



Oppose HB 4136

Do not triple the award cap for non-economic damages

HB 4136 would raise the current cap on awards for non-economic damages in wrongful death cases to \$1.5 million, tripling the current \$500,000 limit. On behalf of our over 700 statewide members in the long-term care and senior housing profession, we urge you to say no to this dramatic increase.

Awards of this size for wrongful death cases are extremely rare in our sector.

Despite the rarity of these cases, long-term care providers carry professional liability insurance to ensure that in especially tragic cases, they have adequate protection to prevent bankruptcy.

Standard professional liability insurance limits are generally available for up to the \$1 million in coverage. This means, any award beyond \$1 million dollars would not be covered under the provider's insurance. If the non-economic damages cap is raised, providers would be forced to secure individually underwritten, excess umbrella coverage.

Based on information from our insurance professionals, **this additional professional liability coverage would cost 50% more at a minimum, and potentially up to 300% more for some providers.** Securing adequate coverage under HB 4136 would pose a significant challenge to our members. The increased cost of coverage would have to be passed onto consumers: tens of thousands of fixed-income seniors and their families who require the essential long term care services, supports, and housing that our members provide.

HB 4136 is an expensive solution to what is thankfully a rare occurrence in Oregon.