



# MEDICAL PROFESSIONAL LIABILITY ASSOCIATION

January 15, 2021

The Honorable J.B. Pritzker  
Office of the Governor  
207 State House  
Springfield, IL 62706

Dear Governor Pritzker:

On behalf of the Medical Professional Liability Association (MPL Association) and our medical professional liability (MPL) insurers that conduct business in Illinois, I am writing to express our concerns about House Bill 3360 and to encourage you to veto this legislation.

As you may be aware, the Medical Professional Liability Association is the leading trade association representing insurance companies, risk retention groups, captives, trusts, and other entities owned and/or operated by their policyholders, as well as other insurance carriers with a substantial commitment to the MPL line who support the quality delivery of healthcare. MPL Association members insure more than 2 million healthcare professionals worldwide—doctors, nurses and nurse practitioners, and other healthcare providers—including more than two-thirds of America's private practice physicians. MPL Association members also insure more than 200,000 dentists and oral surgeons, 2,500 hospitals and 8,000 medical facilities.

The assessment of prejudgment interest on medical liability claims, as proposed by this legislation, would be detrimental to healthcare professionals around the state for multiple reasons. To begin, House Bill 3360 establishes a 9% rate on prejudgment interest, a rate which is highly excessive given interest rates on financial products in the market at this time. The intent of such an exorbitant rate, which bears no relation to the actual change in the value of a liability award over time, can only be to escalate damage awards without regard to the actual needs of an injury victim.

Furthermore, the bill initiates the accrual of that interest on the date the alleged victim is notified of the injury. Under Illinois law, this could mean that interest could accrue for nearly two years before the healthcare professional and his/her insurer were even aware of the claim, thereby giving them absolutely no opportunity to take action to avoid the increased interest expense. Even if notification is given promptly, complex medical liability claims can take years to resolve, years during which House Bill 3360 would penalize the defendant physician simply for doing due diligence to determine if an act of negligence even occurred.

Finally, House Bill 3360 applies the interest to all damages without regard to the type of damages in question. Thus, even future damages and speculative noneconomic damages—

damages which are not affected by the time-value of money—would be subject to the accrual of interest. Again, there is no correlation between applying the interest to such a broad array of damages and to attempting to make an injured patient whole. The result would simply be to needlessly escalate damage awards without providing any legitimate benefit to the injured party.

The most likely result of enacting House Bill 3360 will be to impose increased medical liability premiums upon healthcare professionals and encourage the increased use of defensive medicine, both of which will serve only to drive up the cost of healthcare in the state. Even worse, it may encourage healthcare professionals to leave Illinois entirely to seek more just liability environments in neighboring states, leaving the residents of your state with less access to quality healthcare. For all these reasons, I strongly urge you to veto House Bill 3360.

Thank you for your consideration of the MPL Association's concerns. Should you have any questions or wish to discuss this matter, please do not hesitate to contact me at 240.813.6143 or [batchinson@MPLassociation.org](mailto:batchinson@MPLassociation.org).

Sincerely,

A handwritten signature in blue ink that reads "B. K. Atchinson". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Brian K. Atchinson  
President & CEO