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The Coalition for Tobacco Responsibility, representing more than 35 Blue Cross and Blue Shield state insurance plans, is suing the tobacco industry and some of its lobbyists under federal RICO (Racketeer Influenced and Corrupt Organizations) statutes. Dr. Michael McGarvey, chief medical officer for Blue Cross and Blue Shield of New Jersey, told a Washington news conference today, "We are accusing the tobacco industry of conspiracy, fraud, misrepresentation, and violation of federal racketeering and anti-trust laws." McGarvey said three separate suits were filed in New York, Seattle and Chicago federal district courts to recoup money spent on treating tobacco-related illnesses. Coalition officials were unable to specify how much Blue Cross and Blue Shield have paid out for diseases related to tobacco, but the suits are similar to a state suit brought by Blue Cross and Blue Shield of Minnesota and the state of Minnesota in 1994. That case is about to be handed over to a St. Paul jury for deliberation. The suit comes amid charges and countercharges among the White House, Congress and the tobacco industry stemming from the major cigarette companies' recent rejection of a proposed federal settlement. President Clinton has taken a hard line against Big Tobacco, exhorting the industry to stop marketing to young people and warning that legislation will come with or without industry participation. For their part, the tobacco companies have threatened to declare bankruptcy in the face of possible price hikes and what they say is inadequate protection from future litigation. McGarvey scoffed at the notion, saying: "Addiction is an enormously profitable business. I don't think any of us are the least bit worried about the tobacco industry going bankrupt." Lawyers for the coalition, who would not specify a dollar amount of damages sought, pointed out that under the RICO statute, plaintiffs are allowed to seek restitution equal to three times the actual damages. In a statement, R.J. Reynolds Tobacco Company says the suits are "simply the latest example of groups lining up to get on board what they perceive to be the tobacco gravy train." Citing recently dismissed lawsuits in Florida and Pennsylvania, the company says, "American courts have consistently rejected efforts by third-party payers," because insurance companies "stand at too remote a distance from the injuries." Reynolds says it's confident the court will apply the rule of law and avoid setting a precedent "solely to punish a politically unpopular industry." ---