

Insurance Times: Medical malpractice remedies debated

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WASHINGTON (AP) — With doctors complaining about higher malpractice insurance costs, experts are arguing whether limiting lawsuits would help bring medical expenses down for doctors and patients.

Insurers and medical professionals want Congress to limit the amount of money that patients can win in malpractice lawsuits. Legal cases are driving up costs for doctors and insurers, which could lead to a shortage of care for patients, they said.

"Emergency departments are losing staff and scaling back certain services such as trauma units," Dr. Donald Palmisano of the American Medical Association told a House Judiciary subcommittee.

He said that many obstetricians, gynecologists and family physicians "have stopped delivering babies, and some advanced and high-risk procedures are being postponed because surgeons cannot find or afford insurance."

Advocates of legislation that would limit suits say more than half of all jury awards top \$1 million, and that the average jury award has increased to about \$3.5 million. Also, insurance companies have raised the liability premiums to doctors by 79 percent in less than 10 years.

"It is clear that the increasing proportion of multimillion-dollar jury awards is driving the boom in claims costs," Palmisano said.

Those figures were challenged by opponents, who said fewer legal cases would not guarantee lower costs.

Insurers have suffered financially from the stock market slide, the aftermath of the Sept. 11 attacks and lawsuit expenses.

"Today's insurance crisis has absolutely nothing to do with the U.S. legal system, tort laws, lawyers or juries," said Joanne Doroshov, executive director of the Center for Justice and Democracy.

She said the average medical malpractice verdict is about \$30,000, and said medical malpractice costs, as a percentage of national health care expenditures, are at an all-time low of 0.55 percent.

Advocates want to persuade lawmakers to implement rules similar to those passed in 1975 in California, where malpractice awards for pain and suffering are capped at \$250,000.

In Los Angeles, obstetricians and gynecologists pay between \$46,938 and \$57,740 in yearly liability premiums, while in Miami, in a state without tort reform, those rates range between \$108,043 and \$202,949, according to the AMA.

"These numbers speak for themselves. There is no doubt that our current system for resolving medical liability claims is critically flawed," Palmisano said.