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PIAA Lauds Inclusion of Medical Liability Reform in McCain Jobs Growth Bill

Rockville, MD – October 26, 2011 – The Physician Insurers Association of America (PIAA), the national insurance industry trade association representing medical professional liability (MPL) insurance companies, today praised U.S. Senators John McCain (R-AZ), Rand Paul (R-KY), and Rob Portman (R-OH) for including medical liability reform in their new jobs bill and commended the lawmakers for recognizing the significant benefits of medical liability reform for the U.S. budget and for healthcare consumers as well. The bill, “The Jobs Through Growth Act,” (S. 1720) incorporates provisions from the Medical Care Access Protection Act (S. 197), which was based on highly successful medical liability reforms enacted in several states.

“We applaud the Senators for addressing the nation’s fiscal challenge. We are pleased that these Congressional leaders, along with numerous experts, continue to recognize medical liability reform as a key element in reducing our national debt,” said PIAA President and CEO, Brian Atchinson.

“The U.S. healthcare system is clearly an essential part of its infrastructure,” Atchinson continued. “Americans, and their employers, count on it. MPL reform, by reducing the overall costs of healthcare, can help keep insurance costs low for employers, and thereby make possible the growth of new jobs.”

The Congressional Budget Office (CBO) has said that there are significant cost savings to be gained from implementing federal-level medical liability reform. The projected savings would total $13.5 billion, in just the first five years after enactment. And they would total $54 billion over a ten-year period.

“The CBO is not alone in recognizing that major budgetary savings can be achieved from MPL reform,” Atchinson said. “The National Commission on Fiscal Responsibility and Reform, led by former White House Chief of Staff Erskine Bowles and former Senator Alan Simpson, also emphasized the impressive cost savings that can be achieved by MPL reform.”

The Bipartisan Policy Center Debt Reduction Task Force, chaired by former Senator Pete Domenici and former CBO Director Dr. Alice Rivlin, also endorsed MPL reform. “The Center’s report estimated that total federal savings, from caps on non-economic and punitive damages alone, would reach nearly $300 billion by 2040,” Atchinson noted.

“MPL reforms have proved their worth repeatedly over many years, in many states. They provide greater access to care for patients and a safer environment for healthcare providers. Doctors can focus on practicing medicine—instead of being entangled in litigation,” said Atchinson. “Now, these reforms have
been recognized as a source of substantial savings for the federal government. This endorsement underscores their important benefits.”

The PIAA is the national insurance trade association representing medical liability insurance companies. PIAA members insure more than 60 percent of America’s private practicing physicians as well as dentists, hospitals, and other healthcare practitioners.

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