

2.1 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms in
2.2 paragraphs (b) through (d) have the meanings given them.

2.3 (b) "Economic loss" means all harm for which damages are recoverable, other
2.4 than noneconomic losses.

2.5 (c) "Health care provider" has the meaning given in section 541.076, paragraph
2.6 (a), except that health care provider also includes a physician assistant registered under
2.7 chapter 147A and ambulance services, medical directors, and personnel regulated under
2.8 chapter 144E.

2.9 (d) "Noneconomic loss" means all nonpecuniary harm for which damages are
2.10 recoverable, including, but not limited to, pain, disability, disfigurement, embarrassment,
2.11 emotional distress, and loss of consortium.

2.12 Subd. 2. **Limitation.** (a) In an action for injury or death against a health care
2.13 provider alleging malpractice, error, mistake, or failure to cure, whether based in contract
2.14 or tort, the amount of damages awarded for noneconomic losses must not exceed
2.15 \$250,000, regardless of the number of parties against whom the action is brought or the
2.16 number of separate claims or actions brought with respect to the same occurrence.

2.17 (b) The limitation imposed by this subdivision must not be disclosed to the trier of
2.18 fact by any person at trial.

2.19 Subd. 3. **Findings.** (a) A court in an action tried without a jury shall make a finding
2.20 as to noneconomic loss without regard to the limit under subdivision 2. If noneconomic
2.21 loss in excess of the limit is found, the court shall make any reduction required under
2.22 this section, and shall award as damages for noneconomic loss the lesser of the reduced
2.23 amount or the limit.

2.24 (b) If an action is before a jury, the jury shall make a finding as to noneconomic loss
2.25 without regard to the limit under subdivision 2. If the jury finds that noneconomic loss
2.26 exceeds the limit, the court shall make any reduction required under this section and shall
2.27 award as damages for noneconomic loss the lesser of the reduced amount or the limit.

2.28 Subd. 4. **Punitive damages limited.** (a) Punitive, exemplary, and similar damages
2.29 recoverable against a health care provider in a cause of action described in subdivision 2
2.30 must not exceed \$250,000. The jury must not be informed of this limitation.

2.31 (b) All damages described in paragraph (a) must be paid directly to the Minnesota
2.32 Comprehensive Health Association created under section 62E.10, subdivision 1, to be
2.33 used for the purpose of reducing its assessments on its members.

2.34 (c) Notwithstanding paragraph (a), a private nonprofit hospital licensed under
2.35 sections 144.50 to 144.56 is not liable for punitive, exemplary, or similar damages in an
2.36 action described in subdivision 2.

3.1 Subd. 5. Excessive attorney fees prohibited. (a) Attorney fees payable by a
3.2 plaintiff in a cause of action referred to in subdivision 2 must not exceed the following
3.3 percent of damages:

3.4 (1) 40 percent of the first \$50,000;

3.5 (2) 33-1/3 percent of the next \$50,000;

3.6 (3) 25 percent of the next \$500,000; plus

3.7 (4) 15 percent of that portion of damages that exceeds \$600,000.

3.8 (b) This subdivision applies to the net damages actually recovered by that plaintiff
3.9 under the cause of action, whether through settlement, alternative dispute resolution, court
3.10 judgment, or otherwise. "Net damages actually recovered" means the net sum recovered
3.11 after deducting any disbursements or costs incurred in connection with prosecution or
3.12 settlement of the claim, including all costs paid or advanced by any person. Costs of
3.13 health care incurred by the plaintiff and the attorney's office overhead costs or charges for
3.14 legal services are not deductible disbursements of costs for such purpose.

3.15 (c) A fee agreement that violates this subdivision is void and unenforceable, to
3.16 the extent of the violation.

3.17 Subd. 6. Intentional discriminatory denial of treatment. Except for the purposes
3.18 of subdivision 5, an action described in subdivision 2 shall not be construed to include any
3.19 claim in a civil action that is based solely on intentional denial of medical treatment that a
3.20 patient is otherwise qualified to receive, against the wishes of a patient, or, if the patient
3.21 is incompetent, against the wishes of the patient's guardian, on the basis of the patient's
3.22 present or predicted age, disability, degree of medical dependency, or quality of life.

3.23 EFFECTIVE DATE. Sections 1 and 2 are effective August 1, 2011, and apply to
3.24 causes of actions arising from incidents occurring on or after that date.