



Health Care Issues: Medical Malpractice Lawsuits

Written On October 9, 2009 By [Bob Kraft](#)

The [Richmond Times-Dispatch](#) has a short article about the health care debate and the effect of medical malpractice tort reform on the costs of health care. The gist of the article is that the entire cost of medical malpractice lawsuits is less than ½% of total health care spending. Here are excerpts:

A look at key issues in the health care debate:

THE ISSUE: Would restrictions on medical malpractice lawsuits mean cheaper health insurance?

THE POLITICS: Republicans rally around the idea that the health system would save substantial money if limits were placed on frivolous lawsuits by patients or their families, and on the size of awards paid out when medical mistakes are made. Some in the GOP see “tort reform” as a magic bullet for runaway costs and have been pushing it for years. The proposal never goes far with most Democrats, who call it a red herring. This contest of ideas has as much to do with special interest groups as with the two parties. Trial lawyers, who oppose proposed limits on the lawsuits, are heavily connected with Democrats in their political contributions. Traditionally, doctors have given more to Republicans. Their leading trade group, the American Medical Association, counts controls on medical liability as a priority. President Barack Obama opposes what he calls “an artificial cap” on malpractice awards.

WHAT IT MEANS: Lawsuits – or the threat of them – can drive up health care costs in several ways, but it’s questionable by how much. Most directly, malpractice

insurance is expensive for medical professionals, and it can cost upward of \$100,000 to bring a case to court. Still, the nonpartisan Congressional Budget Office estimated last year that savings achieved by limiting medical liability would amount to less than 0.5 percent of health care spending. In addition, the office studied states with their own controls on medical lawsuits. It found no proof that those limits have reduced “defensive medicine” – expensive and unnecessary tests and procedures ordered by a doctor only to reduce the risk of a lawsuit.