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of Mercy

March 6, 2020

Chair Delores G. Kelley Maryland Senate Finance Committee 3 East Miller Senate Office Building Annapolis, Maryland 21401

RE: SUPPORT FOR SB0879: PUBLIC HEALTH – MARYLAND INFANT LIFETIME CARE TRUST FUNDED BY HSCRC AND MARYLAND PATIENT SAFETY CENTER DUTIES

Dear Chairwoman Kelley & Committee Members:

On behalf of Mercy Medical Center, I am writing to express strong support for SB0879: Public Health – Maryland Infant Lifetime Care Trust Funded by HSCRC and Maryland Patient Safety Center Duties. In a small number of complex cases, an infant may require long-term medical care as a result of neurological injuries that occur at birth. The Maryland Lifetime Infant Care trust would provide guaranteed lifetime care for these infants and would be funded entirely by Maryland hospitals through Maryland's unique all-payor rate-setting system.

Medical liability risk related to birth injury cases has been a looming crisis that Mercy has been warning about for the past several years. Mercy's liability expense and hospital reinsurance costs have more than tripled since 2012 and two of Mercy's reinsurers have either stopped providing or scaled back coverage since that time.

Since the \$229 million Byrom vs. Hopkins Bayview award in July 2019—the largest medical malpractice jury award in the history of the United States—the medical liability environment has worsened significantly. The future availability and affordability of hospital reinsurance has become highly uncertain. A recent Baltimore Sun Editorial endorsing the Maryland Infant Lifetime Care Trust described the situation as "a genuine health care emergency". Indeed, the only way to reverse this alarming trend is legislative reform, which we believe would safeguard Mercy's and other hospitals' ability to secure affordable reinsurance in the future.

Mercy is Baltimore City's largest birthing hospital, delivering roughly 3000 babies each year. The overwhelming majority of our mothers are Medicaid-insured and many come from Baltimore's poorest and most challenged neighborhoods. It's been our mission to provide access to high-quality



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maternity care for this vulnerable population. We fully intend to continue our mission but we need your help now to address this worsening crisis.

Thank you for your consideration and we urge a favorable report for SB0879: Public Health – Maryland Infant Lifetime Care Trust Funded by HSCRC and Maryland Patient Safety Center Duties. If you have any questions regarding Mercy's position in support of this important legislation, please contact Ryan O'Doherty, Vice President External Affairs, Mercy Medical Center at 410-456-0892 or rodohert@mdmercy.com.

Sincerely,

Sister Helen Amos, RSM

Executive Chair, Board of Trustees

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Mercy Health Services

