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Missouri Tort Reform Reverses Doctor Exodus

Written by Rick Docksai

In a development suggesting medical malpractice reform may help alleviate doctor shortages, a package of reforms in Missouri signed in 2005 by then-governor Matt Blunt (R-MO) to curb junk medical lawsuits has created an environment more appealing to physicians.

“We had widespread problems with practices recruiting before the reforms,” said Tom Holloway, director of government relations for the Missouri State Medical Association. “Physicians didn’t want to come here and practice. Physicians wanted to leave the state.”

The state’s physician population shrank by 225 doctors from 2002 until 2005. The drop reflected physicians fleeing the high premiums they had to pay for malpractice insurance, Blunt says. In a September 22, 2009 Wall Street Journal editorial, the former governor cited an obstetrician who retired after his annual insurance premiums increased 82 percent in just one year.

Capping Damages

In 2005 Blunt capped noneconomic damages at \$350,000 and mandated defendants could not be forced to pay a full judgment unless their fault exceeded 50 percent. He also enacted new laws requiring cases to be heard in the county where the alleged injury occurred; affidavits must

come from active professionals practicing substantially the same specialty as the defendant; and a doctor who tells a patient “I’m sorry” is no longer seen as automatically admitting guilt.

Since the reforms were passed, the state has had its fewest medical-related lawsuits in three decades, the Missouri Department of Insurance reports. Holloway says the subsequent \$26 million decline in malpractice insurance premiums represents savings that benefit both doctors and patients.

“That’s money that we’re saving in the health care system. And we’re using it to create better access to care, buy better equipment, and hire more doctors,” said Holloway. He says he “absolutely” thinks Congress should pass comprehensive nationwide tort reform.

Pam Villarreal, a senior policy analyst for the National Center for Policy Analysis in Dallas, Texas, says one thing holding back national tort reform is that too many in Congress stand to benefit from rampant lawsuits.

“There are so many trial lawyers who are members of Congress,” said Villarreal. “It makes it difficult to get any type of reform passed.”

Cutting Defensive Medicine

The threat of lawsuits can cause doctors to engage in “defensive medicine,” prescribing more tests than necessary in order to protect themselves from lawsuits. Villarreal says measures such as those in Missouri resolve those problems.

“If we could create a more open environment where physicians don’t have to be on the defensive, that would save patients and doctors a lot of money in the long run,” said Villarreal.