

Noneconomic damages caps cut malpractice payments by 15 percent

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(HealthDay)—Adoption of noneconomic damages caps reduces average malpractice payments by 15 percent, according to research published in the October issue of *Health Affairs*.

Seth A. Seabury, Ph.D., from the University of Southern California in Los Angeles, and colleagues estimated the impact of state noneconomic damages caps on average <u>malpractice</u> payment size using data from a national sample of <u>malpractice claims</u> for 1985 to 2010. They compared how the impact differed with cap restrictiveness (\$250,000 versus \$500,000).

The researchers found that, compared with having no cap, noneconomic damages caps reduced the average payments by 15 percent (\$42,980). Compared with having no cap, average payments were reduced by 20 percent (\$59,331) with a more restrictive \$250,000 cap, while a less



restrictive \$500,000 cap had no significant impact. Physician specialty influenced the effect of the cap, with the largest impact on claims involving pediatricians and the smallest impact for claims involving surgical subspecialties and ophthalmologists.

"Future evaluations of malpractice reforms and the design of malpractice policy should consider both the types of physicians who are most likely to be affected by reforms and the differential impact that reforms may have depending on how restrictive they are," the authors write.

More information: Abstract

Full Text

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