

Scott Johnson: Why won't we give up on no-fault?

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My View

Hearing that lawmakers have backed away from outright repeal of auto no-fault in favor of giving the 2012 reforms another chance to reduce premiums is like déjà vu all over again.

I remember 1971, working the halls of Florida's old Capitol. I was a wet-behind-the-ears insurance lobbyist, handing out fliers on why we should implement one of America's first no-fault systems.

Insurance Commissioner Tom O'Malley had just won election campaigning for the concept. The governor supported it, as did leaders in both legislative chambers.

Despite a real fight from trial lawyers, HB 182 promised to speed claim payments for accident-related medical care and keep small lawsuits from bogging down the court system. Governor Reubin Askew signed into law what was touted as "the most far-reaching, meaningful, no-fault reform in the country."

But, both the celebration and the 15-percent across-the-board rate reduction were astoundingly short-lived.

In 1973, I was handing out more fliers, and I did so again to reform those reforms in 1976 and in 1977. Always it was to address problems when special interests turned injuries to accident

victims into their own gravy trains. And, always it was accompanied by the political plea “give the previous reforms a chance to work.”

In 1978, only the venue shifted. It was Florida’s spanking new Capitol, and my newest fliers urged the shoring of the lawsuit threshold enacted as part of the 1976 PIP reforms.

In the ’80s, more shoring. And from 1989 to 1997, even more. Eventually no-faults’ deterioration was so complete that even the trial bar was fighting to keep it around, as were the numerous cottage industries feeding off staged accidents and faked injuries. This led to the anti-fraud provisions implemented with HB 3889.

In 1999, HB 295 modified PIP again and was accompanied by major lawsuit reform in HB 775, much of which also targeted PIP’s skyrocketing fraud.

Each time lawmakers implemented reforms, it was amid pleas to “give the previous reforms a chance to work.”

By the turn of the century, organized crime, staged accidents, fake health clinics, crooked doctors and lawyers, money laundering and more intersected in a shocking grand jury report and another major rewrite backdropped with “give the previous reforms a chance to work.”

In a 2003 special session, even more major PIP reform was implemented and, believe it or not, I was involved writing even more fliers — some painfully similar to those I’d handed out as a rookie three decades before.

Fast forward. It’s 2012. Lawmakers back away from “real” reform, enacting another watered-down law undergoing legal challenges eerily similar to those of the past 40 years.

So please forgive me, but when I hear policymakers say they want to give the 2012 reforms yielding a paltry 3.4-percent savings a chance to work, I can only say, “*Are you kidding me?*”

I get it: We don’t want to replace a horrible system of mandatory PIP with an equally horrible system of mandatory something else. But desires don’t erase facts.

And the facts prove two things: No-fault doesn’t work, and it cannot be made to work on any sustained and material basis.

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