



THE HOSPITAL & HEALTHSYSTEM ASSOCIATION OF PENNSYLVANIA



TO: Members of the PA House of Representatives

FROM: Hospital & Healthsystem Association of Pennsylvania
Pennsylvania Medical Society
Pennsylvania Health Care Association
Pennsylvania Chamber of Business & Industry
National Federation of Independent Business
Insurance Federation of Pennsylvania
Pennsylvania Association of County Affiliated Homes
PANPHA

DATE: March 8, 2010

RE: Proposed Changes to the Civil Justice Laws

On behalf of the business and medical communities, we are writing to express our opposition to several bills which were recently moved out of the House Judiciary Committee and are awaiting further consideration by the House.

Excessive litigation and damage awards result in higher consumer prices and decreased availability of services, such as medical care. The high legal costs paid by Pennsylvania health care providers, employers, and governments inhibit job growth, increase health care costs, and limit access to medical care.

- **House Bills 1095 and 2202** would expand the types of damages that can be recovered and the persons who can sue to recover them. These bills would significantly increase liability insurance costs and establish Pennsylvania as an outlier and litigation mecca.

- **House Bill 1444** would permit a jury to hearing closing arguments on the amount of damages, both economic and non-economic, in civil cases. This change in current law will increase the cost of litigation and damages by appealing to the emotional aspects of a jury.
- **House Bill 2123** would prohibit the use pre-treatment arbitration agreements. Arbitration has been a recognized mechanism to provide more rapid, less costly, and less formal resolution to some claims. The use of voluntary, binding arbitration, rather than the court system, to resolve medical liability claims is becoming more common, as health care providers attempt to control costs. In an era where we need to control health care costs, we should not be preempting the use of this alternative dispute resolution process.

House Bills 1095, 1444, 2123 and 2202 will only increase the cost of litigation and the amount of damages that hospitals, physicians, nursing homes, businesses, governmental entities and individuals have to pay in liability cases. More importantly, these bills will worsen Pennsylvania's already appalling legal climate, drive up health care costs and threaten access to care.

We urge you to not consider this unnecessary personal injury lawyer wish list and to instead enact meaningful lawsuit abuse reforms that will inject fairness, common sense, and personal responsibility into our legal system.