California’s Medical Injury Compensation Reform Act (MICRA) was created in 1975 to avert a health care crisis. MICRA ensures injured patients receive fair compensation while preserving access to health care by keeping doctors, nurses, and health care providers in practice and hospitals and clinics open. Without MICRA’s protections, many of California’s neediest populations could face reduced access to much-needed services.

In May of 2022, stakeholders reached a legislative agreement to modernize MICRA while preserving its core protections. Assembly Bill 35 keeps MICRA’s essential guardrails in place for patients and providers while also providing fair and reasonable increases to the established limit on non-economic damages for medical negligence cases starting in 2023.

**MODERNIZED MICRA ELEMENTS**

- Unlimited economic damages for past and future medical costs, lost wages, lifetime earning potential, and any other economic losses
- Limits attorney’s fees
- Allows for up to $350,000 in non-economic damages, increasing to $750,000 over 10 years; 2% increase annually afterwards
- Higher amounts available in wrongful death cases
- New protection for expressions of sympathy, regret, and statements of fault by a healthcare provider

**SUPPORTED BY A LARGE AND DIVERSE COALITION OF HEALTH CARE PROVIDERS**

Californians Allied for Patient Protection (CAPP) protects access to health care through MICRA. CAPP’s coalition includes health care professionals and organizations representing physicians, nurses, dentists, community clinics, hospitals, health facilities, Planned Parenthood Affiliates of California, emergency providers, and local governments, among others.

**PROTECTING ACCESS TO HEALTH CARE SERVICES**

- MICRA stabilizes costs, enabling more providers to remain in practice. States without reform suffer from provider shortages leading to the closing of hospitals, clinics, and trauma centers and leaving patients with no doctors in their immediate vicinity.
- MICRA is critical in protecting access to specialty and high-risk services, including women’s health care, community clinics, health centers, and rural providers that can least afford skyrocketing costs.
- Eliminating MICRA would jeopardize access to care for low-income patients who receive care from county and UC health systems that are self-insured and therefore not regulated by the Department of Insurance.
- More lawsuits would increase costs for rural and urban community clinics that provide care to underserved Californians. These costs would then be offset elsewhere, either through a reduction in services, staff, or operating hours.

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"For decades MICRA has ensured that Californians, especially those who are low income and people of color, continue to have access to the care they need. This modernized law continues to protect patients, and allows providers to focus on caring for patients."

Jim Mangia | President and CEO, St. John’s Community Health

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SOURCES: 2022 Medical Liability Monitor

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