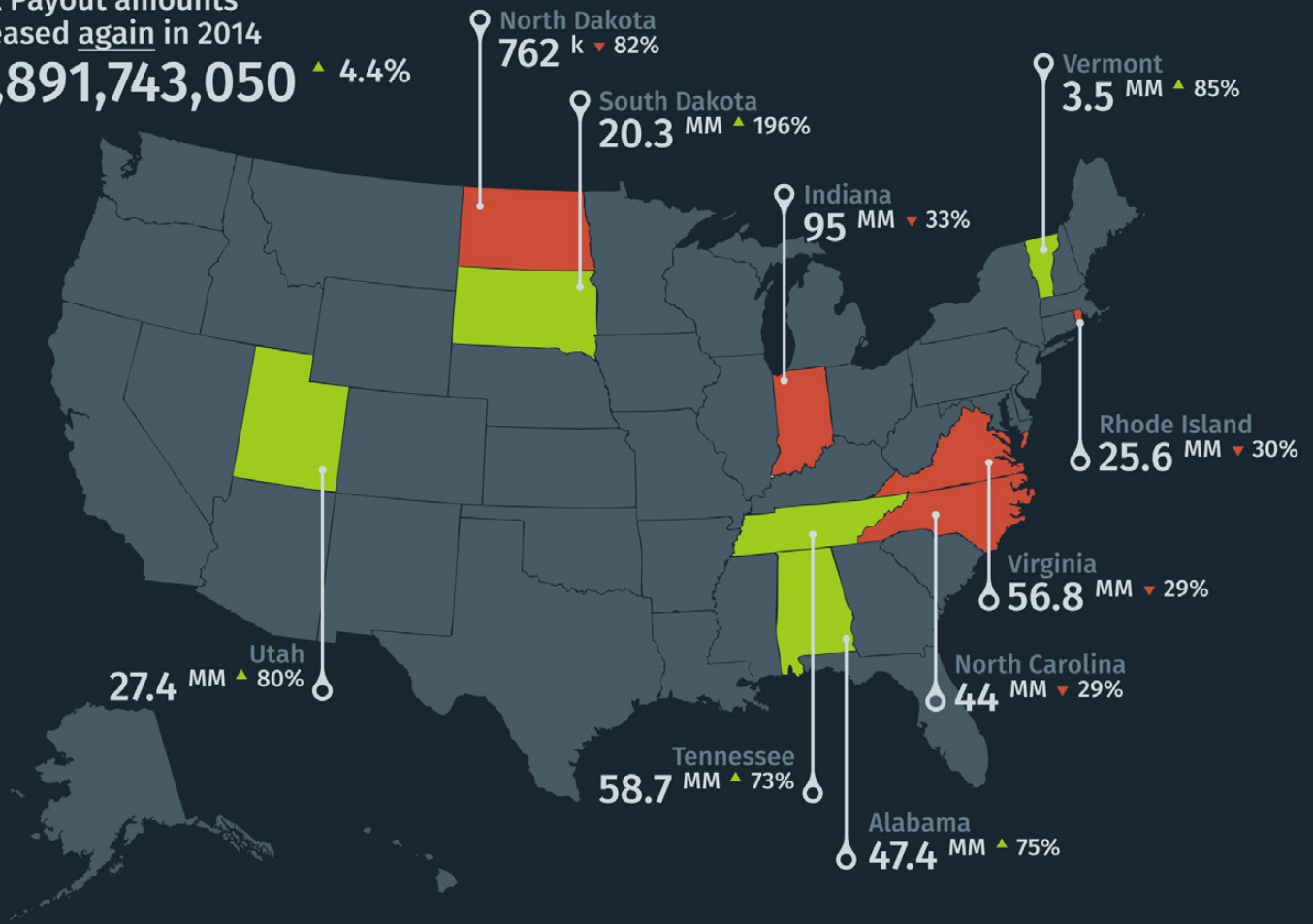


2015 MEDICAL MALPRACTICE PAYOUT ANALYSIS

Presented by Diederich