



MEMORANDUM

To: Chair Floyd Prozanski
Vice Chair Kim Thatcher
Members of the Committee

From: Courtni Dresser, OMA

Date: April 6, 2017

Re: Statement on SB 737 -1

SB 737-1 seeks to create unlimited liability for non-economic damages in medical injury cases.

Economic and non-economic damages in injury case are different and the difference is critical. In general, patients injured due to negligence in our health care system may recover unlimited economic damages. All we are focused on today is a reasonable cap on non- economic damages.

In a recent decision, the Oregon Supreme Court gave the Oregon Legislature the tools it needs to ensure that our health care liability system is predictable and financially sound. Maintaining a reasonable cap on non-economic damages, while allowing for unlimited economic damages, ensures that health care spending is appropriated to patients and not expended on unpredictable jury decisions or in the form of significantly higher liability premiums. Non-economic damages are highly subjective and prone to multi-million dollar verdicts because juries rightfully sympathize with a particular plaintiff. We believe that the Legislature should consider the financial challenges to our entire health care system and use the tools it has been given to safeguard the system from runaway costs.

SB 737 -1 is a blunt response to the Oregon Supreme Court's good guidance and will put Oregon at a disadvantage to other states for its ability to recruit and retain medical professionals.

Liability stability is critical in protecting access to specialty and high-risk services such as women's health care and cardiology, especially for community clinics, health centers, and rural providers that can least afford increased costs.

When considering moving to our state, health care providers will seek out states that practice less defensive medicine and have lower insurance premium costs. Oregon already faces a disproportionate shortage of physicians and health care professionals, especially in the more rural parts of our state.

Because of these reason's the OMA is opposed to SB 737 with the -1 amendments.