

# PROTECT HEALTH CARE ACCESS IN COLORADO, PROTECT CAPS

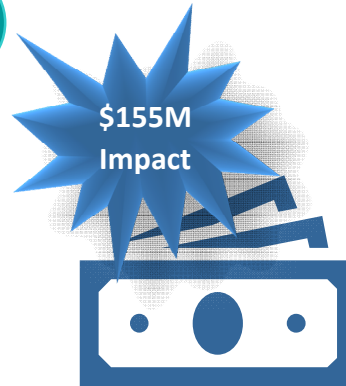
Colorado is ranked as the BEST STATE IN THE NATION for health care affordability and quality (*Becker's Hospital Review, 2023*). Unfortunately, the effort to achieve these outcomes for the patients of Colorado is now at risk. Ballot measures filed by the Colorado Trial Lawyers Association will eviscerate nationally recognized quality improvement processes and make it unaffordable for physicians to provide high risk specialty care, especially in rural and underserved areas.

## Threat To Healthcare Access

Colorado's Health Care Availability Act (HCAA) established a cap on non-economic damages in 1988 in an effort to stabilize medical liability insurance for the hospitals and licensed medical professionals in the state. The cap was increased in 2003.

Eliminating the cap on non-economic damages, such as pain and suffering and inconvenience, would raise costs for health care by at least **\$155 Million** per year – costs that will have to be passed on to patients.

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## Higher Costs

Eliminating caps would increase the cost of medical liability insurance by no less than 30 to 40% annually. This equates to significant increases.

Examples for this increase:

- OB/GYN – Current average premium of \$50,000 could increase by \$16-\$40,000.
- Neurosurgeon – Current average premium of \$110,000 could increase by \$34-94,000.

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For OB/GYNs taking global payment for prenatal to delivery care, this annual increase in premium equates to seeing more:

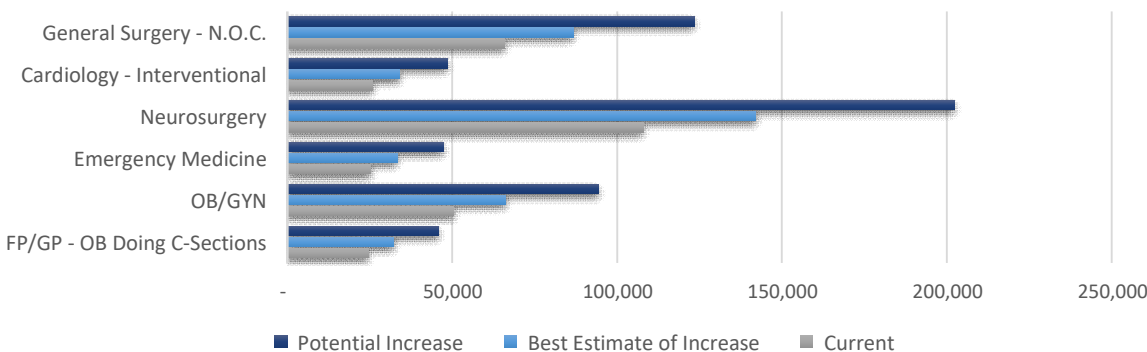
4-12 Additional Private Pay Patients per year



OR 12-25 Additional Medicaid Patients per year



Annual Manual Premium Increase by Specialty



## Economics

Colorado's health care sector employs 1 in 5 Coloradans (744,000) and provides **\$148 Billion** in direct economic impact.

This includes:


- 108 Hospitals
- 18,000 Active Practicing Physicians
- 4,000 Advance Practice Registered Nurses
- 2,300 Physician Assistants

## Challenges

In a recent study by the Common Sense Institute, it was found that **84%** of Colorado's 42 Rural Health Care Facilities are operating below sustainable margins – 9 are at risk of closing in the next 6-7 years.

