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Joint Economic Committee

VICE CHAIRMAN JIM SAXTON

PRESS RELEASE

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COVERAGE OF GAO REPORT ON MEDICAL MALPRACTICE OFFERS INCOMPLETE PICTURE

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Washington, D.C. – A recent medical malpractice report is incomplete and lends itself to misinterpretation, according to a new Joint Economic Committee analysis released today by Vice Chairman Jim Saxton. The report, issued in August by the U.S. General Accounting Office (GAO), has been cited in numerous press accounts as evidence that there is no medical malpractice crisis. The new Joint Economic Committee policy brief, entitled <u>Medical Malpractice Reform: Perspectives on Recent Findings by the GAO</u>, shows that much of this coverage has ignored important elements of the GAO report, as well as flaws in certain aspects of the report itself.

"The GAO report has misleadingly been used to argue that there is no problem in medical malpractice. The truth is just the opposite. There is evidence in the GAO report to substantiate claims that medical malpractice premiums are growing at unsustainable rates. In addition, the GAO's survey of emergency rooms found that nearly one-third have not been able to maintain the full range of ER services due to malpractice pressures.

"The GAO report also bolsters the case that the medical malpractice reform passed by the House of Representatives earlier this year will be effective in controlling premiums. The GAO report found that states with caps on non-economic damages have had premium growth rates of just 9 or 10 percent on average. States without such caps have had an average growth rate of a whopping 29 percent.

"Not only have some important aspects of the GAO report been overlooked, but the headline-grabbing portions are based on some questionable methodology in certain sections of the report. For example, when examining claims that access to care has been impeded by the medical malpractice crisis, the GAO report only looked at five states, even though the American Medical Association had identified 18 states in crisis at the time of the report. Likewise, the GAO report is too quick to dismiss the significant amount of research indicating that fear of lawsuits induces doctors to practice 'defensive medicine'"

For more information on medical malpractice reform, please visit our website at www.house.gov/jec.

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