



Expanding Medical Liability Reform

AHA View

The AHA supports a more sensible medical liability system that relies upon evidence-based standards, reduces frivolous lawsuits and produces prompt and fair compensation for injured patients.

Background

The high costs associated with the current medical liability system not only harm hospitals and physicians, but also patients and communities. High premium costs and highly-publicized lawsuits can prompt hospitals and physicians to close services, undermining access to care. The Congressional Budget Office has found that medical liability reform could save between \$17 billion and \$62 billion over 10 years, depending on the policies implemented.

Key Priorities

The AHA recommends the following actions.

Enacting Sensible Medical Liability Reform

The AHA seeks reforms to the current medical liability system based on the following principles:

- Model federal proposals on proven state models of reform;
- Cap non-economic damages;
- Allow courts to limit lawyers' contingency fees;
- Make each party liable only for the amount of damages directly proportional to its responsibility;
- Enact a reasonable statute of limitations after the date of the manifestation or discovery of an injury; and
- Establish "safe harbor" protections for providers who follow evidence-based clinical practice guidelines.

In recent years, several bills have been introduced that would have helped curb escalating medical liability costs, including comprehensive legislation based on California's Medical Injury Compensation Reform Act, which capped non-economic damages and attorneys' fees, among other reforms. While we anticipate that, during 2015, legislative efforts may be focused on more limited, targeted solutions to reform the medical liability system, the AHA will continue to press for comprehensive reform.

Establishing an Administrative Compensation System (ACS)

The AHA supports an ACS in which decisions on compensation in medical liability cases are made by trained, impartial adjudicators outside of the regular tort system, based on whether the injury was avoidable. Specifically, an ACS would compensate patients for injuries that could have been avoided during medical care, based upon nationally developed, evidence-based clinical guidelines. The ACS would handle claims for injury during medical care through an administrative process administered by the states.