

# Tort Reform Talking Points

- Iowa traditionally has not had a history of large judgments against physicians. This is no longer the case.
- In the past six years, there have been 7 large verdicts against physicians and facilities totaling \$134 million in damages.
- In three of these cases, the trial attorneys didn't even bother to pursue economic damages, which are tangible and easily calculated expenses like medical bills and lost future earnings, seeking instead to exploit our lack of a hard cap on noneconomic damages to secure substantial judgments.
- This has caught the attention of medical liability carriers who are in some cases now raising premiums. The state's largest medical liability insurer is increasing premiums by a minimum of 25% for hospitals. However, some hospitals were quoted for increases as high as 70%.
- Every state bordering Iowa has a hard cap on noneconomic damages, with the exception of Minnesota. 28 states have a hard cap on noneconomic damages, or total damages.
- We need a hard cap on noneconomic damages to protect against the out-of-state attorneys who are exploiting Iowa's current law to place our healthcare system in crisis. We need to act now before these suits lead to clinics cutting services or closing their doors for good.
- In several of the recent cases, the impacted facilities are the only healthcare provider in that community. Patients who have been injured deserve fair restitution for their loss, but this must be balanced with the needs of the broader community to maintain access to healthcare by making sure we protect the financial viability of those small providers.
- We are not proposing to cap economic damages like lost wages and medical expenses. These are concrete expenses that harmed patients and their families should receive. We are seeking to cap the intangible noneconomic damages that cannot be quantified and are entirely dependent upon the demands of the trial attorneys and can vary widely from jury to jury. Bringing a level of consistency and common sense to these damage awards will ensure local clinics are able to continue providing care.
- Legislators are the only ones capable of making public policy decisions that balance the need to compensate for medical injuries, with the need to keep the healthcare industry viable.

**Economic damages** are tangible damages commonly including loss of wages, lost future earnings, and current or future medical costs arising from the health care incident in question.

**Noneconomic damages** include intangible damages arising from pain, suffering, inconvenience, physical impairment, mental anguish, emotional pain and suffering, loss of chance, loss of consortium, or any other non-pecuniary damages.