



JAMES L. MADARA, MD
EXECUTIVE VICE PRESIDENT, CEO

ama-assn.org
t (312) 464-5000

February 8, 2018

The Honorable Laurie Jenkins
Chair
Judiciary Committee
Washington State House of Representatives
308 John L. O'Brien Building
Olympia, WA 98504

Re: AMA opposition to Washington H.B. 2262

Dear Chair Jenkins:

On behalf of the American Medical Association (AMA) and our physician and student members, I am writing to express the AMA's opposition to **House Bill (H.B.) 2262**, which would significantly expand the statutes governing wrongful death and survival actions. The AMA opposes this legislation because it risks significantly disrupting the stable liability climate for Washington patients and physicians.

The medical liability system adversely affects patients in many ways. It reduces patients' access to health care – particularly high-risk procedures. It impacts where physicians practice – physician supply is more plentiful in areas where physicians are under less pressure from the liability system. And it can lead physicians to alter or limit the scope of their practices. This is particularly the case for high-risk specialists like obstetricians/gynecologists and general surgeons, nearly all of whom will likely face a liability claim at some point in their careers. Does this suggest that all of those physicians are practicing bad medicine? To the contrary, the data suggests that most liability claims may be without merit. Most liability claims are either dropped, withdrawn, or dismissed, and of those that go to trial, the vast majority (87.5%) are resolved in the physician's favor.

Passage of H.B. 2262 would likely add thousands of dollars to the average annual medical liability insurance premium and thereby make the practice of medicine increasingly unaffordable for physicians. Weakening the business climate for Washington's physicians risks driving physician practices out of business and out of the state. With physicians contributing to 8.3 percent of the Washington economy through support of nearly 200,000 jobs and generation of 37.1 billion in total economic activity, the health of both Washington's citizens and economy depend on a strong liability climate.

Based on all of the above, we strongly urge the Judiciary Committee to **oppose H.B. 2262**. If you have any questions, please contact Kristin Schleiter, JD, Senior Legislative Attorney, at (312) 464-4783 or kristin.schleiter@ama-assn.org.

Sincerely,

A handwritten signature in black ink that reads "James L. Madara".

James L. Madara, MD

cc: Washington State Medical Association
Attachment

Physicians bring economic health to Washington's communities.

Beyond their role in safeguarding the health of our communities, physicians in Washington are a major driver of the state economy, spurring economic growth and creating jobs across all industries.

Washington physicians hire locally, buy locally and support the local economy. Through the **creation of jobs** with strong wages and benefits paid to workers across the state, physicians empower a high-quality, sustainable workforce that **generates state and local tax revenue** for community investments. Physicians' economic output—the value of the goods and services provided—helps other businesses grow through their own purchasing and through the purchasing of their employees. Each dollar in direct output applied to physician services supports \$1.97 in economic activity in Washington, and **physician-driven economic activity** is greater than legal services, home health care, higher education, and nursing home and residential care.

View the **2018 American Medical Association Economic Impact Study** to learn more about the contributions physicians make to the health of Washington's economy at PhysiciansEconomicImpact.org.

VITAL SIGNS: THE ECONOMIC IMPACT OF PHYSICIANS IN WASHINGTON¹



Jobs	198,336
Direct jobs	81,583
Indirect jobs	116,753
Average jobs supported by each physician	11.7



Economic activity	\$37.1 billion
Direct economic output	\$18.8 billion
Indirect economic output	\$18.3 billion
Percent of total GSP/GDP ²	8.3%
Average economic output generated by each physician	\$2.2 million



Wages and benefits	\$20.2 billion
Direct wages and benefits	\$14.1 billion
Indirect wages and benefits	\$6.1 billion
Average wages and benefits supported by each physician	\$1.2 million



State and local tax revenue	\$1.2 billion
Average state and local tax revenue generated by each physician	\$72,077

1. The economic impact of physicians in Washington (QuintilesIMS, January 2018).
 2. US Bureau of Economic Analysis: Current-Dollar GDP by State, 2015.

