



Oregon Health Care Association Opposes Senate Bill 409

On behalf of more than 700 long term care facility members, including skilled nursing facilities, assisted living and residential care facilities, and private licensed in-home care agencies, the Oregon Health Care Association appreciates the opportunity to share our concerns with SB 409.

OHCA members are committed to delivering the highest quality care to residents of long term care communities. Our members' highest priority is to provide individualized, person-centered care based on the specific care needs of our residents. OHCA members regularly participate in ongoing quality improvement initiatives at both the state and federal level. Additionally, long term care facility staff routinely attend professional development activities and take part in continuing education opportunities dedicated to enhancing the overall performance and quality of care in Oregon's long term care profession.

OHCA opposes eliminating the \$500,000 limitation on non-economic damages. Since its adoption in 1987, plaintiffs have been able to recover unlimited compensation for economic and punitive damages. Economic damages compensate plaintiffs for objectively verifiable monetary losses such as past and future medical expenses, loss of past and future earnings, loss of use of property, costs of repair or replacement, the economic value of domestic services, loss of employment or business opportunities. Punitive damages refer to damages awarded for the purpose of punishment - to deter intentional or reckless behavior or actions motivated by malice.

Noneconomic damages are subjective, non-monetary losses such as pain, suffering, inconvenience, emotional distress, loss of society and companionship, loss of consortium, and loss of enjoyment of life. Maintaining a limit on noneconomic damages retains a jury's ability to compensate plaintiffs for their objective losses and punish willful or malicious conduct, while limiting the subjective and sometimes inequitable elements of the civil torts system.

OHCA believes every person is entitled to receive health care services from a health care provider that are at least equal to the "community standard of care." If a resident is injured by substandard care and suffers economic losses, the resident is

legally entitled to seek recovery and should be entitled to recover all economic losses. However, health care liability claims can involve extremely high financial stakes and eliminating the noneconomic damages cap would increase the costs for all health care consumers.

A \$500,000 cap on non-economic loss makes the insurance risk manageable; maintains stability in the insurance market; assures that health care providers will be able to buy appropriate and necessary coverage; and assures that insurance coverage is available to fully compensate injured patients for economic losses suffered.