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In the office of the Secretary of State
of the State of California

MAY 16 1975

MARCH FONG EU, Secretary of State

By *Michael A. Baga*
DeputyExecutive Department
State of California

PROCLAMATION

The cost of medical malpractice insurance has risen to levels which many physicians and surgeons find intolerable. The inability of doctors to obtain such insurance at reasonable rates is endangering the health of the people of this State, and threatens the closing of many hospitals. The longer term consequences of such closings could seriously limit the health care provided to hundreds of thousands of our citizens.

In my judgment, no lasting solution is possible without sacrifice and fundamental reform. It is critical that the Legislature enact laws which will change the relationship between the people and the medical profession, the legal profession and the insurance industry, and thereby reduce the costs which underlie these high insurance premiums.

Therefore, in convening this extraordinary session, I ask the Legislature to consider:

1. Reconstituting the Board of Medical Examiners to include a majority of public members.
2. Giving the Board full authority to discipline and decertify practitioners for lack of competency.
3. Providing the Board with authority to set recertification standards, including updated training and public service, in order to minimize malpractice and increase the quality of medical care.

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4. Providing the Board with authority to develop a system to minimize the present maldistribution of medical care in certain areas of the State.
5. Establishing a Medical Peace Corps to serve Californians who lack adequate medical care.
6. Regulation of hospital rates, including authority over excessive hospital bed capacity and unnecessary duplication of expensive and under-utilized equipment.
7. Voluntary binding arbitration in order to quickly and fairly resolve malpractice claims while maintaining fair access to the courts.
8. Establishment of reasonable limits on the amount of contingency fees charged by attorneys.
9. Elimination of double payments ("collateral sources"); institution of periodic payments and reversionary trusts; limitation of compensation for pain and suffering while insuring fully adequate compensation for all medical costs and loss of earnings; and setting a reasonable statute of limitations for the filing of malpractice claims.

In addition, I intend to:

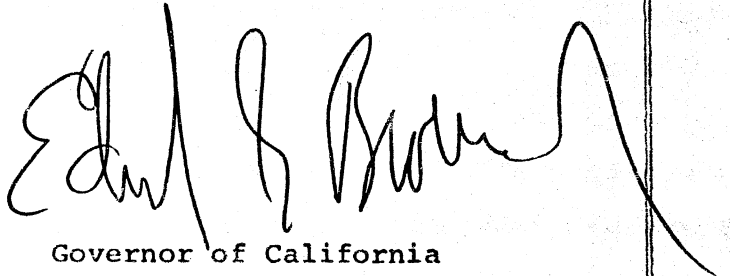
- a) convene a Special Panel to immediately conduct a complete investigation into all insurance company rates and reserve practices and;

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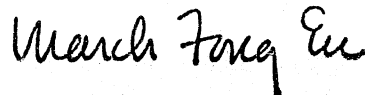
- b) support legislation in the regular session to insure adequate public representation on all professional boards, including the Board of Governors of the California State Bar.

Therefore, by virtue of Article IV, Section 3 of the Constitution, I hereby assemble the Legislature of the State of California in extraordinary session at Sacramento at 1:00 p.m. Monday, May 19, 1975, to consider and act on this legislation.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 16th day of May, 1975.


Governor of California

ATTEST:



Secretary of State

by 
Deputy Secretary of State

