

Assembly No. 3
Date 3-4-05
Bill No. HB 24



Sisters of Charity of Leavenworth Health System

March 1, 2005

Senator Michael Wheat
Chairman of the Senate Judiciary Committee

Dear Senator Wheat:

Astronomically rising medical malpractice insurance premiums have taken a toll on our nation, especially here in Montana. I am currently the hospital administrator at St. James Healthcare in Butte, Montana. I recently was the administrator at Holy Rosary Healthcare in Miles City. Both organizations have seen very unreasonable increases in our general and professional liability insurance, with no negative claims history. Holy Rosary experienced an increase in 2002 from \$55,000 to \$550,000. Similarly, St. James had an increase from \$290,000 to \$842,000.

All of our communities' physicians have experienced comparable increases. As a result, recruiting and retaining doctors is challenging to say the least. Southwest Montana (Butte and surrounding area) has a population of approximately 90,000. Due to the extreme increase in medical malpractice insurance, our community now has only one OB/GYN physician that practices obstetrics. He is able to afford malpractice insurance only because he is recently out of residency and will face the same burdensome expense after he has practiced five years, regardless of claims history.

Your support is greatly needed to ensure that Montana is able to address this critical issue to protect our vulnerable health safety net.

God Bless,

James R. Kiser II
CAO, St. James Healthcare