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Malpractice Risk, by Physician Specialty

Data are lacking, by medical specialty, on the share of physicians who face malpractice claims and the size of payments and cumulative incidence of such claims. Previous studies used older data with limited geographic coverage, relied on self-reports from limited samples with low response rates, or lacked information on physician specialty or payment size.

To understand malpractice risk by specialty, Anupam B. Jena, Seth Seabury, Darius Lakdawalla, and Amitabh Chandra analyzed data from 1991 through 2005 for nearly 41,000 physicians covered by a large nationwide liability insurer. The data included at least 200 physicians in each of 24 specialties, allowing analysis of malpractice risk, by specialty. (Those in a specialty with fewer than 200 physicians were grouped in a 25th, “other specialties,” category.)

Malpractice Claims

Across specialties, 7.4 percent of physicians annually had a claim, and 1.6 percent made an indemnity payment. Among physicians in neurosurgery, 19.1 percent annually faced a claim, but just 2.6 percent in psychiatry did (Figure 1). Physician age, year, and state of practice did not affect these estimates.

Specialties with higher proportions of claims do not always incur higher proportions of payments. For example, gynecology had the 12th highest average annual share of physicians with a claim but the highest share with a payment.

Indemnity Payments

Across specialties, the mean indemnity payment was \$274,887, and the median was \$111,749 (Figure 2). Specialties most likely to face indemnity claims were not always those with the highest average payments.

The difference between mean and median reflects a skewed distribution toward large payments in some specialties. Obstetrics and gynecology accounted for the most payments of at

Abstract

Despite intense interest, there have been few comprehensive studies characterizing differences in malpractice risk, by physician specialty. This prompted researchers to analyze national malpractice data on over 40,000 physicians in 24 specialties. They found large variation across specialties in the frequency of claims and the amount paid on claims. The data suggest that a majority of physicians face at least one claim during an extended career, though most claims do not result in a payment to the plaintiff.

least \$1 million, followed by pathology, anesthesiology, and pediatrics.

Career Malpractice Risk

Most physicians can expect to face at least one malpractice claim over a 30 year career. By 45 years of age, 36 percent of physicians in low-risk specialties are likely to have had at least one malpractice claim, compared to 88 percent of those in high-risk categories. By this same age, just 5 percent in low-risk specialties and 33 percent in high-risk ones are likely to have made at least one indemnity payment. By 65 years of age, 75 percent of physicians in low-risk specialties and 99 percent of those in high-risk ones are likely to have had at least one malpractice claim, and 19 percent of those in low-risk specialties and 71 percent of those in high-risk ones are likely to have had at least one indemnity payment.

Findings and Implications

These results confirm malpractice rates in many high-risk specialties found in earlier research based on self-reporting. The results indicate higher malpractice rates than previously reported

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Figure 1
Proportion of Physicians Facing a Malpractice Claim Annually, According to Specialty

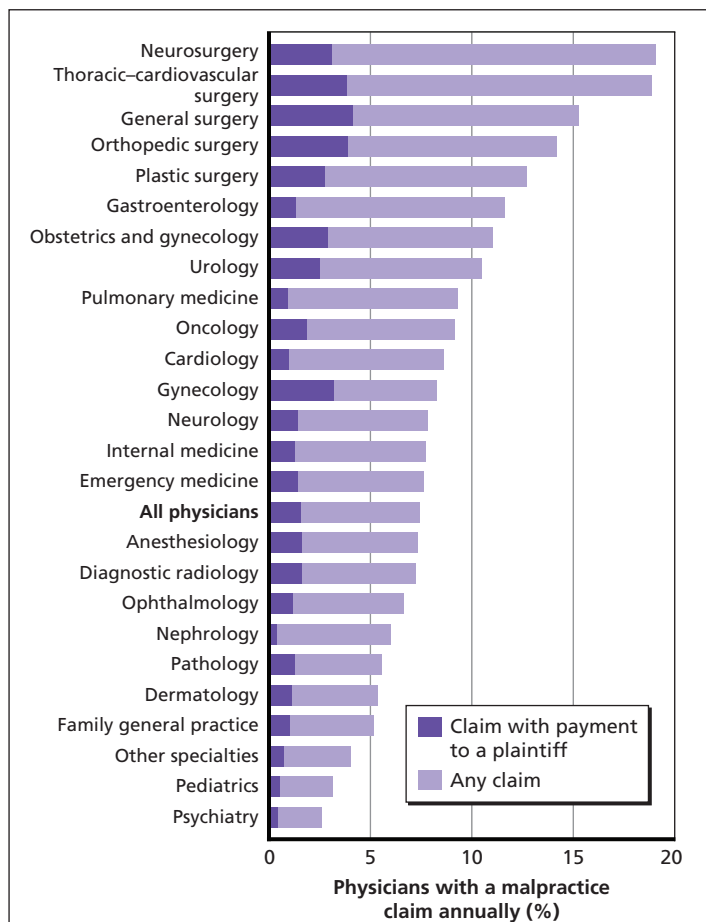
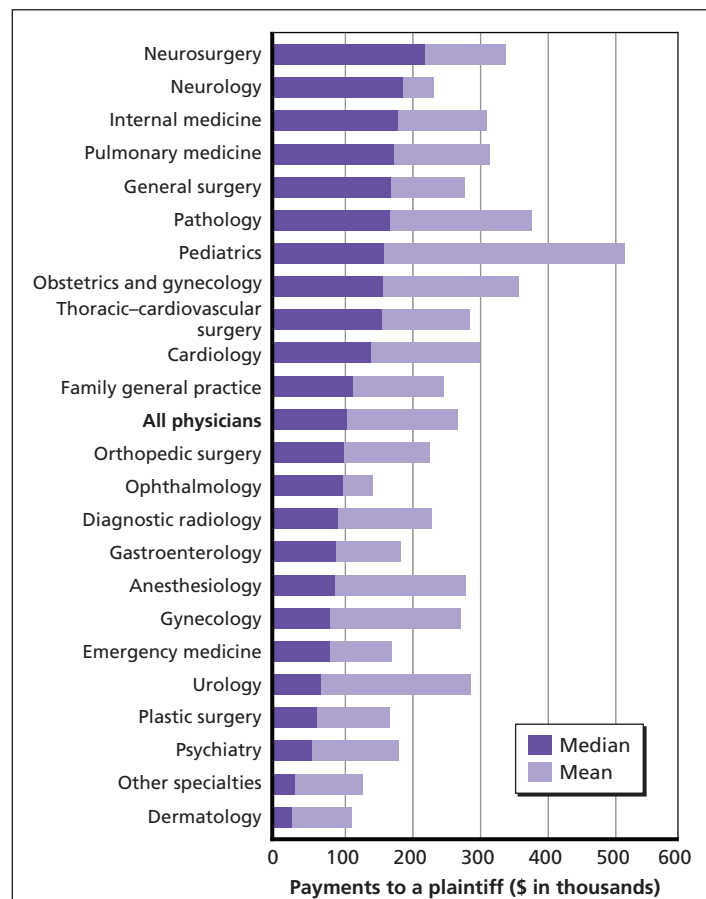


Figure 2
Amount of Malpractice Payments, According to Specialty



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 NOTES: Payments are shown in 2008 dollars. Specialties that had fewer than 30 payments (i.e., oncology and nephrology) are not listed.

in low-risk specialties, possibly because of the stigma of a claim in these fields.

The results also indicate that many will never have to make an indemnity payment. Nevertheless, the risk of a

claim, the possibility of a claim leading to a payment, and the size of a payment contribute to high levels of perceived malpractice risk among U.S. physicians. ■

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