



Facts about the current Medical Malpractice Condition in Oklahoma and U.S.

By Hugh M. Robert

- In its Rate Survey issue, October, 2010, Medical Liability Monitor found that Oklahoma still has lower medical malpractice rates than most carriers in Missouri, Kansas, New Mexico, Colorado and Texas. Medical Liability Monitor, October 2010, Vol. 35, No. 10. **The rates in Oklahoma have remained the same since 2005.**
- PLICO is in the strongest financial position of its 30 year history said Carl T. Hook, M.D., President of PLICO. Carl T. Hook, M.D., PLICO Annual Report 2009. Even though PLICO is in the strongest financial position in its history, it has not lowered its rates.
- The number of claims reported by PLICO by year is at the lowest number since 2005. The amount of indemnity payments and expenses per year are at the lowest level since 1999 for PLICO. PLICO Annual Report 2009.
- In 2009, Oklahoma reported 2.6 nonfederal physicians per 1000 residents. While this is lower than the national average, it is the same distribution as Texas, and higher than Arkansas which has 2.5 per 1000 residents.
<http://www.statehealthfacts.org/comparemaptable.jsp?ind=689&cat=8>
- Over the last year or so, Hook said he has seen a trend toward more reasonable jury awards, which he attributed to the public education provided by extensive media coverage of lawsuit reform issues. Carl T. Hook, M.D., Journal Record, July 26th, 2005.
- Now that PLICO has raised its premiums, other companies have come into the state to compete, but still the company provides coverage to roughly two-thirds of all practicing physicians in the state. Carl T. Hook, M.D., Journal Record, July 26th, 2005.
- By the end of 2005, PLICO had actually seen a 36% reduction from the previous two years in defense and settlement cost. This allowed PLICO to outperform projected expectations by 39% In December 31, 2005, PLICO had the lowest number of open claims since the early to mid 1980s. Darrin McKelvey, Director of Marketing at PLICO, PLICO Newsletter, 1st Quarter, 2006.
- The average loss payments per case fell 49% from 2003 to 2005. The pending number of claims has also been significantly reduced from 2004 to 2005 by 35%. Sam Glover, Esquire and Assistant Claims Manager at PLICO. PLICO Newsletter, 4th Quarter, 2005.
- According to the Oklahoma Supreme Court, medical malpractice lawsuits are down 60% since July 1, 2003 [effective date of the Healthcare Affordability Act] in our eight largest counties. Tulsa World, October 6th 2004. According to the Oklahoma Supreme Court, the medical malpractice lawsuits have continued to decrease, from 2004 to 2005, there was a 19% decrease in medical malpractice suits filed in the 12 largest counties. According to case data pulled by the Oklahoma Supreme Court Network on total case filings.

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- According to the Kaiser Family Foundation, www.statehealthfacts.org, Oklahoma's average payment on medical malpractice claims for 2007 was \$272,294, well under the national average of \$326,637 per claim. This ranks Oklahoma as 21st lowest per doctor average.
- Oklahoma had \$35,942,750 in paid medical malpractice claims in 2007 and \$17,323,000,000 in personal health care expenditures in 2004 (last year data was available.) Kaiser Family Foundation, www.statehealthfacts.org. Total payouts of medical malpractice claims were under one percent [.207%] of personal health care expenditures.
- Malpractice payouts [judgments and settlements] have increased at an average annual growth rate of 4% between 1991 and 2003 and have grown proportionately with health care spending. Chandra, A., Trends, The Growth of Physician Medical Malpractice Payments: Evidence from the National Practitioner Data Bank, May 31, 2005.
- The number of paid claims per 1,000 physicians dropped from 25.2 to 18.8 from 1991 to 2003. Chandra, A., Trends, The Growth of Physician Medical Malpractice Payments: Evidence from the National Practitioner Data Bank, May 31, 2005.

According to a recent Public Citizen report dated January 2007:

- The number of malpractice payments declined 15.4 percent between 1991 and 2005. Adjusted for inflation, the average annual payment for verdicts declined 8 percent between 1991 and 2005. Payments for million-dollar verdicts were less than 3 percent of all payments in 2005.
- In fact, according to the National Practitioner's Data Bank (NPDB) data, the annual average payment for a medical malpractice verdict has not exceeded \$1 million in real dollars since the beginning of the NPDB. The average payment for a medical malpractice verdict in 1991 was \$284,896. In 2005, the average was \$461,524. Adjusting for inflation, however, shows that the average is actually *declining*. The 2005 average adjusted for inflation is only \$260,890 — a decline of 8 percent since 1991.
- Since the beginning of the NPDB:
 - Just 5.9 percent of doctors have been responsible for 57.8 percent of all malpractice payments since 1991, according to data from September 1990 through 2005. Each of these doctors made at least two payments.
 - Just 2.3 percent of doctors, having three or more malpractice payments, were responsible for 32.8 percent of all payments.
 - Only 1.1 percent of doctors, having four or more malpractice payments, were responsible for 20.2 percent of all payments.