Healthcare

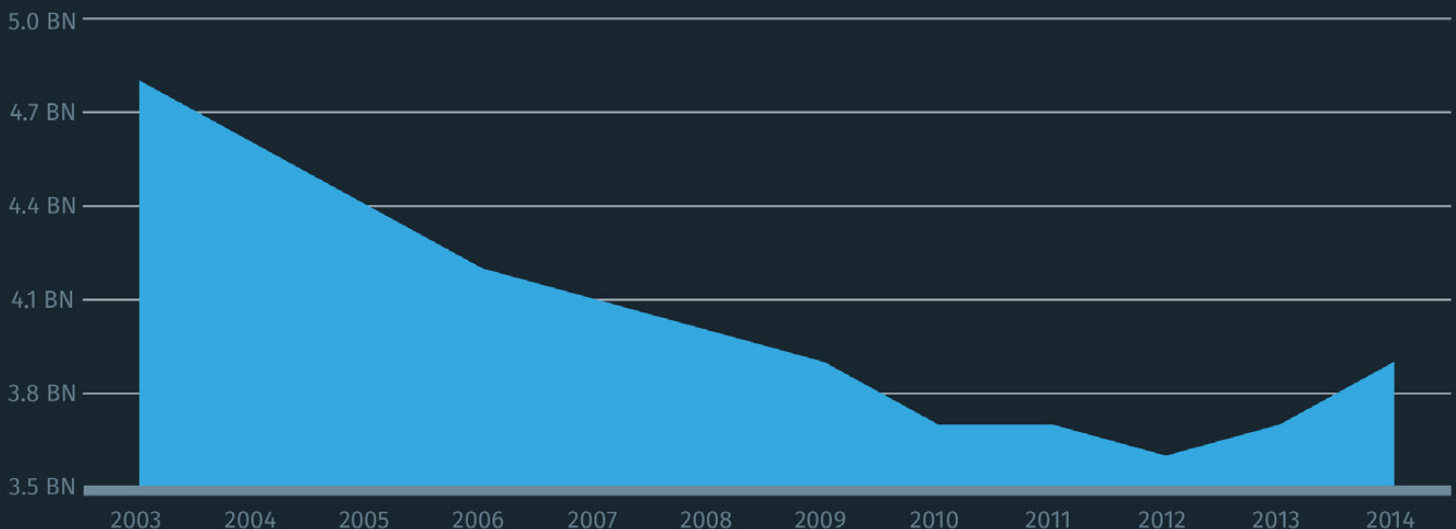
Total Payout amounts
increased again in 2014

