

S.B. 33 Lowers Costs & Improves Access to Care

Lowering Health Care Costs

Costly “defensive medicine”

- Reducing the threat of frivolous lawsuits and excessive jury awards would relieve the pressure on physicians to administer medical tests and treatments that might not be necessary but help protect against lawsuits.
- A 2010 Gallup Poll found that three in every four physicians surveyed acknowledged they had practiced defensive medicine within the past year.
- The Congressional Budget Office concluded in late 2009, “Research has provided additional evidence to suggest that lowering the cost of medical malpractice tends to reduce the use of health care services.”
- To help reduce the costs of defensive medicine to America’s taxpayers, in December The National Commission on Fiscal Responsibility and Reform recommended “an aggressive set of reforms to the tort system.”

Lower medical liability insurance premiums

- The Congressional Budget Office estimates that tort reform would reduce national medical liability insurance costs by 10 percent, or \$3.5 billion.
- After Texas limited damage awards in 2003, its medical liability insurance costs dropped 21 percent in four years, according to The New York Times.

Reduced health care costs for patients and taxpayers

- The Congressional Budget Office concluded that by lowering the cost of insurance and discouraging defensive medicine, medical liability reform would save federal taxpayers \$54 billion over the next decade.
- The bipartisan national deficit panel, co-led by North Carolina’s Erskine Bowles, said taxpayers would save at least \$17 billion by 2020.
- Lowering health insurance costs would leave workers with more income, boosting government tax revenue by \$13 billion, the CBO said.

Improving Access to Health Care

Greater patient access to health care

- By making medical practices more affordable in low-wealth areas, tort reform improves patient access to health care in rural and urban areas.
- In Texas, tort reform led to an 18 percent rise in physician employment in four years, double the rate of the Lone Star State’s population increase, The New York Times reported in 2007. Texas’ surge was greatest among specialists like obstetricians, orthopedic surgeons, and neurosurgeons.
- From the Times article, “More Doctors in Texas After Malpractice Caps”:
“Dr. Timothy George, 47, a pediatric neurosurgeon, credits the measure in part with attracting him and his sought-after specialty last year to Austin from North Carolina. ‘Texas made it easier to practice and easier to take care of complex patients,’ he said.”