



# Risk Management and Medical Malpractice: The Reality

By: *Kate G. Burbrink MS, CPM*  
*Assistant Vice President, Risk Services*

Most medical professionals wonder exactly what Risk Management does. They are not privy to the structural subtleties that go into a well developed Risk Management program specifically designed to assist them in reducing their exposure to medical liabilities – especially in high risk areas of medicine such as OB/GYN, ED, Neurosurgery, General Surgery and Radiology.

Physicians see the paperwork and time-consuming documentation required of them and feel burdened by “Risk Management”, not realizing these are the very things that will assist in their defense should a claim of medical negligence be alleged.

## Legal “Complications”

Most physicians would agree that one of the most dreaded occurrences in their career may be the letter of intent to sue for malpractice.

Multiple studies have been done suggesting that in the physician’s career, an allegation of malpractice is one of the most destructive events that can occur. Not only can it tarnish his or her reputation, it can produce incredible stressors in the physician’s private life – sometimes serious enough to destroy marriages and relationships.

### Fact #1:

Although allegations of malpractice in medicine occur frequently, in actuality they (actual acts of medical negligence) are an infrequent occurrence. However, they drive medicine in a way no other issue ever has. Malpractice insurance premiums have risen to the point where they are almost unaffordable for some specialties in some states. Allegations alone can destroy the careers of good physicians, and ruin their personal lives.

### Fact #2:

Malpractice claims are on the rise. The PIAA (Physician Insurers Association of America) maintains statistics, and for the year 2002, both the frequency and severity of medical malpractice claims had risen, and had risen to the point where multi-million dollar claims were the norm rather than the exception.

### Fact #3:

Most physicians cannot see themselves being sued for helping an individual regain function to the most optimal level available. When this happens, it is very difficult for the physician to process, and sometimes it can cause excess caution in practice habits, leading to increased allegations.

### Fact #4

Physicians have also been known to “retire” from medicine and go into different fields altogether because of non-meritorious claims. This is a loss to the profession, their community and the patients they served.

### In conclusion:

Risk Management is the most suitable scientific formula in place today to assist with decreasing risk exposures in medicine. It is not perfect, but it is working, as shown by several “successes”: anesthesia premiums decreased significantly due to the increased use of sophisticated technology and monitoring equipment; neurologists decreased their average payments in claims in 2002 by an astounding amount and decreased their ranking from the number two most sued specialty to the number four position in one year! This data by the PIAA is encouraging, and hopefully the successes will continue.

In the meantime, Risk Management will assist in providing physicians and medical personnel with tools to reduce the exposures they face in their chosen field.