\$3,891,743,050 ▲ 4.4%



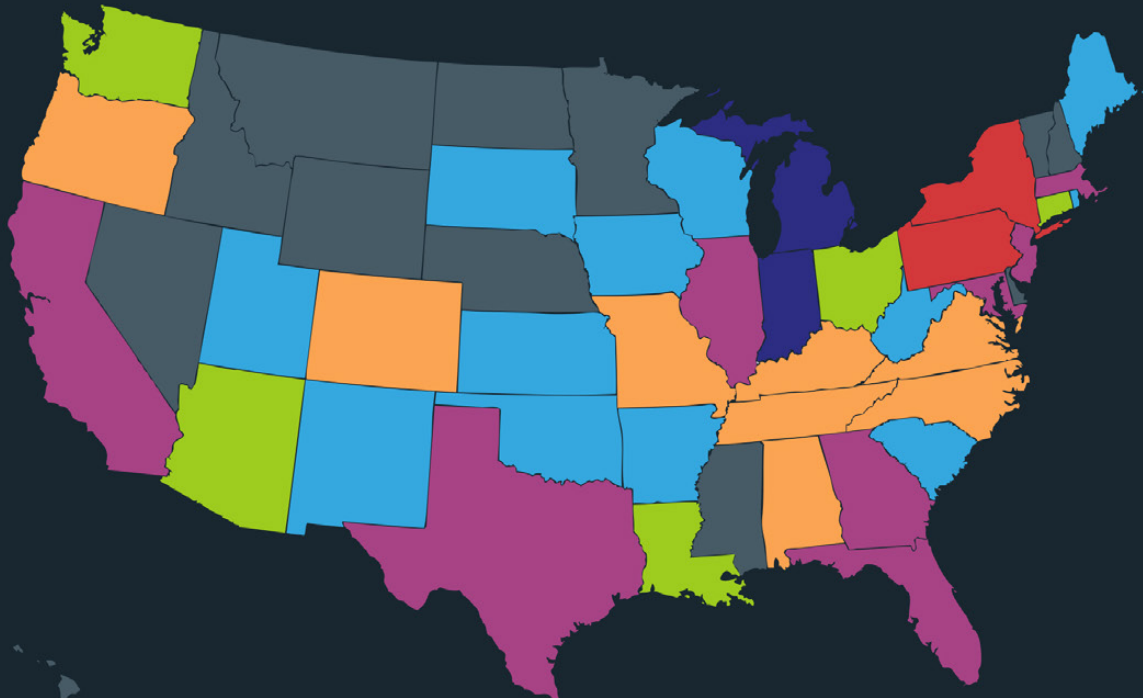
MEDICAL MALPRACTICE PAYOUT AMOUNTS

From 2003-2014



TOTAL PAYOUT AMOUNTS BY STATE

Payout amounts for the United States of America by the million.



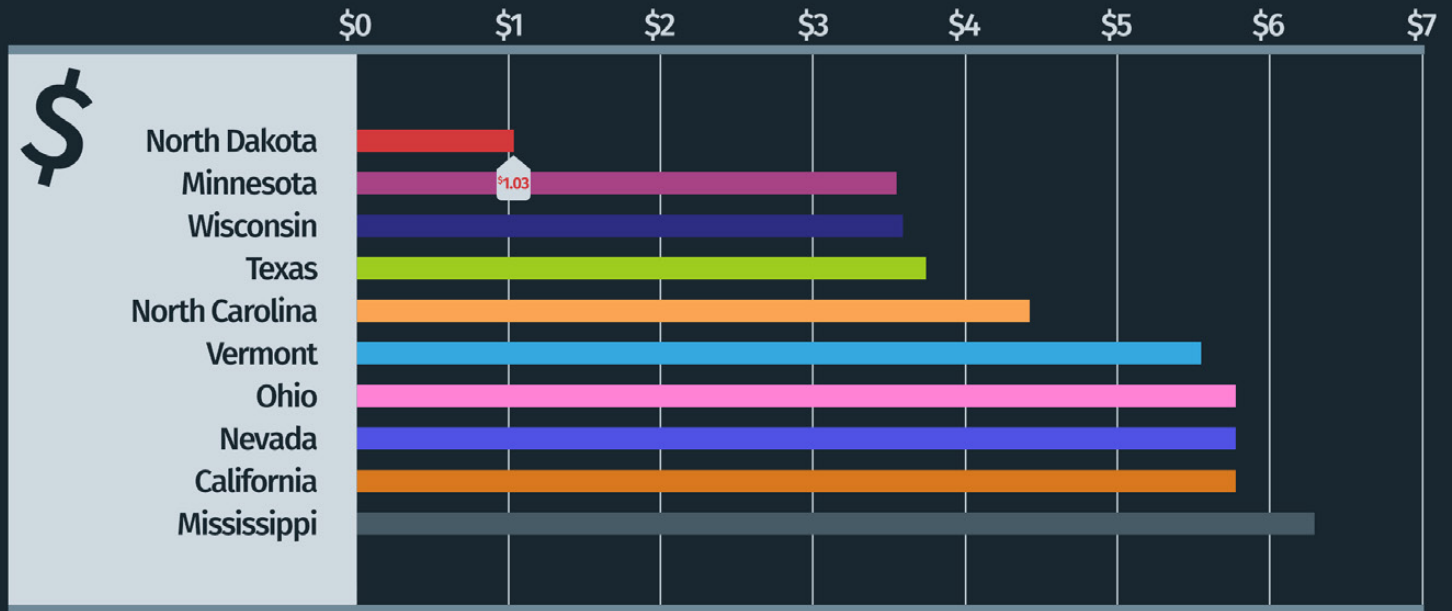
TOP STATES PER CAPITA

Total paid out per person residing in the state. Population estimates are taken from the US Census Bureau (see references).



