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****REVISED****

SUPREME COURT DECISION TAKES HMOs OFF THE HOOK FROM IMPROPER DENIALS OF HEALTH CARE

*Texas Patients' Rights Law, Heralded by President Bush During 2000 Campaign, Was
Opposed by Bush Administration in the Supreme Court*

Washington, D.C. – The Supreme Court today struck down a Texas statute that had authorized patients to sue HMOs and other managed care plans for the harm caused when health care is improperly denied. Families USA was the lead organization in a friend-of-the-Court brief filed on behalf of consumer and patient groups in support of the law. [See attached **Background...**] *The following is the statement of Ron Pollack, Executive Director of Families USA, about the Supreme Court decision:*

“Today’s Supreme Court decision takes HMOs off the hook from any liability when they deny needed health care – even when improper denials have tragic consequences. This means that health plans will no longer be deterred from making improper decisions that could severely harm patients.

“It is astounding that, after President Bush proudly boasted about the Texas patients’ rights law throughout the 2000 presidential campaign, his Administration opposed it in the Supreme Court. The President’s opposition may have played a key role in today’s decision, which will bring great joy to HMO executives but will cause enormous harm to America’s patients.

“The effect of today’s ruling is that the patient protection laws of at least ten states – Arizona, California, Georgia, Maine, New Jersey, North Carolina, Oklahoma, Texas, Washington, and West Virginia – will be invalidated. Therefore, this is a big step backwards for insured patients seeking quality care.”

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Families USA is the national organization for health care consumers. It is nonprofit and nonpartisan and advocates for high-quality, affordable health care for all Americans. Mr. Pollack was the only consumer organization representative on the Presidential Commission that developed the Patients’ Bill of Rights.