



Wisconsin Hospital Association, Inc.

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Hospitals Praise Bipartisan Vote on Damage Caps *Senate Sends Bill to Gov. Doyle with Another Strong Vote*

MADISON (March 8, 2006) ----- With the Wisconsin Senate's 25 - 8 vote today, a bill that would restore limits on non-economic (pain and suffering) damage awards, is now on its way to Governor Doyle's desk. The bill, which will reinstate a cap of \$750,000 on non-economic damages, cleared the State Assembly last week by an overwhelming majority of 74-22. Votes in both houses surpass what is needed to override a veto, which WHA hopes will not be necessary.

Wisconsin Hospital Association President Steve Brenton praised the Senate for passing a bill that ensures all Wisconsin citizens will have access to medical services, including specialties that are considered high risk, such as neurosurgery and obstetrics.

"We have said all along that it is our desire to dispense with politics and move ahead with a straightforward bill that reinstates an effective cap. That is exactly what the Wisconsin Legislature has accomplished and in an overwhelmingly bipartisan fashion," Brenton said. "We simply can't sit around and watch our state slip into the medical access crisis that has gripped states like Pennsylvania, Oregon, Illinois and others that lost caps. With Governor Doyle's signature, we will be able to avoid that."

WHA has made passage of AB 1073 its **highest priority** for the 2005-06 legislative session. The bill includes the following notable features:

- Is 68 percent **higher** than Wisconsin's previous cap, which was overturned by the Wisconsin Supreme Court in July because it was too low.
- Includes 17 years worth of inflationary increases over the previous cap. It would have taken until 2023 to reach \$750,000 with inflationary indexing under the previous cap.
- Requires a review of a cap amount every two years by the Board of Governors to the Injured Patients and Families Compensation Fund (IPFCF). Board findings must be reported to the Wisconsin Legislature.
- Has an extensive, evidence-based legislative record that provides a solid, rational basis for a cap, as required by the Court.
- Has been extensively reviewed by Professor Gordon Baldwin, a nationally renowned constitutional scholar at the UW Law School.

"We commend legislators on both sides of the aisle who put partisan differences aside to enact this crucial public policy," said WHA Senior Vice President Eric Borgerding. "Governor Doyle asked for a constitutional bill with bi-partisan support and that is exactly what he now has before him. It is time to get this done and we urge him to sign it soon," Borgerding said.

In supporting passage of AB 1073, WHA noted that in the seven months since the non-economic damage caps were overturned:

- The number of million dollar lawsuits filed since the cap was overturned is up over 22 percent;
- Four jury awards exceeding the previous damage cap have been handed down (compared to nine such awards the previous 10 years);
- Injured Patient and Families Compensation Fund premiums increased 25 percent this year; State and local bar associations are offering seminars on how to take advantage of the absence of a damage cap; and,
- Physician recruiters all across Wisconsin are reporting that out-of-state physicians are canceling appointments or simply refusing to consider practicing in Wisconsin due to the loss of the cap.

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