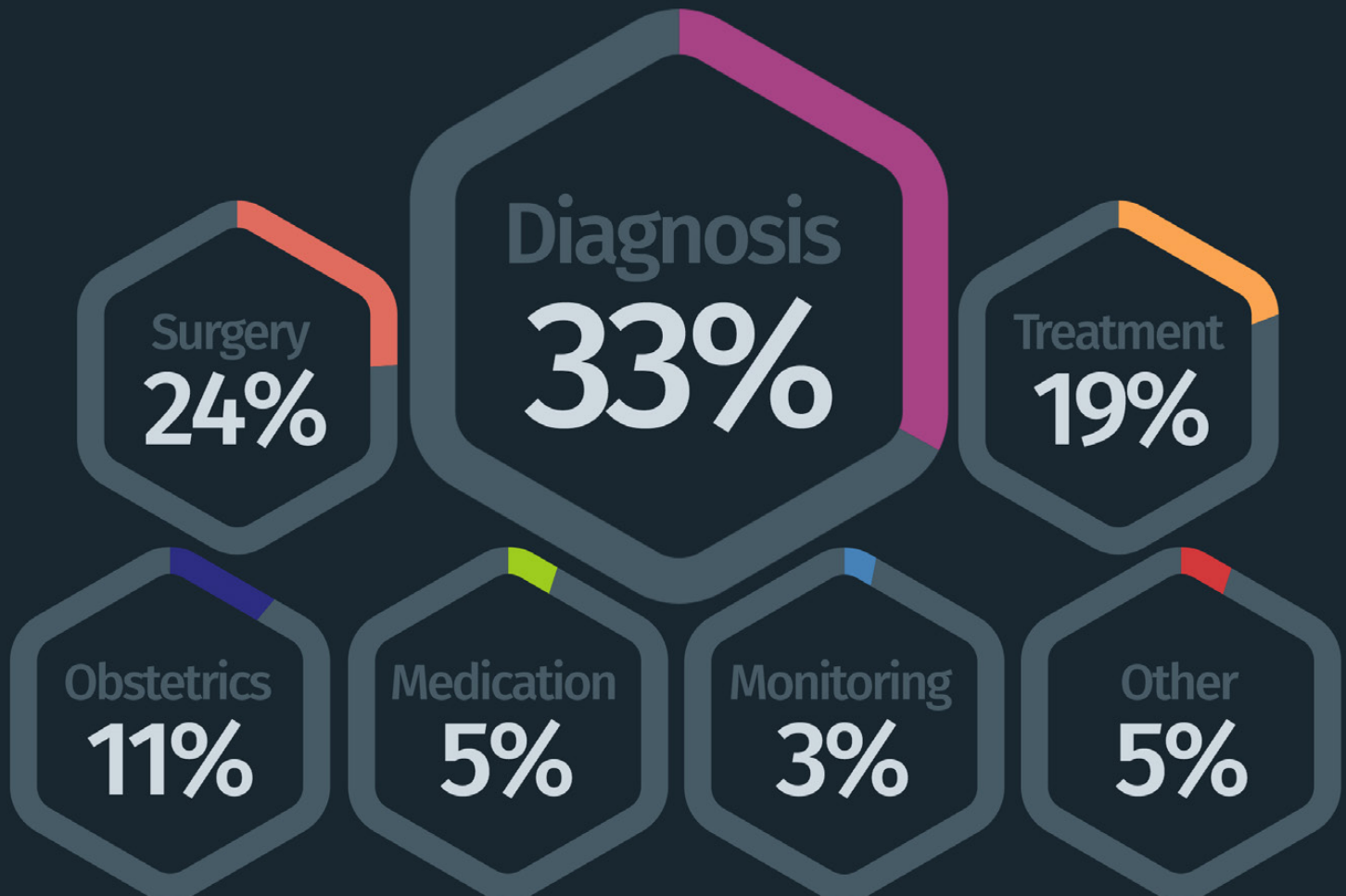
BOTTOM STATES PER CAPITA

Total paid out per person residing in the state. Population estimates