

TO: Senator Brad Ashford, Chair
Members of the Judiciary Committee

FROM: Bruce Rieker, Vice President, Advocacy
Timoree Klingler, Advocacy Specialist

DATE: February 21, 2014

SUBJECT: LB 862 – Change the amount recoverable under the Nebraska Hospital-Medical Liability Act

On behalf of our 90 member hospitals and the more than 41,000 individuals they employ, the Nebraska Hospital Association (NHA) **opposes LB 862.**

LB 862 increases the maximum amount recoverable under current Nebraska law for claims filed pursuant to the Nebraska Hospital-Medical Liability Act (Act). Under current law, amounts recoverable are limited to \$1,750,000 for any occurrence after December 31, 2003. LB 862 would increase the dollar amount recoverable to \$2.5 million for any occurrence after December 31, 2014.

Below is the historical progression of maximum amounts recoverable from any and all health care providers and the Excess Liability Fund for any occurrence resulting in any injury or death of a patient:

- \$500,000 for any occurrence on or before Dec. 31, 1984
- \$1 million for any occurrence after Dec. 31, 1984 and on or before Dec. 31, 1992
- \$1.25 million for any occurrence after Dec. 31, 1992 and on or before Dec. 31, 2003; and
- \$1.75 million for any occurrence after Dec. 31, 2003.

The NHA recognizes that in order to account for various economic factors, periodically we need to amend the amount recoverable. However, the NHA contends that increasing the amount of economic damages recoverable from the current \$1.75 million to \$2.5 million reaches too far.

We urge the Judiciary Committee to indefinitely postpone LB 862. Thank you for the opportunity to comment on this important matter.