

Medical malpractice claims incur substantial defense costs

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(HealthDay) -- Defense costs for medical malpractice claims vary among specialties and are higher for claims that result in indemnity payments, according to a letter published in the April 5 issue of the *New England Journal of Medicine*.

To investigate the degree of variation in defense costs across specialties, Seth Seabury, Ph.D., from the RAND Corporation in Santa Monica, Calif., and colleagues analyzed defense costs associated with 26,853 malpractice claims covered by a nationwide professional liability insurer, closed between 1995 and 2005, among 40,916 physicians. Defense costs included factors directly linked with the cost of defending an individual claim, but not factors that could be spread across multiple claims.



The researchers found that the mean defense cost associated with claims was $22,959 \pm 41,687$. Significantly higher costs were seen for those claims in which an indemnity was paid (45,070 versus 17,130). There was considerable variation across specialties, with the mean defense cost for a claim resulting in an indemnity ranging from 83,056 in cardiology and 78,890 in oncology to 24,007 in dermatology and 23,780 in ophthalmology. In all specialties, the mean defense costs were lower in cases that did not result in indemnity, with costs ranging from 7,283 in nephrology to 25,073 in gynecology.

"These findings show that although the costs of dispute resolution are higher for claims that result in indemnity payments, there is still a meaningful cost of resolving claims that never result in payment," the authors conclude.

More information: Full Text

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