are taken from the US Census Bureau (see references).



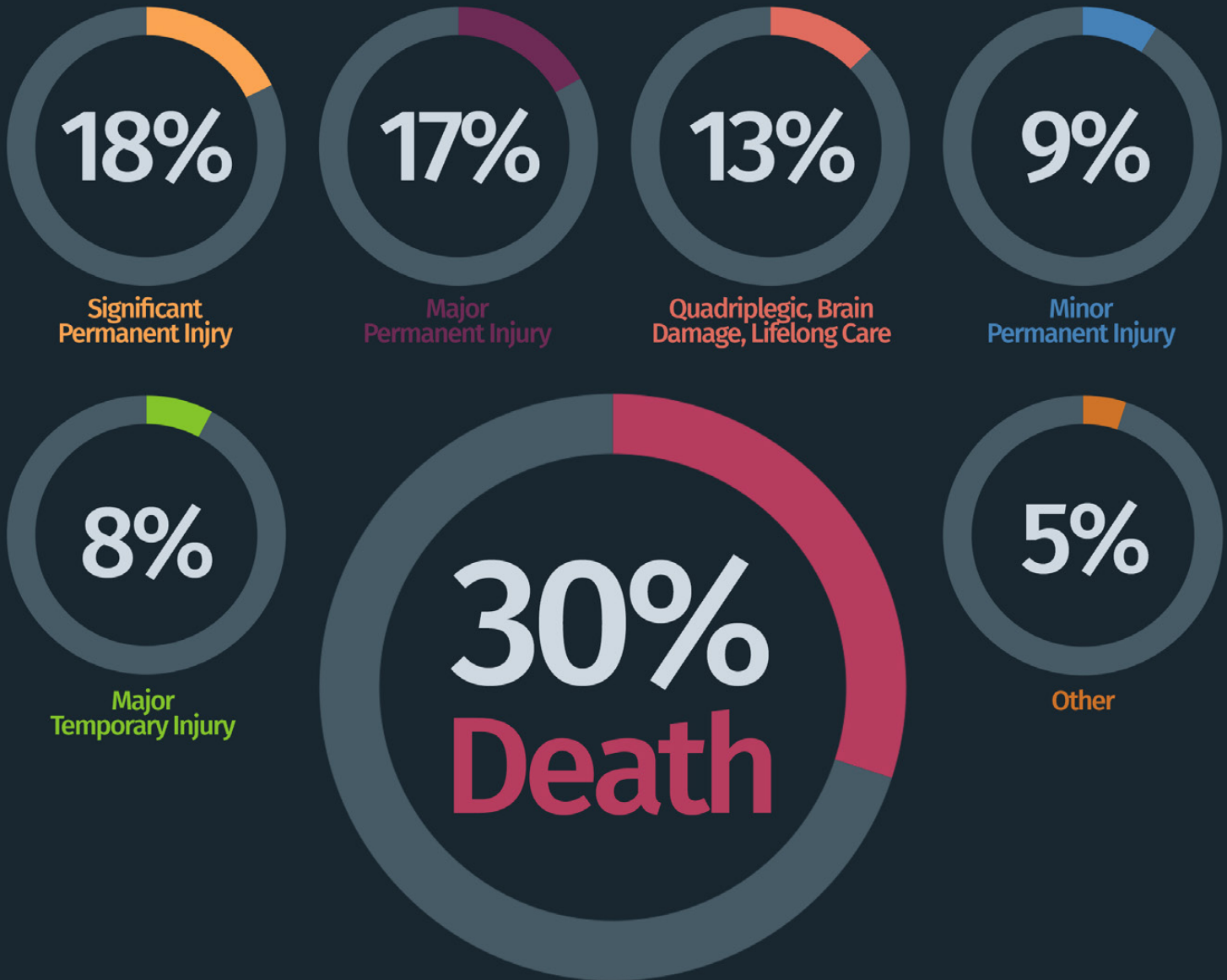
PAYMENT AMOUNTS BY MALPRACTICE ALLEGATION

