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## **SECRETS AND LIES - HOW INSURERS TAKE FROM PATIENTS TO PAD THEIR POCKETS**

The insurance industry has been enjoying record-breaking profits over the last two years. But that's not good enough – they want more.

They have already been price-gouging doctors with excessive premiums. So whom are they going after now? Injured patients. It's a vicious cycle:

- Insurance industry gouges doctors despite rising profits and surpluses.<sup>1</sup>
- Insurance industry pretends that lawsuits by injured patients are at fault for those rising premiums (not true).<sup>2</sup>
- Insurance industry asks legislature to deny injured patients adequate compensation, so insurers can make even more money.
- Insurers keep doctors' premiums high, pay out inadequate compensation to injured patients, and get even richer.<sup>3</sup>

**WHO'S HURT BY THIS?** Injured patients like nine-year-old Martin Harnett, who, due to medical malpractice, will spend the rest of his life in a wheelchair, wearing diapers and unable to dress or care for himself; or Debi Surlas, a former nurse who was blinded by medical malpractice and now is totally dependent on others to live day to day.

**WHO'S NOT HELPED?** Doctors. Even the insurance industry admits it.<sup>4</sup>

**WHO BENEFITS?** You guessed it. The insurance industry.

**Stop price-gouging doctors. Stop blaming patients for an insurance problem they did not create. Stop the secrets and lies.**

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<sup>1</sup> See, e.g., Insurance Services Office, Inc. & Property Casualty Insurers Assoc. of America, *First Underwriting Profit Since 1978 and Investment Gains Propelled P/C Industry's Net Income and Surplus to Record Highs* (April 12, 2005).

<sup>2</sup> See, e.g., Joseph B. Treaster and Joel Brinkley, "Behind Those Medical Malpractice Rates," *New York Times*, Feb. 22, 2005.

<sup>3</sup> See, e.g., CJ&D, *2004 Was the Most Profitable Year Ever for the Insurance Industry*, [http://centerjd.org/free/mythbusters-free/MB\\_InsProfits2004.htm](http://centerjd.org/free/mythbusters-free/MB_InsProfits2004.htm).

<sup>4</sup> E.g. "[T]he insurance industry never promised that tort reform would achieve specific premium savings." (American Insurance Association Press Release, March 13, 2002); "We wouldn't tell you or anyone that the reason to pass tort reform would be to reduce insurance rates." (Sherman Joyce, President, American Tort Reform Association, in *Liability Week*, July 19, 1999).