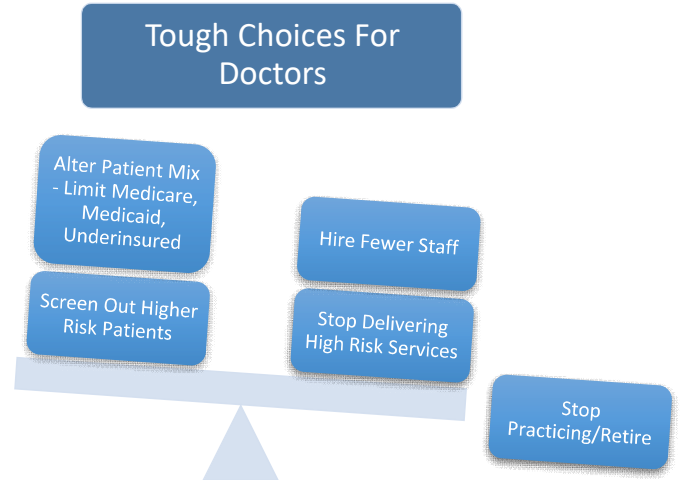
This furthers an access issue already facing Colorado where most counties have no access to pediatric, obstetric, or hospital/birth center care.

## Decrease In Access Quality Care

A majority of physicians say they will have to change the way they practiced if medical liability costs increased (*Keystone Institute, 2019*). These changes include: 



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## Disrupt The Equilibrium

Colorado has always worked to strike a balance between ensuring patients receive fair compensation when injured and stabilizing costs to ensure access to health care providers. Current law allows patients awarded medical liability claims to be **fully compensated** for their economic losses (past and future medical expenses and lost wages). The only limit is on what patients can receive for non-economic damages (pain and suffering and inconvenience). This **protects patients and the medical community from increasing health care expenses and preserves access across all of Colorado**. Eliminating the cap would disrupt this critical balance.

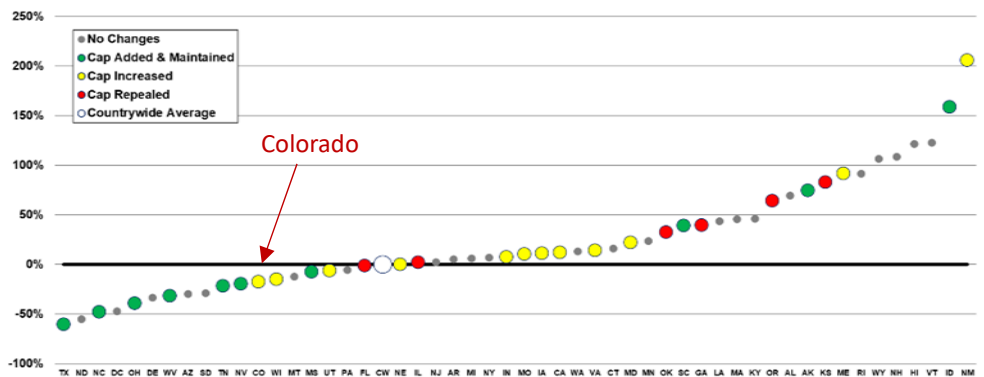
**What YOU Can Do HELP:**  
**Protect Access,**  
**Protect Quality,**  
**Protect Stability,**  
**Protect Affordability,**  
**PROTECT CAPS**

The caps on non-economic damages give providers a **sense of stability** in their medical practices and allow the medical community to focus their **attention and resources on delivering quality care to their patients**.

Additionally, caps limit the expenses incurred by health care providers which keeps them accepting a broader patient mix as well as keep doors opened and clinics and hospitals staffed with the best quality providers so that Colorado remains on the best places for patients to receive care.

### % Change in Average Paid Loss Over 20 Years

*Paid Loss Per Physician, Relative to Country For Closed Years 2001-2003 vs Closed Years 2021-2023*



Source: National Practitioner Data Bank Public Use File, December 31, 2023, U.S. Department of Health and Human Services, Health Resources and Services Administration, Bureau of Health Professions, Division of Practitioner Data Banks



Colorado is in line with the rest of the country when it comes to compensating injured patients. **Costs in states without a cap are 50% to 200% higher than the national average.**