Percentages rounded.



SEVERITY OF OUTCOME

Percentage of payment amounts by severity of the alleged outcome.



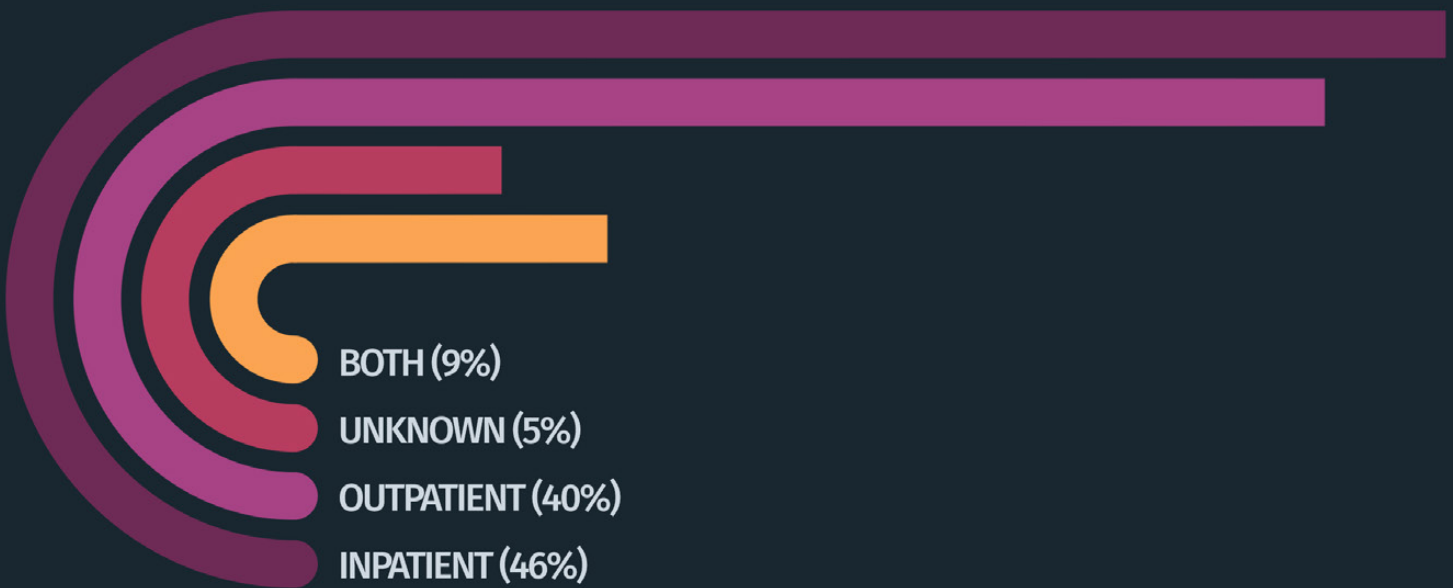
AVERAGE PAYMENT AMOUNTS

Payment amount by severity of the alleged outcome.

| | | | |
|--|------------|------------------------------|------------|
| QUADRIPLEGIC, BRAIN DMG, LIFE CARE | \$944,664 | MAJOR TEMPORARY INJURY | \$ 198,587 |
| MAJOR PERMANENT INJURY | \$ 574,344 | CANNOT BE DETERMINED | \$130,860 |
| SIGNIFICANT PERMANENT INJURY | \$ 426,918 | EMOTIONAL INJURY ONLY | \$104,892 |
| DEATH | \$ 355,231 | MINOR TEMPORARY INJURY | \$ 76,056 |
| MINOR PERMANENT INJURY | \$ 231,377 | INSIGNIFICANT INJURY | \$ 33,696 |

