



MICRA-managing



By Earl R. "Trey" Washburn, MD

Malpractice Insurance costs are burning out of control across the country — but not here.

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In many states the cost of medical malpractice is zooming out of sight. Doctors in various specialties in different parts of the country are being forced to close their practices or severely restrict what they do. The costs of medical malpractice insurance in other locations are as much as three times what we pay in California.

Last December The St. Paul (the second largest medical malpractice insurance company in the US) announced it was immediately quitting all of its medical malpractice insurance business. The company is forecasting that medical malpractice will generate a 2001 underwriting loss of approximately \$940 million.

California has had very stable medical malpractice insurance premiums for many years. Our malpractice insurance rates may not be cheap, but they are not doubling overnight either. This current nation-wide insurance crisis is not affecting us right now. Why not?

The answer is the Medical Injury Compensation Reform Act — passed through strong efforts of organized medicine in 1976 — which stabilized the malpractice situation in California. Before MICRA, medical malpractice insurance rates were threatening to put almost all California doctors out of practice. California then led the nation in cost for malpractice insurance. Today, our costs for malpractice are at or below the median for all states. MICRA has been very effective.

The Consumer Attorneys of California (the renamed California Trial Lawyers Association) have tried to get rid of MICRA again and again. This important law has been preserved only through the vigilance of organized medicine. For this one service alone, our annual dues for SSVMS and CMA are a bargain.

Think what a trebled malpractice insurance cost would do to your practice. It is not pretty. Even if you are in a large medical group (and thus possibly somewhat insulated from overhead costs), vastly larger malpractice insurance premiums will come straight out of your income. There is nowhere else to go for extra money.

CMA continues to watch the proposed Patient Bill of Rights in Washington, DC, with concern. CMA certainly supports patients' rights, but does not want a federal law that establishes nationwide malpractice limits that are weaker than MICRA. For example, MICRA caps pain and suffering awards at no more than \$250,000. A national limit of \$1 million might help doctors in West Virginia, but would hurt us here.

CMA has been concerned that the Patient Bill of Rights could inadvertently do to MICRA what the trial lawyers have failed to do — which is why CMA and AMA have been on opposite sides of this issue at times. As of this writing, the Patient Bill of Rights appears to be a dead issue for the rest of this Congressional session.

California physicians may have it harder than doctors in other parts of our country, but not when it comes to malpractice insurance. This is one crisis we don't need. We can thank CMA and CALPAC for their unwavering protection of MICRA.

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The cost of malpractice insurance in other states

Internists:

Florida: \$26,896 to \$50,774
 Michigan: \$18,376 to \$40,233
 Illinois: \$15,539 to \$28,153
 Ohio: \$10,853 to \$16,270
 Texas: \$14,552 to \$25,563
 Nevada: \$11,636 to \$15,804
 New York: \$16,751 to \$21,648

General Surgeons

Florida: \$63,189 to \$159,166
 Texas: \$34,306 to \$133,957
 Michigan: \$66,611 to \$94,195
 Ohio: \$33,397 to \$60,021
 Illinois: \$50,021 to \$70,178
 Nevada: \$40,388 to \$56,892
 West Virginia: \$36,094 to \$56,371

Obstetrician/Gynecologists:

Florida: \$143,249 to \$202,949
 Texas: \$69,918 to \$160,746
 New York: \$89,317 to \$115,429
 Michigan: \$87,444 to \$123,890
 Illinois: \$88,928 to \$110,091
 Ohio: \$58,131 to \$95,310
 Nevada: \$71,092 to \$94,820
 West Virginia: \$63,165 to \$84,551

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