



Lawsuit Reform Alliance of New York

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Lawsuit Reform Group Releases White Paper on New York's Medical Liability Crisis

(Albany, NY) - The Lawsuit Reform Alliance of New York (LRANY), a nonprofit advocacy group focused on legal reform, released a white paper today entitled "Condition Critical: New York's Medical Liability Crisis." The paper highlights the impact of New York's legal climate on medical liability premiums and the corresponding effect on the medical profession.

The paper notes that New York has the highest per capita medical liability payouts in the nation and now accounts for 20% of all payouts in the country with only 6% of the population. Correspondingly, medical liability insurance premiums for New York's physicians and hospitals are among the highest in the nation, exceeding \$330,000 annually for some specialties. The paper claims that both the total cost of defending medical liability lawsuits and insurance premiums have increased significantly.

The paper also analyzed publicly available financial information for New York's medical liability insurers and found they are operating at the lowest profit margin in the nation. The paper further notes that two of the three largest carriers remain technically insolvent.

Lastly, the paper highlights New York's ongoing physician shortage, which is currently estimated to be over 1,000. New York ranks 28th in the nation for retention of physicians from undergraduate medical education, and 75% of hospitals have reported difficulty recruiting physicians due to shortages.

LRANY Executive Director Tom Stebbins stressed the role of New York's lawsuit system as a fundamental driver of the crisis. "New York's medical liability system is buckling under the weight of litigation, much of it either weak on the merits or outright frivolous. Meanwhile, the entrenched personal injury lawyer lobby spends millions every year to block reforms to our regressive and archaic civil justice system, which ultimately hurts healthcare providers, patients, and taxpayers."

The white paper recommends the enactment of comprehensive liability reform to create safeguards against abusive litigation. Said Stebbins, "For years physicians, healthcare providers, insurers, and tort reform advocates have warned of a coming medical liability crisis. Now that the crisis is here, New York must take action."

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The Lawsuit Reform Alliance of New York (LRANY) is a nonpartisan not-for-profit association of businesses, professionals, healthcare providers, membership organizations, taxpayers, and concerned citizens committed to changing New York's legal system to help create jobs and energize our economy.

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