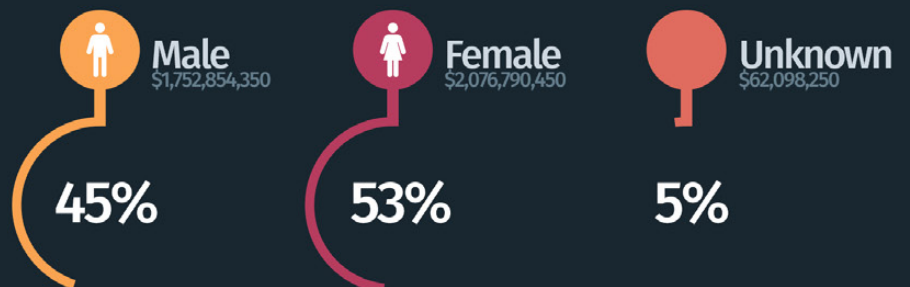
PATIENT TYPE

Total payment amount by patient type.



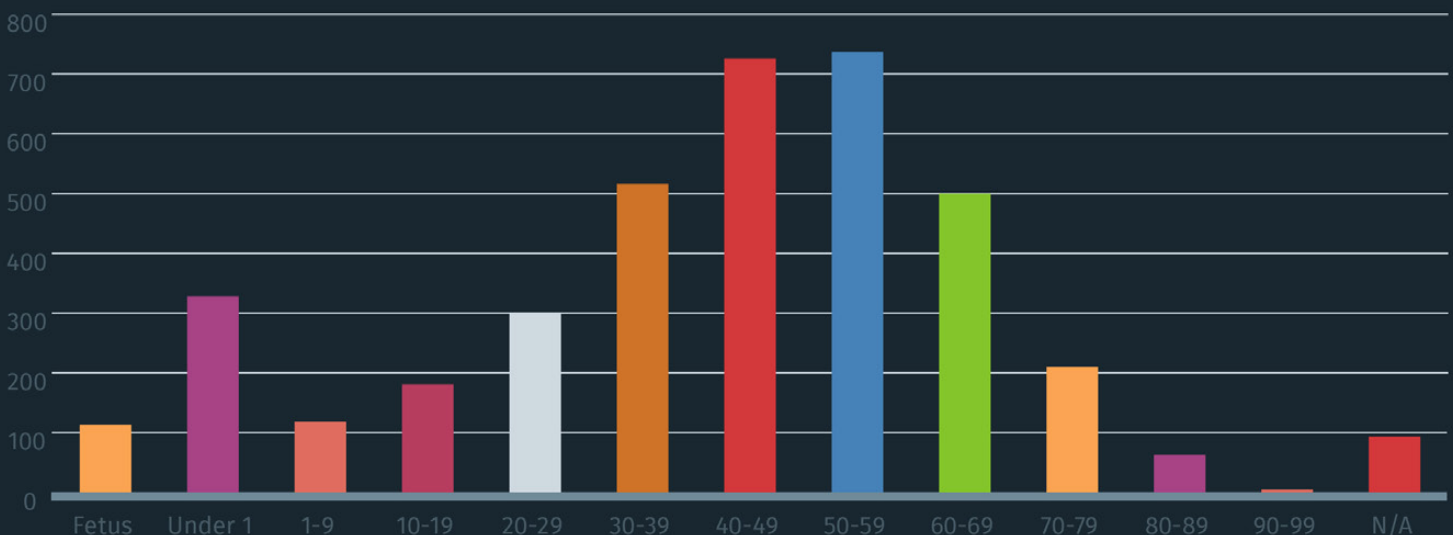
PATIENT GENDER

Percentage of total payment amount by patient gender.



