

## CASUALTY ISSUES

**Alert No. 2011-C-1**

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### House Committee Approves Medical Liability Reform Bill

On Feb. 16, the U.S. House Judiciary Committee approved a bill that would make changes to federal medical professional liability insurance law. The Help Efficient, Accessible, Low-cost, Timely Healthcare (HEALTH) Act, H.R. 5, is modeled on California's Medical Injury Compensation Reform Act (MICRA).

The bill would:

- Place a \$250,000 cap on non-economic damages;
- Allow courts to restrict the payment of attorneys' contingency fees;
- Permit courts to require periodic payments for future damages instead of lump sum awards;
- Create a "fair share" rule, by which damages are allocated in direct proportion to fault;
- Establish limitations on the requesting and awarding of punitive damages. Punitive damages awards would be limited to \$250,000 or twice economic damages, whichever is greater.

The House Judiciary Committee approved the bill by a vote of 18 to 15. The bill now awaits action on the House floor.

The original bill that was introduced on Jan. 24 can be found at <http://www.gpo.gov/fdsys/pkg/BILLS-112hr5ih/pdf/BILLS-112hr5ih.pdf>. The disposition of the amendments to the bill can be found on the Judiciary Committee's website at <http://judiciary.house.gov/hearings/pdf/H%20R%20%205%20Amendment%20Overview-%20FINAL.pdf>.

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If you have any questions regarding these issues, contact Lauren Pachman, the Academy's Casualty Policy Analyst ([pachman@actuary.org](mailto:pachman@actuary.org); 202-223-8196).

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