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"Dispute resolution" is far cry from real malpractice reform

For real savings on healthcare costs, malpractice litigation must be addressed

Salem, OR – The Oregon Senate passed SB 483 Tuesday morning, establishing a process for patients who have had negative outcomes to seek a mediated settlement with their doctors instead of going immediately to litigation. While the bill is a small step in the right direction, insurance actuaries believe it will do little to curb the high-cost that malpractice litigation has on a family's insurance premium.

"This bill will not result in significant savings in an Oregon family's insurance premium," said Senator Ted Ferrioli (R-John Day). "There is no security for ob-gyns or surgeons, and no reduction in the cost of defensive medicine passed on to patients. Until this legislature has the political courage to address tort claims and runaway awards, healthcare in Oregon will continue to be more expensive than it should be."

The non-binding dispute resolution process established in Senate Bill 483 is the result of a workgroup formed in 2012 to address issues surrounding tort reform.

"Dispute resolution might keep a few cases out of the courts, but ultimately we need to address the disproportionate award of non-economic damages in malpractice lawsuits," said Senator Jeff Kruse (R-Roseburg), who served on the Senate Bill 483 workgroup.

A portion of skyrocketing medical costs can be traced back to defensive medicine and the over-utilization of health care services, both a direct result of malpractice litigation. Oregon's doctors and surgeons have been forced to adopt defensive medical practices as a result of Oregon's unchecked litigation environment.

Fearing the potential costs of malpractice litigation to state government, in 2009 the Oregon Legislature adopted a cap on non-economic damages that protects state agencies, but leaves Oregon health care consumers and medical practitioners without any protections.

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