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Health Coalition Encouraged by Inclusion of Liability Reforms in 2020 Budget

WASHINGTON, DC – The Health Coalition on Liability and Access is encouraged to see medical liability reforms included in the 2020 budget proposal, highlighting the need to fix what has been a broken system for both patients and health care providers.

The reforms in the President's 2020 budget for the Department of Health and Human Services are projected to save \$26.9 billion in HHS programs, as well as \$31.5 billion in overall government spending over 10 years.

The savings outlined in the proposal stem from an estimated reduction in unnecessary services and curbing the practice of defensive medicine. Many states, including California and Texas, have had success in adding specialty physicians and reducing medical lawsuit abuse following the passage of reforms, and the HCLA has long advocated to pass these reforms at the federal level.

The budget took into account savings that would result from enacting a reasonable limit of \$250,000 on non-economic damages while allowing for full and unlimited recovery of economic damages, including medical expenses and lost wages.

A reduction in health care spending would also be realized if the system was reformed to allow periodic payment of damages, permit evidence of a claimant's income from other sources, and establish a fair share rule to replace joint and several liability practices.

"Our nation's medical liability system benefits a small group of personal injury attorneys at the expense of patients and physicians," said HCLA Chair Mike Stinson. "I am pleased that the 2020 budget recognizes that our system is broken and includes reforms that have been proven at the state level to increase access to care and help bring down sky-high health care costs."

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For more details, visit <u>www.hcla.org</u>. The Health Coalition on Liability and Access is a national advocacy coalition representing physicians, hospitals, health care liability insurers, employers, health care providers and consumers. HCLA believes federal legislation is needed to bring fairness, timeliness and cost-effectiveness to America's medical liability system.