

**By Stacey Burling***Inquirer Staff Writer*

Gov. Rendell yesterday declared Pennsylvania's medical-malpractice crisis over.

Reforms in the state, he said, have led to fewer malpractice suits, lower payouts, and lower insurance rates for doctors and hospitals.

"The results are almost phenomenal," Rendell said at a news conference at the College of Physicians of Philadelphia building. "It is a problem that has, for all intents and purposes, been resolved."

Rendell's statement came on the heels of a news conference Monday by House Republicans, who urged measures to curb "lawsuit abuse" and "significantly reduce the costs of doing business and practicing medicine within the commonwealth."

Peter Lund, president of the Pennsylvania Medical Society, said after Rendell's speech that the malpractice climate was improving, but that "there's still a long way to go." He added that "Pennsylvania still finds itself in an unfavorable position when compared to other states," and that that hurts efforts to recruit physicians.

Payouts for malpractice cases are higher here, Lund said. That is probably because "Pennsylvania allows the sky to be the limit on noneconomic awards.

That seems to be the next area of lawsuit-abuse reform that needs to be fixed."

Rendell said limits haven't worked in Florida. He said his administration has encouraged many changes that have reduced malpractice costs.

Doctors in Pennsylvania are required to have \$1 million in malpractice-insurance coverage. The first \$500,000 comes from private insurers; and the rest, from the state Mcare fund. Over the last five years, Rendell said, the state has spent \$900 million on Mcare abatement, which lowers physician costs. Some doctors with high malpractice risk, such as neurosurgeons and obstetricians, have had their full Mcare bill abated.

Because of changes in court rules, the number of malpractice claims filed in Pennsylvania has dropped significantly. Rendell said Mcare claims have dropped 50 percent since he took office.

The state's two largest private medical-malpractice insurers, PMSLIC and MedPro, have kept their premiums steady the last two years, and recently filed for rate decreases. PMSLIC's average rates would fall 11 percent; and MedPro's, 6 percent.

This weekend, Mcare will officially announce its annual assessment to physicians: 20 percent of the prevailing

primary premium, which is based on the cost of coverage with the Joint Underwriting Association, an insurer of last resort. Last year, it was 24 percent.

Rendell bristled when asked about doctors leaving the state because of malpractice costs. He said Mcare records show that the number of doctors has stayed at slightly more than 35,000 in recent years. "There's been no mass exodus," he said. "That was all perpetrated by people for political purposes."