



Maryland
Hospital Association

February 23, 2022

To: The Honorable Luke Clippinger, Chair, House Judiciary Committee

Re: Letter of Opposition – House Bill 717 – Health Care Alternative Dispute Resolution Office – Authority of Director – Dispositive Issues of Law

Dear Chairman Clippinger:

On behalf of the Maryland Hospital Association's (MHA) 60 member hospitals and health systems, we appreciate the opportunity to comment on House Bill 717. Patient safety is hospitals' top priority. MHA supported HB 777 in 2017 to create patient early intervention programs. These programs would have allowed hospitals and clinical staff to work with patients and/or their families if an adverse event occurs. That bill would have promoted transparent communication between patients/families and their caregivers, ensured immediate support for patients and their families, and facilitated financial resolution when appropriate, while still preserving their right to legal representation. Hospitals seek collaborative solutions to adequately compensate patients and prevent future errors.

The Health Care Alternative Dispute Resolution Office was established in 1976 to streamline medical malpractice claims and foster more cooperative solutions between providers and plaintiffs. However, it has since become an arena for some plaintiff's attorneys to circumvent judicial processes. As part of the three-member arbitration panel, the attorney member of the panel also serves as its chairman. Candidates for each of the panel members, including the chairman, are vetted by both parties and only mutually agreeable individuals are selected. HB 717 allows the director to step directly into the panel chairman's shoes, which means both parties no longer choose their arbitration panel. This defeats a core tenet of arbitration: allowing parties to choose their arbitrators. It also places additional authority in the hands of the director—an appointed official who the parties have no say in selecting—without an avenue to appeal or review these rulings.

For these reasons, we urge an unfavorable report on HB 717.

For more information, please contact:
Brian Frazee, Vice President, Government Affairs
Bfrazee@mhaonline.org