



**TESTIMONY OF
CONNECTICUT HOSPITAL ASSOCIATION
SUBMITTED TO THE
JUDICIARY COMMITTEE
Monday, March 19, 2018**

**HB 5514, An Act Concerning The Recovery Of Attorney's Fees In A Civil Action
Involving A Plaintiff's Nonacceptance Of A Defendant's Offer Of Compromise**

The Connecticut Hospital Association (CHA) appreciates this opportunity to submit testimony concerning **HB 5514, An Act Concerning The Recovery Of Attorney's Fees In A Civil Action Involving A Plaintiff's Nonacceptance Of A Defendant's Offer Of Compromise**. CHA supports the bill.

Before commenting on the bill, it's important to point out that Connecticut hospitals provide high quality care for everyone, regardless of their ability to pay. Connecticut hospitals are dynamic, complex organizations that are continually working to find innovative ways to better serve patients and communities and build a healthier Connecticut. By investing in the future of Connecticut's hospitals, we will strengthen our healthcare system and our economy, put communities to work, and deliver affordable care that Connecticut families deserve.

Connecticut general statutes governing certain types of court claims include an "offer of compromise" system. Offers of compromise, if not accepted by the party presented with the offer, can result in additional costs, interest, and fees being charged to that party depending on who prevails at trial and on the amount of the verdict in relation to the offer of compromise. In theory, this threat of added costs and fees is meant to encourage settlement. But the current system for offers of compromise is unbalanced in favor of plaintiffs. Plaintiffs can be awarded eight percent interest (calculated annually for every year of the case) on recovered amounts, plus nominal attorneys' fees of \$350. Defendants' possible award is capped at the nominal amount of \$350 for attorneys' fees.

HB 5514 seeks a modest rebalancing of this inconsistent treatment by removing a defendant's \$350 cap, and allowing the trial judge to determine what attorneys' fees should be awarded to the defendant when a plaintiff fails to accept an offer to settle. The system will still be inherently unfair to defendants, but the disparity will be reduced.

Thank you for your consideration of our position. For additional information, contact CHA Government Relations at (203) 294-7310.