Lawyers now seek malpractice legislation

By JIM KELLER
Missouri Press News

JEFFERSON CITY — One year after legislators passed medical malpractice legislation, they are being asked to consider a similar proposal to cover lawyers.

Proponents of the measure hope to stop rapidly increasing malpractice insurance premiums for lawyers by requiring that complaints against lawyers go to a review board before any legal action is taken in court.

The measure is being sponsored by House Majority Floor Leader Joe Holt, a Fulton attorney, who says the bill will help stabilize rates lawyers must pay for their malpractice liability insurance.

It also will help citizens by providing for quicker responses to complaints and by eliminating lawyers' fees in many cases, according to James Landis, director of activities for the Missouri Bar.

"Insurance companies are making a windfall profit from these premiums. My rate has increased 100 per cent in the last year," Holt said.

If passed in its pre-filed form, the bill will place a two-year time limit within which a complaint alleging malpractice, errors, ommissions or other professional negligence against an attorney must be brought to the board.

Holt's legislation is similar to medical malpractice bills passed last session. Those bills reduced the number of years in which a patient is eligible to file malpractice lawsuits and also created a medical malpractice review board to screen malpractice cases before any legal action in court.

Under present Missouri law, Holt said there is no statute of limitations for bringing a complaint against attorneys.

This means insurance companies charge higher rates to protect themselves against potential law suits from actions taken by lawyers anytime in their legal careers, Holt said.

Officially entitled the "attorney liability review board authority," the board would consist of two lawyers, two lay persons and one circuit court judge. By having the board review all complaints before they go to court, Holt said many can be resolved to the satisfaction of both parties without going to court.

"This bill will help citizens because it provides a forum not otherwise open to them," said James Landis, director of activities for the Missouri Bar.

"Missouri needs to provide them with an inexpensive and rapid method. This bill provides such a method," Landis said.

According to the bill, the board will review complaints and make suggestions without charge to the citizens. At least part of the expense of maintaining the program will be handled by insurance companies which must pay an additional tax.

One hundred citizens' names and 100 lawyers' names will be put on a master list from which four will be drawn when a board is needed.

If citizens disagree with the board's findings, they still can file a law suit to bring their grievances to court.

The board only can recommend. Its decisions after reviewing the allegations are not binding legally, Landis said.

If a citizen brings suit against a lawyer under present law, Landis said, the insurance company has to begin investigating on behalf of its client, the lawyer.

"They must maintain reserve money if the citizens should win a lawsuit. Since these suits can be tied up in court for years, the insurance companies' expenses are passed on to the lawyers," Landis said.

If there is a quick resolution by the board, he said, and it favors the lawyer, insurance companies can save money and pass these savings on to the lawyers.

The bill strongly is supported by the Board of Governors, the governing body of the Missouri Bar.

But doubts exist about how the bill will be received in the House, which consists of about 20 per cent lawyers, or in the Senate, which is slightly less than 50 per cent lawyers.

"The number of lawyers in either the House or the Senate can be misleading," said Landis. "The more you follow lawyers and other legislators, the less predictable they are."

He and Holt agree not many cases have been brought in recent years concerning legal malpractice, but the plight of doctors and their medical malpractice insurance prompted lawyers to support the bill, in hopes of deterring a similar controversy.

"I think it is special legislation designed for the lawyers in the sense that the bill will stabilize rising insurance rates," said Landis. "But consumers stand to benefit just as much."

business and legal news
business and legal news
business and legal news
business and legal news
business and legal news
business and legal news
NOW
St. Louis Daily Record
& THE ST. LOUIS COUNTIAN
available at
World News
308 West Port Plaza
We're St. Louis' daily business and legal newspapers.
Pick one up today.
business and legal news
business and legal news
business and legal news
business and legal news
business and legal news
business and legal news

Week in Review

JEFFERSON CITY — Gov.-elect Joe Teasdale came out in support of a new death penalty law and indicated there will be a lot of new Democratic faces in his administration at a press conference in Columbia last week.

Little else new came out of that press conference, the first held by Teasdale since the day after his election. Among other things, Teasdale reiterated his intention to get rid of four of the five current Public Service Commission members and to support an increase in corporate income taxes.

Teasdale also indicated legislation making utility cases before the Public Service Commission more of an "adversary" proceeding might be part of his legislative package for the upcoming session.

He also said some appointments to state offices might be announced this week and that his search for administrative talent is limited to Missouri. "We have talent, men and women and resources to run a top-flight government," he said.

One other responsibility Teasdale will have is to appoint a replacement for resigning Auditor George W. Lehr. But at his press conference, Teasdale said that duty was "low on my list of priorities."

Appointment of a new auditor will not come until after Teasdale's inauguration January 10, he said, because preparing a budget and making appointments to state offices were most important right now.

Whoever is selected will be the fourth auditor in eight years. Haskell Holman was the last auditor to serve a full four-year term in the office since Lehr announced earlier this year he wanted to spend more time with his family, particularly his son, who is suffering from muscular dystrophy.

Teasdale's inauguration schedule was released last week by the state Adjutant General's office but for major Teasdale contributors the most important event will be the day before the inauguration.

A private pre-inaugural party January 9 will be given for those contributors who paid $500 or more to the Teasdale campaign. Those contributors will become members of the Governors Advisory Council, an on-going group supporting Teasdale's political activities.

A spokesman for Teasdale said the group will only meet once or twice a year with the governor and will be considered an honorary group consisting of voluntary workers in addition to large contributors.

Gov. Christopher Bond's appointments which he sent to the Senate after the General Assembly adjourned in May and before the general election will still be handled by the Senate.

Normally when a new governor comes into office, the Senate will return all pending appointments made by the outgoing governor.

But after talking to Gov.-elect Joe Teasdale, Senate President Pro Tempore Norman Merrell said Bond's appointments made within the time mentioned above will be considered and acted upon.

The predominant group of appointees in that time are those on the Missouri Human Rights Commission, an agency that has had a troubled couple of years.

An international human rights organization recommended wholesale replacement of the current commissioners but the new appointees were not selected in time for Senate confirmation last session.

The only exception to those appointments are major department directors. One of those, Gerald Reiss' appointment to be director of the Department of Revenue, is a consistent political plum. The other pending director appointment is that of Betty Adams, the first black woman ever named to head a state department, that of Labor and Industrial Relations.

The Public Service Commission has approved "in principle" settlements with Union Electric and Kansas City Power & Light to remove the amount of Construction Work in Progress from the respective utilities' rate bases.

Proposition One, approved by voters in November, prohibits Construction Work in Progress, a process by which ratepayers' electric rates were increased to pay for the utilities' cost of borrowing money to finance construction of new power plants.

Since both utilities had been granted such a rate increase, passage of Proposition One required a rollback. The agreements announced by the PSC require a reduction in gross annual revenues of about $4.35 million for Kansas City Power & Light and $1.36 million for Union Electric.