

# MEDICAL MALPRACTICE MYTHS VS. FACTS

Debunk the myths and find out the facts on medical malpractice.

## MYTH

**Most medical malpractice lawsuits are frivolous.**

## FACT

**97 percent of medical malpractice claims have merit.**

Researchers at Harvard's School of Public Health examined over 1,400 closed medical negligence claims and found 97 percent were meritorious. Of those 1,400 claims, 80 percent involved death or serious injury. The study concluded that "portraits of a malpractice system that is stricken with frivolous litigation are overblown."

## MYTH

**Juries are awarding outrageous medical malpractice verdicts.**

## FACT

**Only 0.05 percent of medical malpractice lawsuits result in an award of \$1 million or more.**

Recent studies show that the average award for a major permanent injury was \$315,000 and \$215,000 for a major permanent injury. The median award for cases where the victim was rendered a quadriplegic, brain damaged, or in need of lifelong care was \$635,000, and the award average for a patient's death was only \$195,000.

## MYTH

**There are more medical malpractice lawsuits now than ever before.**

## FACT

**The number of medical negligence filings has steadily declined .**

According to the National Center for State Courts, tort cases comprise only 6 percent of the nation's civil caseload, with medical negligence claims accounting for just 3 percent of the tort subsection. According to the most recent study from the National Association of Insurance Commissioners, the number of new medical malpractice claims declined by 4 percent between 1995 and 2000 and 8 percent between 1997 and 2006. A Harvard study also found that only 1 in 8 people injured by medical negligence go on to file a claim.

## MYTH

**Medical malpractice lawsuits are driving up healthcare costs.**

## FACT

**Medical negligence compensation accounts for only 0.3 percent of healthcare costs.**

According to the National Association of Insurance Commissioners, the total amount spent defending medical malpractice claims and compensating victims is \$7.1 billion - just 0.3 percent of America's \$2.2 trillion annual healthcare costs. In comparison, preventable medical errors are responsible for \$29 billion in healthcare spending.

## MYTH

**Medical malpractice lawsuits are forcing doctors to stop practicing.**

## FACT

**The number of practicing doctors is at an all-time high.**

In the past decade, the number of practicing physicians has steadily increased, far outpacing population growth. The most recent data shows that the number of physicians per 100,000 people is 307, an all-time high, and on average, 20,000 physicians begin practicing each year.

## MYTH

**Damage caps will lower doctors' insurance rates.**

## FACT

**Doctors' liability premiums are higher in states with damage caps than those without.**

While insurance companies pay out less money towards awards when damages are capped, they don't pass those savings along to doctors in the form of lower premiums. After Texas passed a restrictive damages cap in 2003, GE Medical Protective announced a 19 percent increase in doctors' premiums, acknowledging that "capping non-economic damages will show savings of 1.0 percent." Even the president of the American Insurance Association has said, "We have not promised price reductions with tort reform."

## MYTH

**Medical malpractice is driving physicians out of my state in favor of those with damage caps.**

## FACT

**The number of physicians in every state has increased in every state, and there are more doctors in states without damage caps.**

In the vast majority of states, the number of practicing physicians has either matched or outpaced population growth, and the number of physicians is significantly higher in states without caps than in those that cap damages.