



GOVERNMENT RELATIONS

2019 Legislative Session Update

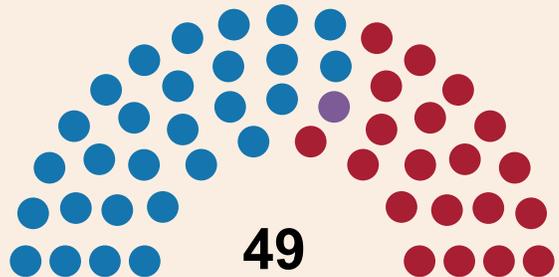
Effective advocacy is crucial for ensuring that the concerns of our members and their patients are heard by lawmakers at both the state and national level. Physicians Insurance works in close cooperation with many other organizations that pursue similar goals, establishing the company as a leading advocate on healthcare-liability policy.

We provide advocacy on challenges to the healthcare-liability system that may create new causes of action against healthcare professionals and other providers, alter the standard of care, create strict liability for providing or not providing care, and impose onerous or unnecessary duties on healthcare professionals and other providers. We support comprehensive effective legislation that will enhance the healthcare-liability system, promote meaningful patient-safety initiatives, improve healthcare quality, and support communication between healthcare professionals, providers, and patients.

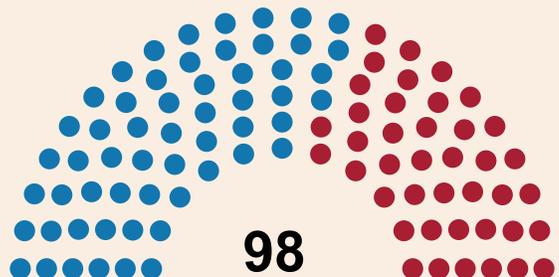
WASHINGTON

The historical legislative environment in the Washington senate continues, with one Democrat senator caucusing with the Republicans. Democrats control both chambers of the Washington state legislature by significant margins, as well as the Governor's Office: Senate 28D-21R / House of Representatives 57D-41R.

WASHINGTON STATE SENATE



WASHINGTON STATE HOUSE OF REPRESENTATIVES





Expansion of a New Class of Beneficiaries—Wrongful Death (PASSED)

SB 5163—*Changes to wrongful-death laws*: Passed the Washington State Senate with a significant-margin vote of 30–17; passed the Washington State House of Representatives with a significant-margin vote of 61–37 and was signed by Governor Inslee on April 26, 2019.

Read the bill: <https://bit.ly/2MCJk3h>

Prior to the enactment of this legislation, wrongful-death law would preclude parents and siblings residing outside the U.S. from bringing a suit for wrongful death of a child or sibling. The law also precluded a parent or sibling from bringing a wrongful-death claim involving the deceased, except where the parent or sibling was financially dependent on the deceased. The changes to the law removed the financial-dependency and residency requirements for parents and siblings. Further, to recover economic and non-economic damages, a parent or legal guardian must demonstrate “significant involvement” in the life of an adult child, such as giving or receiving emotional, psychological, or financial support, to or from the adult child. In addition, a deceased person’s estate is able to recover economic losses in a wrongful-death claim.

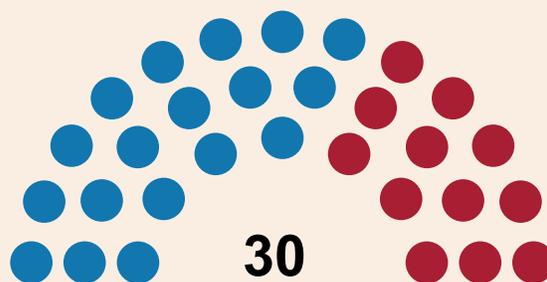
The law is retroactive and applies to all claims not time-barred or pending in court on the effective date of the bill (July 28, 2019).

We anticipated the passage of this legislation and have been working the issue for several legislative sessions. Although we did not support the bill, we supported the fact that its language was significantly reduced to include only parents and siblings as secondary beneficiaries. Please contact us if you have any questions regarding this potential increased liability exposure in Washington.

