

## EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

April 7, 2004 (Senate)

## STATEMENT OF ADMINISTRATION POLICY

S. 2207 - Pregnancy and Trauma Care Access Protection Act of 2004 (Sens. Gregg (R) NH and Ensign (R) NV)

The Administration strongly supports Senate passage of S. 2207. This legislation will reform the Nation's badly broken medical liability system to protect women's access to prenatal and obstetric care and the access of all individuals to emergency and trauma care services. This bill is an important step toward ensuring that the Nation's liability system fairly compensates those who are truly harmed and does not drive good doctors out of medicine.

The crisis faced by obstetricians, gynecologists, and emergency and trauma care professionals illustrates the urgent need for national 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. Emergency and trauma professionals are facing the same difficulties. In communities throughout America, emergency and trauma centers are struggling to remain open, have downgraded their services, or are operating understaffed. Patients' access to affordable, quality health care is harder to find and those families that need direct access to full emergency or trauma care services have a harder time getting needed services.

Additionally, the fear of massive, unreasonable awards causes wasteful expenditures on defensive medicine, which increases costs for both the private health system and Federal health care programs. The Administration believes that reforms are necessary to control rising health care costs, in addition to protecting access to care for women and trauma patients. S. 2207 minimizes time-consuming frivolous lawsuits, and reduces medical malpractice premiums and overall health care costs by limiting excessive non-economic and punitive damage awards.

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. Non-economic damages should also be available to victims, but within a reasonable limit. S. 2207 is consistent with these principles.

The Administration urges the Senate to pass S. 2207 and looks forward to working with the Congress to enact legislation that provides comprehensive reform of the Nation's badly broken medical liability system.

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