "tort reform" resolution that would limit liability -- in this case, of health plan systems. The Resolution calls for no expansion of tort liability of health plan systems while simply recommending that appeals programs be in place for the tort law system.