

## Health Care Groups Tell Congress Reform is Needed: Limitless Litigation DOES Restrict Access To Health Care

Patients and Doctors Suffer As Medical Liability Costs Skyrocket –  
HCLA Members Testify and Call on Congress to Pass the HEALTH Act

WASHINGTON, DC — Out-of-control liability costs are forcing health care providers in more than a dozen states to drop vital services or close their practices. In response to the burgeoning crisis, the House Judiciary Committee today called experts from three Health Care Liability Alliance (HCLA) member organizations to testify in hearings on how limitless litigation impacts patients' access to care.

Each of the HCLA member organizations called on Congress to rein in costs and protect patients' access to care by passing the HEALTH Act, recently-introduced federal legislation modeled after successful liability reforms in California. They can be reached for interviews by contacting Aimee Welch at 202.380.0616.

### ■ “Will your doctor be there?”

Donald J. Palmisano, M.D., J.D., speaking for the American Medical Association, told Congress runaway litigation costs pose “a serious threat to the availability of and access to quality health care for patients.”

“Physicians and patients across the country realize more and more every day that the current medical liability situation is unacceptable,” said Palmisano. “Unless the hemorrhaging costs of the current medical liability system are addressed at a national level, patients will continue to face an erosion in access to care because their physicians cannot afford or obtain medical liability insurance.”

### ■ Limitless litigation is forcing good doctors to stop serving patients

Frequent, severe lawsuits are a main reason the medical liability insurance which doctors and hospitals need in order to keep serving patients is becoming unaffordable – or even unavailable – in regions across the country, according to Larry Smarr, president of the Physician Insurers Association of America. Studies show the number of million dollar plus claims tripled between 1991 and 2001. The number of paid claims over \$100,000 increased by more than fifty percent.

“[Insurers] have accurate data... and know that the current rates are justified,” Smarr said. “The only way to curtail the increasing number of excessive verdicts and settlements is through federal medical liability reform.”

### ■ Solution? The HEALTH Act – based on reforms proven to protect patient access to care

In the 1970s, unlimited litigation created an acute access to care crisis in California, and health care liability reforms known as MICRA passed with bipartisan support.

“MICRA now has a 27-year legacy of preserving access to care, utilizing health care dollars efficiently and providing appropriate compensation to injured patients,” testified Danielle Walters, executive vice president of the advocacy coalition, Californians Allied for Patient Protection. “MICRA has immunized California from the medical liability crisis that is currently sweeping the nation... We are proud that this law is now being viewed as a model for addressing medical liability problems throughout the nation.”

### ■ Three-quarters of Americans Favor the HEALTH Act's Reforms

An independent poll conducted for the Health Care Liability Alliance in April 2002 indicates that 78% of Americans are concerned that medical liability costs will limit access to care, and three-out-of-four Americans favor reforms contained in the HEALTH Act such as limiting the fees trial lawyers can collect from medical liability claims and guaranteeing patients full payment for medical expenses and lost wages while placing reasonable controls on awards for non-economic damages, such as “pain and suffering”.

“Repeated polls have indicated that the American public is calling on Congress to pass medical liability reform,” said Christian Shalgian, Chairman of HCLA. “The liability reforms contained in the HEALTH Act will help to ensure that patients are able to receive timely access to quality health care services.”

*For full text of testimony and poll details, visit [www.hcla.org](http://www.hcla.org). Health Care Liability Alliance is a national advocacy coalition of more than three dozen organizations representing doctors, hospitals, health care insurers, producers of medicines and health care consumers. HCLA believes federal legislation is needed to bring fairness, timeliness and cost-efficiency to America's medical liability system.*