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## **When medical liability reform is enacted at the state level...**

### ***...costs of providing health care go down.***

- Texas doctors have received, on average, a 46 percent reduction in their liability premiums since reforms were passed in the state in 2003, resulting in \$1.9 billion in reduced premiums.<sup>1</sup>
- Liability premiums for specialists in California are substantially less than for specialists in metropolitan areas in states without reforms such as New York. An obstetrician/gynecologist in Los Angeles pays approximately \$49,804 per year for liability insurance while the same specialist could pay \$155,329 in New York.<sup>2</sup>
- It's estimated that an increase in the limit on non-economic damages included in California's successful Medical Injury Compensation Reform Act (MICRA) from \$250,000 to \$1 million would raise the annual cost of California's health care system by \$9.9 billion, or more than \$1,000 per household.<sup>3</sup>

### ***...access to care increases.***

- Texas added nearly 5,800 more physicians with in-state licenses than can be accounted for by population growth alone. Forty-six counties (39 of which are rural) that did not have an emergency medicine physician now do. Fifteen counties (14 of which are rural) that did not have a cardiologist now do.<sup>4</sup>
- West Virginia has seen an increase in the number of licensed physicians from 5,182 in 2003, when reforms were passed, to 6,282 in 2013.<sup>5</sup>
- In the three years leading up to tort reform, Missouri lost 225 physicians. In the first full year after reforms were passed in 2005, the state added 486 new licensed physicians.<sup>6</sup>

### ***...awards benefit deserving patients, not personal injury attorneys.***

- A study by the RAND Corporation showed that California's MICRA reform law was successful at decreasing insurer payouts, while more of the award went to patients. MICRA's contingency fee

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1 "Proposition 12 Produces Healthy Benefits," Texas Medical Association, [www.texmed.org/tortreform](http://www.texmed.org/tortreform).

2 Medical Liability Monitor, 2016

3 Hamm William G., Frech HE, Wazzan C Paul, "MICRA and Access to Health Care," January 2014.

4 "Proposition 12 Produces Healthy Benefits," Texas Medical Association, [www.texmed.org/tortreform](http://www.texmed.org/tortreform).

5 *West Virginia Board of Medicine*.

6 Missouri State Medical Association, 2010.

reform and limits on noneconomic damages caused plaintiff attorney fees to be reduced 60 percent while net recoveries to patients and their families were only reduced 15 percent.<sup>7</sup>

*...fewer meritless lawsuits are filed.*

- In Ohio, where reforms were passed in 2003, liability lawsuits in the state were down 41 percent between 2005 and 2010.<sup>8</sup>
- Liability lawsuits in West Virginia were down 50 percent after reforms, as of 2011.<sup>9</sup>
- Most Texas counties have seen a 50 percent or greater drop in medical liability lawsuits since reforms were passed in 2003.<sup>10</sup>

***Patients in states that have enacted comprehensive medical liability reform have seen their health care costs decrease and their access to quality medical care increase.  
Enacting these reforms at the federal level will benefit all patients.***

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7 Pace NM, Golinelli D, Zakaras L. *Capping Noneconomic Awards in Medical Malpractice Trials* xxiv. RAND Corp: 2004.

8 "Lawsuits Against Doctors Decline," *The Columbus Dispatch*, 12 April 2012.

9 "W.Va. Supreme Court OKs State's Cap for Non-Economic Damages in Case," *The State Journal*, 27 July 2011.

10 "Proposition 12 Produces Healthy Benefits," Texas Medical Association, [www.texmed.org/tortreform](http://www.texmed.org/tortreform).