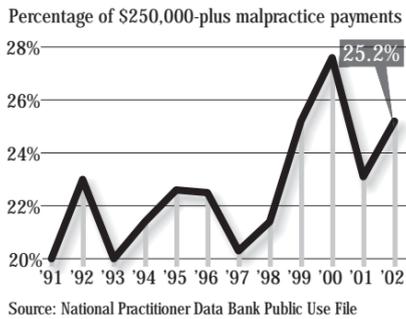


AN ANALYSIS OF MEDICAL MALPRACTICE: What's really going on?

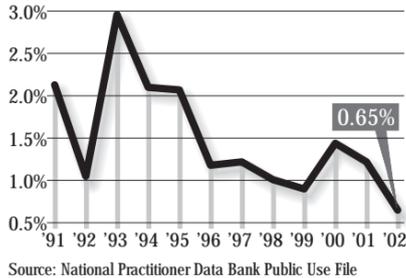
Patients are getting larger payouts — TRUE

More and more payouts are more than \$250,000.



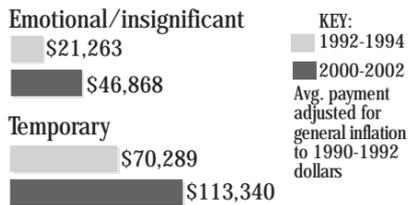
Fearing high jury awards, insurers are settling more.

Percentage of malpractice cases decided by juries

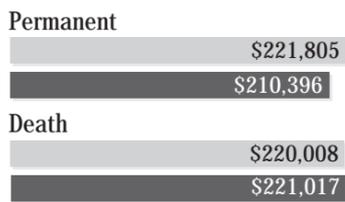


Patients are getting rich — FALSE

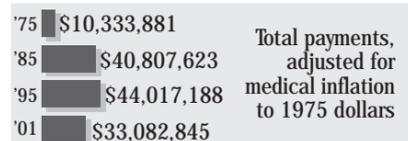
Payments for minor injuries are up...



... but payments for major injuries have not risen



Malpractice payouts don't seem so high when adjusted for inflation.



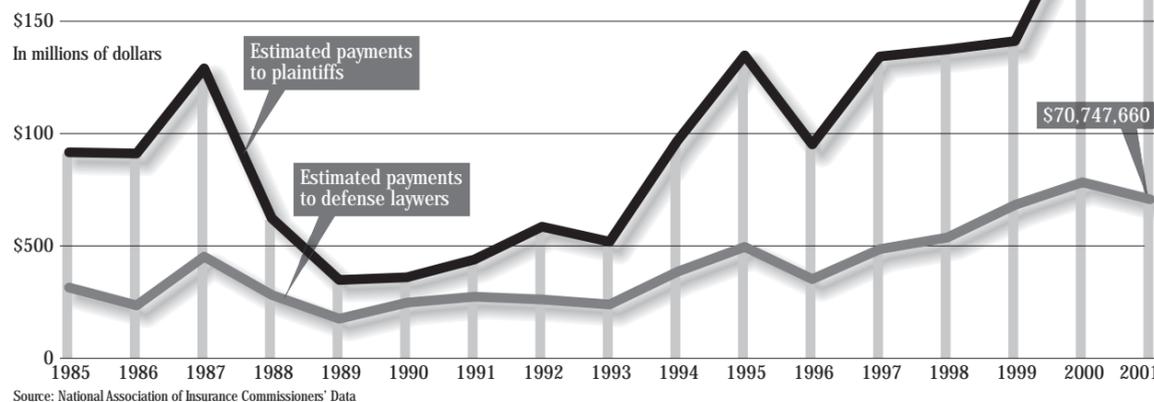
Source: Florida Office of Insurance Regulation

The myths and realities behind Florida's crisis in medical malpractice insurance.

Research by SANJAY BHATT/Staff Writer • Text by DANIELA DORNIC-JONES/Staff Writer

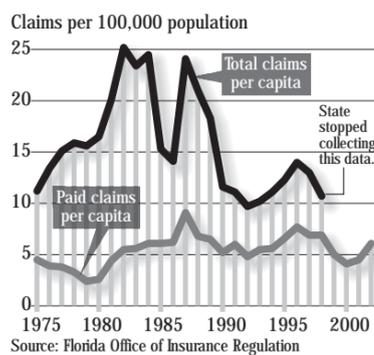
Malpractice costs are sky high — TRUE

Since the mid-'90s, estimated malpractice costs have doubled and eclipsed the highs of the last serious crisis in 1987.



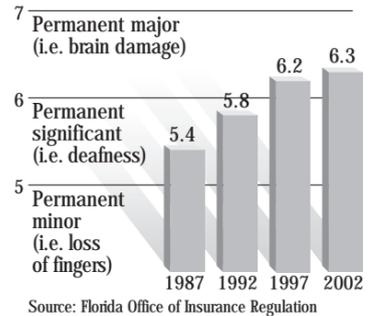
People are suing like crazy — FALSE

In fact, the number of claims paid reached a 19-year low in 2000.

