

Stanford Hospital & Clinics Risk Consulting Announces 2012 California Large Loss Study

By Ron Neupauer
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Medical malpractice claims, resolutions and verdicts continue to be a major focus of healthcare across the nation, and even more so in California. Understanding the reasons why malpractice claims occur, and the appropriate ways to respond to such, have been the subject of many articles and presentations.

Stanford Hospital & Clinics Risk Consulting (SRC) is very pleased to announce that it will sponsor and continue the California Large Loss Trend Study, which has been authored and published annually since 1975 by Ron Neupauer, retired President of Medical Underwriters of California, the management company for Medical Insurance Exchange of California (MIEC), a physician-owned professional liability insurer. The California Large Loss Trend Study, now in its 39th year of publication, provides an overview of reported large value (\$1 Million Dollars or more) resolutions throughout the state. The Study details some of the common elements of large resolutions, including the more typical issues that give rise to significant medical malpractice claims, as well

as the most common specialties that tend to attract medical malpractice litigation.

Much of the information tracked and the methodologies used and developed over the span of almost four decades remains intact and are contained within the 2012 Study. Some highlights are:

- Total indemnity awarded was down sharply from 2010
- Average and median awards were lower than previous years
- Public reports of settlements and verdicts are less than in previous years
- MICRA continues to provide a benefit in setting settlement values
- 2011 cases took an average of 3 years to resolve; shortest time average in 10 years
- Southern California courts continue to award the majority of large verdicts
- Birth injury claims continue to represent the majority of large verdicts
- Over the past 10 years, verdicts tend to have higher values versus settlements

- States outside of California with the largest verdicts tend to be those without comprehensive tort reform

SRC will continue the rich history of the Study, as well as begin to expand the relevant information it provides, its import, and its scope. In the coming year, SRC will be announcing, with Ron Neupauer, some exciting enhancements to the Study that will enable even more insight into large loss malpractice cases in California and beyond. We look forward to producing future editions of the California Large Loss Trend Study as part of Stanford Hospital & Clinics' overall mission to care, educate, and discover.

For more information and to obtain a copy of the 2012 California Large Loss Trend Study, please visit: <http://src.stanfordhospital.org/products/ca-large-loss-study.html>

Ron Neupauer has been involved in medical liability insurance since 1971 and is the retired President of Medical Underwriters of California, the management company for Medical Insurance Exchange of California (MIEC), California's first physician-owned medical li-

ability insurer. From 1975 to 2008 he served in various management positions at MIEC, retired from his position as CEO at the end of 2008, and has served as a consultant to the company since then. He has also served on committees and the board of the Physician Insurers Association of America and since 2010

on the board of another physician-owned insurer based in California.

Stanford Hospital & Clinics Risk Consulting (SRC) is a principle based consulting firm that selects client partnerships that demonstrate exceptional potential to transform corporate risk management practices so

that they provide measurable, self-sufficient and sustained returns on risk management investments. Our firm's consultants are distinguished as top-notch experts in their fields producing measurable results as they continue their active risk management practice in the real world and on the leading edge of risk.

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