

Medical Liability Reform

Summary:

The Patient Protection and Affordable Care Act (ACA) authorizes \$50 million in demonstration grant money over five years (beginning in 2011) to States for the development, implementation, and evaluation of alternatives to current tort litigation, such as certificate of merit programs, which require a finding that a suit has merit before it can proceed to trial, and health courts, which would have cases heard by a panel of medical experts rather than a lay jury.

Each state that applied for demonstration grant funds is required to develop an alternative medical liability reform (MLR) system. The MLR alternative must allow for the resolution of disputes, and promote a reduction of health care errors by encouraging the collection and analysis of patient safety data related to disputes by organizations that engage in efforts to improve patient safety and the quality of health care.

Other Federal Medical Liability Reform Efforts:

On November 9, 2010, AHRQ issued two requests for proposal: (1) Patient Safety and Medical Liability Reform Demonstration Projects (R18); and (2) Patient Safety and Medical Liability Reform Planning Projects (R21). AHRQ is accepting applications for both program announcements on a rolling basis, with a current expiration date of January 8, 2014.

The R18 **demonstration** initiative is aimed to help States and health care systems to test models that meet the following goals:

- Put patient safety first and work to reduce preventable injuries;
- Foster better communication between doctors and their patients;
- Ensure that patients are compensated in a fair and timely manner for medical injuries while also reducing the incidence of frivolous lawsuits; and
- Reduce liability premiums.

More information about the initiative can be found at <http://grants.nih.gov/grants/guide/pa-files/PA-11-025.html>.

The R21 **planning** initiative is soliciting planning grants that will lead to the later implementation of a demonstration project on patient safety and medical liability reform. Specifically, the planning effort must focus on:

- Putting patient safety first and working to reduce preventable injuries;
- Fostering better communication between doctors and their patients;
- Ensuring that patients are compensated in a fair and timely manner for medical injuries, while also reducing the incidence of frivolous lawsuits; and
- Reducing liability premiums.

More information about the planning grants can be found at <http://grants.nih.gov/grants/guide/pa-files/PA-11-023.html>.

These grants are in addition to earlier federal medical liability grant programs already in progress that is being administered by AHRQ. In 2009, President Obama authorized \$25 million in funding for medical liability demonstration grants to help states and health care systems test various models of medical liability reform and patient safety. The grants were divided into two programs: (1) demonstration grants which were awarded for 3 years for up to \$3 million for implementation and evaluation of evidence-based patient safety and medical liability systems; and (2) one-year planning grants for up to \$300,000. On July 11, HHS awarded \$23 million in grant funding, including seven three-year demonstration projects and thirteen one-year planning grants. More information about the grant recipients can be found at:

<http://www.hhs.gov/news/press/2010pres/06/20100611a.html>.

Who can apply?

Non-profit organizations can apply as long as State and health systems are involved as partners. State medical associations and national medical specialty societies can directly apply, as long as they collaborate with multiple stakeholders. For-profit organizations may participate in projects as members of consortia or as subcontractors only.

ACTION: ACP chapters are encouraged to work with their state medical association to explore opportunities for their states to apply--and also, to promote the concept of pilot testing health courts.

Resources:

- AHRQ medical liability reform and patient safety demonstration grants/ initiative <http://www.ahrq.gov/qual/liability/>
- [Authorize and Fund a National Pilot of No-Fault Health Courts](#)
- *Will the Patient Protection and Affordable Care Act Address the Problems Associated with Medical Malpractice?* (August 2010), Robert Wood Johnson Foundation, <http://www.rwjf.org/en/research-publications/find-rwjf-research/2010/08/will-the-patient-protection-and-affordable-care-act-address-the-.html>