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The Costs of Medical Malpractice to Patients and Consumers Versus the Cost to Doctors

The Institute of Medicine has estimated that from 44,000 to 98,000 Americans die in hospitals every year from *preventable* medical errors. The IOM also estimates that these errors cost society $17 billion to $29 billion per year. These costs include disability and health care costs, lost income, lost household production and the personal costs of care. They do not include the costs of medical malpractice that occurs outside the hospital setting. The table below compares these costs, prorated on a state-by-state basis, to the amount that physicians pay in medical malpractice premiums in those states. The costs of medical malpractice to society dwarf the costs to doctors.

State	Preventable Deaths Due to Medical Errors Each Year*	Costs Resulting from Preventable Medical Errors Each Year* (Millions)	Doctors' Medical Malpractice Premiums Paid in 2000** (Millions)
Alabama	695 – 1,549	$269 – $458	$100.0
Alaska	98 – 218	$38 – $65	$12.4
Arizona	802 – 1,787	$310 – $529	$131.0
Arkansas	418 – 931	$161 – $275	$35.9
California	5,296 – 11,795	$2,046 – $3,490	$609.7
Colorado	672 – 1,498	$260 – $443	$83.8
Connecticut	532 – 1,186	$206 – $351	$106.1
Delaware	123 – 273	$47 – $81	$17.8
District of Columbia	89 – 199	$35 – $59	$36.0
Florida	2,499 – 5,566	$965 – $1,647	$505.5
Georgia	1,280 – 2,851	$495 – $844	$183.3
Hawaii	189 – 422	$73 – $125	$29.9
Idaho	202 – 451	$78 – $133	$20.1
Illinois	1,942 – 4,325	$750 – $1,280	$393.0
Indiana	951 – 2,117	$367 – $627	$51.6
Iowa	458 – 1,019	$177 – $302	$54.6
Kansas	420 – 936	$162 – $277	$43.2
Kentucky	632 – 1,407	$244 – $416	$65.3
Louisiana	699 – 1,556	$270 – $461	$76.0
Maine	199 – 444	$77 – $131	$26.0

Ralph Nader, Founder
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State	Preventable Deaths Due to Medical Errors Each Year*	Costs Resulting from Preventable Medical Errors Each Year* (Millions)	Doctors' Medical Malpractice Premiums Paid in 2000** (Millions)
Maryland	828 – 1,844	$320 – $546	$148.3
Massachusetts	993 – 2,211	$384 – $654	$158.8
Michigan	1,554 – 3,461	$600 – $1,024	$173.3
Minnesota	769 – 1,713	$297 – $507	$50.0
Mississippi	445 – 991	$172 – $293	$35.35
Missouri	875 – 1,948	$338 – $577	$108.4
Montana	141 – 314	$54 – $93	$16.3
Nebraska	268 – 596	$103 – $176	$24.6
Nevada	312 – 696	$121 – $206	$50.8
New Hampshire	193 – 430	$75 – $127	$17.3
New Jersey	1,316 – 2,930	$508 – $867	$307.4
New Mexico	284 – 633	$110 – $187	$27.1
New York	2,967 – 6,608	$1,146 – $1,955	$857.1
North Carolina	1,259 – 2,803	$486 – $829	$126.5
North Dakota	100 – 224	$39 – $66	$12.8
Ohio	1,775 – 3,954	$686 – $1,170	$239.8
Oklahoma	540 – 1,202	$208 – $356	$57.7
Oregon	535 – 1,191	$207 – $353	$40.9
Pennsylvania	1,920 – 4,277	$742 – $1,266	$325.8
Rhode Island	164 – 365	$63 – $108	$21.8
South Carolina	627 – 1,397	$242 – $413	$18.8
South Dakota	118 – 263	$46 – $78	$10.5
Tennessee	890 – 1,981	$344 – $586	$179.3
Texas	3,260 – 7,261	$1,260 – $2,149	$352.8
Utah	349 – 778	$135 – $230	$36.1
Vermont	95 – 212	$37 – $63	$9.1
Virginia	1,107 – 2,465	$428 – $729	$120.8
Washington	922 – 2,053	$356 – $607	$109.9
West Virginia	283 – 630	$109 – $186	$62.7
Wisconsin	839 – 1,868	$324 – $553	$59.5
Wyoming	77 – 172	$30 – $51	$10.3
	Total Premiums Paid		**$6,351.05**

Sources:

* The range of preventable deaths and costs resulting from medical errors are prorated based on each state's share of overall U.S. population in 2000. Population statistics for 2000 from Census Bureau. Preventable deaths and costs data from, To Err Is Human: Building a Safer Health System, Institute of Medicine, 2000.

** Statistical Compilation of Annual Statement Information for Property/Casualty Insurance Companies in 2000, National Association of Insurance Commissioners.