



**MEDICAL PROFESSIONAL
LIABILITY ASSOCIATION**

**Testimony of the Medical Professional Liability Association
to the House Commerce and Consumer Affairs Committee
HB 733
February 12, 2025**

The Hon. John Hunt, Chair
The Hon. John Potucek, Vice Chair

On behalf of the Medical Professional Liability (MPL) Association and its more than four dozen domestic medical professional liability insurer and self-insured members, thank you for the opportunity to submit testimony on efforts to enact the New Hampshire Third-Party Litigation Funding Transparency Act as drafted in HB 733.

By way of introduction, the MPL Association is the nation's leading trade association representing insurance companies, risk retention groups, captives, trusts, and other entities owned and/or operated by their policy holders, as well as other insurance carriers with a substantial commitment to the MPL line. MPL Association members insure more than 2.5 million healthcare professionals around the world—doctors, dentists, oral surgeons, nurses and nurse practitioners, podiatrists, and other healthcare providers. MPL Association members also insure more than 3,000 hospitals and 50,000 medical facilities and group practices globally.

MPL Association members are committed to ensuring a fair and equitable system of justice for both healthcare professionals and those who suffer from adverse outcomes resulting from medical procedures. For this reason, they support numerous reforms to reduce litigation and make our justice system more efficient and effective. Unchecked third-party litigation funding, however, may have exactly the opposite effect, drawing out litigation and making resolution far more difficult to achieve.

This is especially true when such funding arrangements are hidden from those involved in pending litigation. In this regard, we specifically wish to express our full support for HB 733 and its requirement that such funding arrangements are fully disclosed to all parties in a lawsuit.

When parties to an MPL lawsuit attempt to achieve an appropriate resolution, it is important that all the facts are available to both parties. If a plaintiff owes a substantial portion of a potential settlement to a third party, that is a critical fact that will undoubtedly play a role in influencing the course of settlement negotiations. If the defense is unaware of such an arrangement, however, it is impossible to accurately assess the plaintiff's needs. This can lead to both needless confusion and frustration as negotiations play out.

The disclosure requirement in Section 294-F:13 of HB 733 is exactly what is necessary to address this issue. Mandating that third-party litigation funding arrangements are revealed up front will ensure that the already complicated nature of MPL settlement negotiations is not further complicated by relevant financial interests remaining hidden. We especially support the requirement that the details of the funding agreement must be shared with any insurer responsible for providing a defense and indemnification of a party to the claim. In this regard, we encourage the committee to approve HB 733 with these disclosure requirements preserved.

We appreciate this opportunity to comment on HB 733. Should you have any questions or need further information, please do not hesitate to contact me at 240.813.6139 or via email at mstinson@MPLassociation.org.

Thank you.



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