Medical Malpractice Statistics Every Physician Should Know

How do medical malpractice payout rates in your state compare to others? Do payout rates differ by a patient’s age, gender? How have payout rates changed over time?

How do medical malpractice payout rates in your state compare to others? Is it more likely that a malpractice lawsuit initiated by a male patient will result in a higher payout? Do payout rates differ by a patient’s age? How have payout rates changed over time?

A new infographic based on data pulled from the National Practitioner Data Bank and conducted by nationwide medical malpractice insurer Diederich healthcare provides some answers. Here are the key findings:

How Payouts Have Shifted

Total malpractice payout amounts shifted dramatically from 1992 to 2003 and from 2003 to 2011, according to the report.

Between 1992 and 2003, the total amount of malpractice payouts rose from under $3 billion, to a whopping $4.8 billion.

Since 2003, however, the total payout amount for malpractice cases has steadily declined. In 2011, it was about $3.7 billion, according to the report.

This is likely due to the passage of malpractice payout caps in many states. In 2011, nearly 30 states had implemented such caps, according to the American Medical Association.

How Payouts Vary By State

Six states represented more than 50 percent of total malpractice payouts in 2011, according to the report. They are:

- California
- Florida
- New Jersey
- Illinois
- Pennsylvania
- New York

New York had the highest total payout amount: $677 million. That’s more than double the state with the second highest total payout amount, Pennsylvania.

The state with the lowest amount of payouts in 2011, with only $3 million worth of payouts, was South Dakota.

The state with the highest average payout per claim was Hawaii, at $686,509 per claim. And at $122,297, Indiana had the lowest average payout per claim.

How Payouts Vary By Patient

The report also found that payouts vary by patient age and gender.

Patients aged 40 to 59 accounted for over 36 percent of malpractice lawsuit payouts in 2011. The
second highest payout amount occurred in the age group 20 to 39, followed by patients aged zero to 19, and finally, patients aged 60 and over.

Gender also presents a significant variable, according to the report. 58 percent of total payouts were for female patients.

Premium Rates

The findings raise another interesting point. Just because the amount of total payouts in your state may be among the highest, that doesn’t necessarily mean you should expect to pay the highest premiums, and vice versa.

For instance, three of the six states with the highest malpractice payout rates — New York included — had malpractice premium rates that were relatively average in 2011, according to our 2011 Best States to Practice Report.

The American Association for Justice, the world’s largest trial bar, recently noted various studies which identify this disconnect between premium rates and payout rates. It stated that such findings suggest that “even if tort reform saves insurance companies money, those savings are not passed on in the form of lower physician premiums or healthcare costs.”

Disclosures:

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