

## **HEALTH CARE SPENDING FOR PATIENTS NOT LAWSUITS**

**According to the Congressional Budget Office, medical liability reform would save the government \$62 billion over 10 years.** The AAOS believes that broad reforms are necessary to compensate negligently injured patients promptly and equitably, enhance patient-physician communication, facilitate improvement of patient safety and quality of care, reduce defensive medicine and wasteful spending, decrease liability costs, and improve patient access to care.

### **Rising Insurance Premiums**

Annual professional liability insurance (PLI) premiums for physicians have continually risen over recent decades, at times increasing at an average of 15 percent a year. Some states and specialties, particularly OB-GYNs, neurosurgeons, and orthopaedic surgeons, have seen even more dramatic increases, making premiums prohibitively expensive for many physicians. This drives orthopaedists out of business and reduces patient access to musculoskeletal care.

### **Hostile Medical Litigation Climate:**

States with more hostile litigation climates have trouble recruiting physicians. Since Texas reformed its medical liability laws in 2003, new physician license applications increased by nearly 60 percent. Citizens of every state should have the same access to high-quality specialty care.

### **AAOS Supports:**

- **Placing time tested, reasonable limits on non-economic damages, such as the successful reforms in California and Texas.**
- **Protecting physicians volunteering services in a disaster or local or national emergency.**
- **Applying the Federal Tort Claims Act to cases involving EMTALA-mandated services.**
- **Exploring alternatives, including health courts and early disclosure and compensation offers.**
- **Ensuring that nothing in the Patient Protection and Affordable Care Act creates a new cause of legal action.**
- **Funding the \$50 million liability grant program and amending the law to prevent plaintiffs from opting out of the program once enrolled.**

### **Responsibly Reducing Costs:**

The AAOS has been a committed partner in patient safety, cultural competency, and providing high-quality health care. The AAOS currently develops clinical practice guidelines; it initiated and is a partner in the American Joint Replacement Registry (AJRR) and has published a primer to help educate orthopaedic surgeons on issues related to Accountable Care Organizations (ACO).