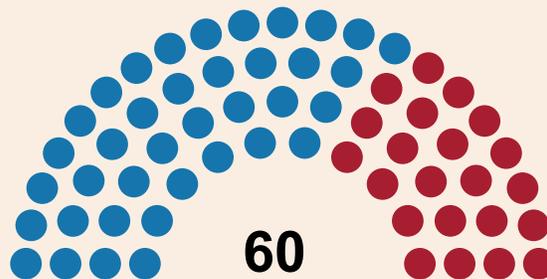
OREGON

As in Washington, the Democrats control both chambers of the Oregon state legislature by significant margins, as well as the Governor’s Office: Senate 18D-12R/House of Representatives 38D-22R.

OREGON STATE SENATE



OREGON STATE HOUSE OF REPRESENTATIVES



Noneconomic Damage Cap—Personal Injury and Wrongful Death (DEFEATED)

HB 2014—*Removes noneconomic damages for bodily injury claims*: Died in the Oregon Senate on June 4, 2019, with a very narrow-margin vote of 14–15. All senate Republicans and four senate Democrats voted to defeat the bill. The bill had passed the Oregon House of Representatives in March 2019 with a significant-margin vote of 36–22.

Read the bill: <https://bit.ly/2WxtJPL>

If HB 2014 had passed the Oregon state legislature, it would have maintained the current law that provides a \$500,000 cap on noneconomic damages in wrongful-death cases, but eliminated the cap on noneconomic damages in bodily-injury cases, which is currently set by statute at \$500,000. However, recent judicial decisions have provided ambiguity in whether the bodily-injury cap is unconstitutional. HB 2014, in part, was intended to provide clarity by eliminating the bodily-injury cap. There is no cap on economic damages in either bodily-injury or wrongful-death cases.

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The minority report that included a \$1.5 million cap on non-economic damages for both bodily injury and wrongful death also failed on the floor of the Oregon Senate, by a party-line vote of 11–17.

Read the bill: <https://bit.ly/2WqgAKN>

The debate over noneconomic damage caps is longstanding in Oregon. Most of the speeches on the floor during this session promoted the merits of finding a compromise and a bipartisan solution, which indicates that the debate over the noneconomic damage cap for bodily injury and wrongful death will continue in future legislative sessions.

In addition to legislative activity, we continue to participate in the Oregon Rural MPL premium-subsidy plan, which pays part of the premiums of participating rural physicians and other health providers.

IDAHO

Idaho continues to maintain a significant Republican majority in both chambers of the state legislature, and has a Republican governor. The 2019 legislative session produced no legislation that adversely impacts the healthcare-liability system.

NATIONALLY

We continue to support and work closely with the MPL Association, our national trade association. Anne Bryant, Senior Director of Government Relations at Physicians Insurance, is

the chair of the MPL Association's Government Relations Committee.

Current federal healthcare-liability reform efforts:

- **Accessible Care by Curbing Excessive LawSuits (ACCESS) Act:** Efforts are underway to increase bipartisan cosponsors to reintroduce the ACCESS Act, which is similar to California's Medical Injury Compensation Reform Act (MICRA). The ACCESS Act provides comprehensive effective reforms that will enhance the liability system, and promotes caps on noneconomic damages while supporting the improvement of healthcare quality.
- **Good Samaritan Health Professionals Act:** Efforts continue to promote federal Good Samaritan legislation, which provides liability protection for healthcare professionals and facilities providing uncompensated services to victims of federally declared disaster areas.
- **Telemedicine Liability:** Efforts continue to expand access to telemedicine services by establishing federal reforms specifically targeted at creating a uniform liability standard for interstate care.

We continue to serve as a trusted, reliable source for our members and key members of Congress, state legislatures, and state executive branches, with a

fair, balanced, and solution-centered approach that promotes the improvement of healthcare quality and patient safety. President Thomas Jefferson once said, "We in America do not have government by the majority. We have government by the majority who participate." Physicians Insurance participates. 



GOVERNMENT RELATIONS

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