Public Citizen has released a report that indicates that in spite of falling malpractice payments to injured patients, health care costs continue to increase.

Medical malpractice payments have fallen for eight years straight and in 2011, and in inflation adjusted dollars, were at a record low.

Much of the “tort reform” campaign has been based on the premise that a large percentage of the increases in health care expenses have been generated by malpractice lawsuits.

This report concludes that, “declining medical malpractice payments, skyrocketing medical costs and consistent findings of rampant medical errors discredit the underlying promises of those who have campaigned to reduce patients’ access to legal remedies.”

“Tort Reform” or Denying Injured Patients Compensation

The truth is no one wants to be the subject of medical malpractice merely to file a lawsuit. However, many of those injured because of medical malpractice receive little if any compensation.

According to the report, many more people die because of preventable medical and surgical errors as receive any compensation for medical malpractice.

These uncompensated injuries do not “go away” just because no malpractice lawsuits are filed. These patients have suffered real injuries or death and the costs are borne by them, their families and their insurance, instead of by the responsible doctors or hospitals.

Catastrophic Cases

“Tort reform” has also been argued to be necessary to prevent “frivolous” cases from being filed. The Public Citizen study reports that more than three-fifths of those injuries compensated are for “significant permanent injury, major permanent injury, quadriplegia, brain damage, the need for lifelong care, or death.”

They go on to point out 80 percent of compensation paid is for these very serious types of cases. In contrast, “insignificant injuries” or “emotional injury only” accounted for less than 0.5 percent of all compensation.

The Public Citizen study suggests that tort reform’s effect has been to lower malpractice payments to genuinely injured patients, lower doctor premiums on their malpractice insurance and do nothing to hold back the continuous increase in overall healthcare costs.

Source: Insurance Journal, “Malpractice Claims at Record Low, Not Driving Health Costs: Consumer Group,”
Crying Wolf: Falling Medical Malpractice Payouts Fail To Stem Healthcare Costs

Andrew Simpson, July 13, 2012