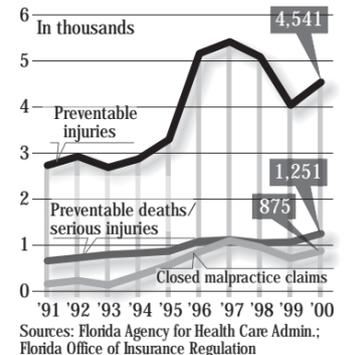


The typical injury in a mal-practice case is more serious today than in the past, based on insurers' own records.

Based on insurance industry scale

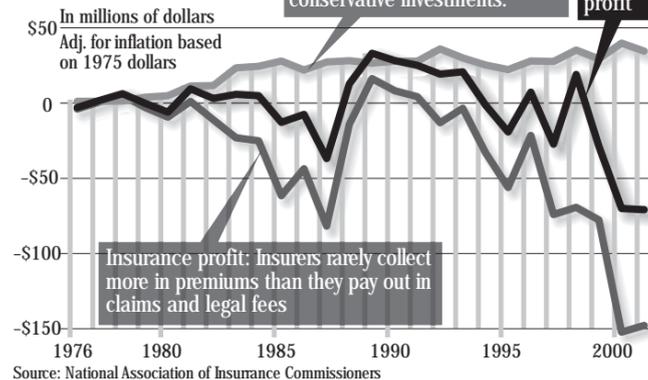


Preventable injuries far outnumber malpractice claims reported to the state.



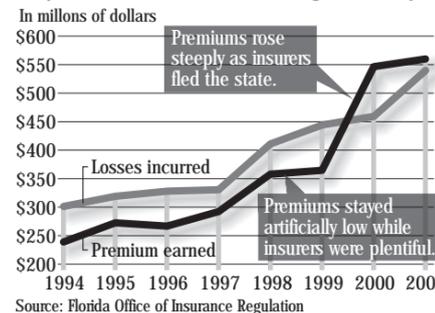
Insurance companies are getting rich — FALSE

Florida insurers have been losing money since the late 1990s.



Insurance companies worsened the crisis — TRUE

The sudden onset of the problem can be blamed on underpricing in the 1990s as insurers jockeyed for premium dollars that they could invest in the roaring economy.



How these data were compiled

The information for these graphics comes primarily from the National Practitioner Data Bank, a more complete source of medical malpractice payments than state databases. That's because federal law requires all malpractice payments for doctors to be reported to the NPDB. The Palm Beach Post used SPSS, a statistical software package, to analyze the data.

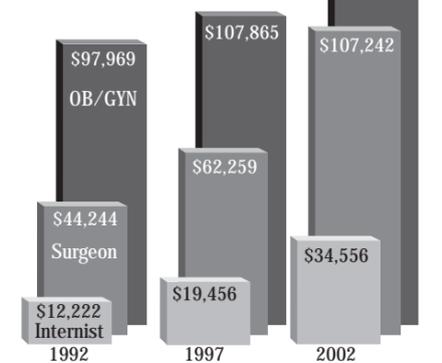
Notes:

- Profitability reports compiled by the National Association of Insurance Commissioners apply to the entire medical malpractice line, not just the segment sold to physicians and surgeons.
- All graphs of dollar amounts are adjusted for inflation using the federal government's Consumer Price Index.

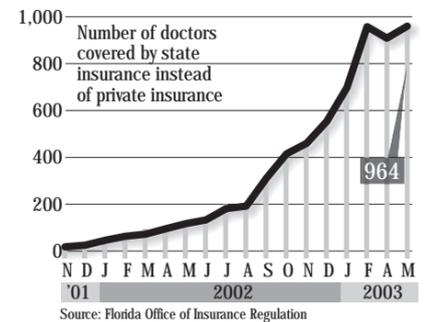
Doctors are getting a bad deal — TRUE

Doctors are paying more for the same coverage.

Average rates by specialty for Palm Beach County doctors covered by Florida Physicians Insurance Co. Coverage is for \$1 million per malpractice claim and up to \$3 million annually.

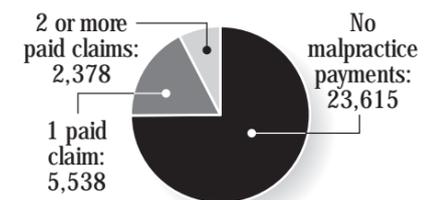


More doctors are tuning to the state insurer of last resort.



A few doctors drive up rates for all — TRUE

Three-quarters of doctors who practice in Florida have never paid a malpractice claim.

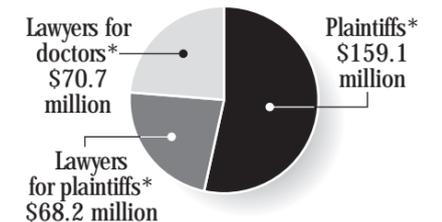


Of the 7,916 doctors with at least one paid malpractice claim, only 1,111 have been disciplined by state medical boards.

Source: National Practitioner Data Bank Public Use File

Lawyers are profiting handsomely — TRUE

Roughly half of all money that insurers spend on medical malpractice goes to lawyers.



*Assumes plaintiffs' lawyers took 30 percent of the \$227.3 million in estimated malpractice payments in 2001. In many cases, lawyers got a bigger percentage.

Source: Palm Beach Post staff analysis of NAIC data

Graphic by CHRISTOPHER SMITH/Staff Artist