

EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

February 24, 2004 (Senate)

STATEMENT OF ADMINISTRATION POLICY

S. 2061 - Healthy Mothers and Healthy Babies Access to Care Act

(Sens. Gregg (R) NH and Ensign (R) NV)

The Administration strongly supports Senate passage of S. 2061, legislation that addresses the crisis in women's access to prenatal and obstetrics care caused by the Nation's badly broken medical liability system. Obstetricians and gynecologists in many regions of the country have stopped practicing obstetrics because of this crisis. This bill would improve women's access to valuable health care services in these communities.

While S. 2061 would address the medical malpractice liability crisis facing obstetricians and gynecologists and their patients, the Administration continues to support comprehensive legislation such as S. 11 to reform the Nation's medical liability system.

Passage of S. 2061 is an important step toward ensuring that the Nation's liability system fairly compensates those who are truly harmed, does not drive good doctors out of medicine, and increases access to quality, affordable health care. The President strongly believes that patients who are hurt due to negligence of a doctor should be able to collect full damages for current and future medical care, therapy, rehabilitation, lost wages, and other economic losses. In cases of egregious misconduct, doctors may be responsible for reasonable punitive damages. Noneconomic damages should also be available to victims, but within a reasonable limit. S. 2061 is consistent with these principles.

The crisis faced by obstetricians and gynecologists illustrates the urgent need for comprehensive medical liability reforms. Across the country, obstetricians and gynecologists are being forced to close or dramatically reduce their practices because they cannot afford or even obtain medical liability insurance. This crisis has made it more difficult for patients to access affordable, quality health care throughout the country, and is especially troublesome for pregnant women in rural areas who need prenatal and obstetrics health care services. Additionally, the fear of massive, unreasonable awards drives wasteful expenditures on defensive medicine which increases costs for both the private health system and Federal health care programs. The Administration believes that these reforms must be enacted to improve our health care system and give more Americans access to the best, most innovative care.

The Administration urges the Senate to pass S. 2061 and looks forward to working with the Congress to enact comprehensive legislation that meets the President's goals of reducing medical malpractice premiums and overall health care costs by limiting excessive non-economic and punitive damage awards, and minimizing frivolous lawsuits and time-consuming legal proceedings.