Our regional healthcare system faces a potential disaster.

The New York State Legislature has again passed legislation (A.6698/S.6636) that would exponentially expand damages awardable in wrongful death lawsuits. This bill is very nearly the same as one that was—thankfully—vetoed by Governor Hochul last January.

The Governor must veto this new version as well.

We have great sympathy for the grieving families this legislation seeks to help.  However, any legislation to expand costly lawsuits must be balanced to help prevent the enormous adverse impact this bill would have on our health care system.  Had this bill been signed into law, it would have made it even more difficult for our struggling community hospitals and medical practices to continue to provide needed patient care.

Proponents claim the new bill responds to the Governor’s veto. It most surely does not.

Governor Hochul identified several reasons for vetoing the earlier bill, including that it “would increase already high insurance burdens on families and small businesses and further strain already-distressed healthcare workers and institutions” which would be “particularly challenging for struggling hospitals in underserved communities”.

Furthermore, the Governor articulated her concerns that the bill “passed without a serious evaluation of the impact of these massive changes on the economy, small businesses, individuals, and the State's complex health care system.”

The bill does not address these concerns.  It would continue to enable the awards of new categories of damages that multiple actuarial studies show will lead to a nearly 40% growth in liability costs, which would be on top of the already unaffordable costs facing our physicians and hospitals.

Studies from Diederich Healthcare show that from 2019-2021, New York had the highest cumulative medical liability payouts of any state in the country, $1.4 billion, nearly twice as much as the 2nd highest state (Florida) and the 3rd highest state (Pennsylvania). It also had the highest per capita liability payment, 33% more than the 2nd highest state (PA).

These costs far exceed states like California and Texas, with whom New York competes to retain and attract needed specialty care physicians.

We just completed a State Budget where significant steps were taken to address the stability of our various community health care providers, particularly those providing needed care in our undeserved areas.  Yet by imposing staggering new costs this legislation would undermine the positive steps in the State Budget to protect access to care.

Our regional healthcare safety net is already under significant duress even without having to absorb the extraordinary costs this bill would require. I urge the Governor to veto this new legislation, and work with the Legislature to adopt truly balanced legislation that expands the rights of grieving families, while protecting our healthcare safety net.