



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

March 13, 2003
(House)

STATEMENT OF ADMINISTRATION POLICY

(THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES.)

H.R. 5 - Help Efficient, Accessible, Low Cost, Timely Health Care Act of 2003

(Rep. Greenwood (R) PA and 122 cosponsors)

The Administration strongly supports House passage of H.R. 5, a bipartisan bill to reform the Nation's badly broken medical liability system. The bill would improve access to quality care, while reducing health care costs, by ensuring a more timely, predictable and fair liability system.

The President strongly believes that patients who are hurt due to the 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. Victims of malpractice should also be able to collect non-economic damages, such as for pain and suffering, but within a reasonable limit.

Consistent standards for liability reform will prevent excessive awards that drive up health care costs, encourage frivolous lawsuits, and promote time-consuming legal proceedings. The Administration is pleased that H.R. 5 includes many of the President's reforms needed to create a medical liability system that will compensate patients fairly, hold doctors accountable without driving them out of medicine, and reduce health care costs.

Urgent Congressional action is needed because the medical liability crisis has forced some doctors to close their practices and made it more difficult for patients to access affordable, quality health care throughout the country. In many States that have not enacted meaningful reforms like those contained in H.R. 5, health care providers are facing enormous increases in their medical liability insurance premiums or are unable to obtain coverage at all. Physicians forced to quit their practice leave patients with no access to trauma care, childbirth care, and other critical, and even basic, medical services. The liability crisis has also imposed costs - which could easily exceed \$28 billion this year - on the Federal Government and the American taxpayer, adding to the costs of Medicare and Medicaid and frustrating initiatives to improve access to affordable care.

The Administration looks forward to working with the House and the Senate to enact legislation that meets the President's goal of reasonable medical liability reforms. Combined with the patient safety legislation, which the House passed earlier this week, H.R. 5 will result in safer, more affordable health care for all.

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