PATIENT AGE

Total payment amount by patient age. Y axis represents millions of dollars.



NORTHEASTERN UNITED STATES

Taking a closer look at the northeastern United States of America, in regard to medical malpractice payouts.

CONNECTICUT

TOTAL PAYOUT AMOUNT: \$64,123,250 | PER CAPITA: \$17.83 | +17.8% FROM 2013

DELAWARE

TOTAL PAYOUT AMOUNT: \$12,731,250 | PER CAPITA: \$13.61 | +29.65% FROM 2013

DISTRICT OF COLUMBIA

TOTAL PAYOUT AMOUNT: \$10,791,250 | PER CAPITA: \$16.38 | +48.56% FROM 2013

MAINE

TOTAL PAYOUT AMOUNT: \$23,538,750 | PER CAPITA: \$17.70 | +5.28% FROM 2013

MARYLAND

TOTAL PAYOUT AMOUNT: \$135,606,800 | PER CAPITA: \$22.69 | +32.74% FROM 2013

MASSACHUSETTS

TOTAL PAYOUT AMOUNT: \$177,119,500 | PER CAPITA: \$26.26 | +25.97% FROM 2013

NEW HAMPSHIRE

TOTAL PAYOUT AMOUNT: \$19,552,500 | PER CAPITA: \$14.74 | -23.3% FROM 2013

NEW JERSEY

TOTAL PAYOUT AMOUNT: \$264,501,750 | PER CAPITA: \$29.59 | +5.95% FROM 2013

NEW YORK

TOTAL PAYOUT AMOUNT: \$713,890,000 | PER CAPITA: \$36.15 | +3.52% FROM 2013

PENNSYLVANIA

TOTAL PAYOUT AMOUNT: \$346,025,300 | PER CAPITA: \$27.06 | -3.08% FROM 2013

RHODE ISLAND

TOTAL PAYOUT AMOUNT: \$25,625,000 | PER CAPITA: \$24.29 | -29.62% FROM 2013

VERMONT

TOTAL PAYOUT AMOUNT: \$3,475,000 | PER CAPITA: \$5.55 | +85.09% FROM 2013

46.17%

The total payout amount for the northeast in 2014 was 46.17% of the United States (\$1,796,980,350). The payouts in New York alone were greater than the entire midwest.

\$28.20

The northeast had \$28.20 paid out for every individual residing in the region in 2014. This number is more than 3 times greater than the next highest region (the midwest).

+5.91%

The total payout amount for the northeast was up 5.91% from 2013. While the rise is substantial, the south had a greater increase at 7.65%.

MIDWESTERN UNITED STATES

Taking a closer look at the midwestern United States of America, in regard to medical malpractice payouts.

ILLINOIS

TOTAL PAYOUT AMOUNT: \$201,849,500 | PER CAPITA: \$15.67 | +16.66% FROM 2013

INDIANA

TOTAL PAYOUT AMOUNT: \$95,053,500 | PER CAPITA: \$14.41 | -33.26% FROM 2013

IOWA

TOTAL PAYOUT AMOUNT: \$21,356,000 | PER CAPITA: \$6.87 | -10.39% FROM 2013

KANSAS

TOTAL PAYOUT AMOUNT: \$24,473,550 | PER CAPITA: \$8.43 | +0.22% FROM 2013

MICHIGAN

TOTAL PAYOUT AMOUNT: \$80,386,000 | PER CAPITA: \$8.11 | +49.99% FROM 2013

MINNESOTA

TOTAL PAYOUT AMOUNT: \$19,396,750 | PER CAPITA: \$3.55 | -17.66% FROM 2013

MISSOURI

TOTAL PAYOUT AMOUNT: \$49,062,500 | PER CAPITA: \$8.09 | +3.78% FROM 2013

NEBRASKA

TOTAL PAYOUT AMOUNT: \$15,396,750 | PER CAPITA: \$8.18 | +45.02% FROM 2013

NORTH DAKOTA

TOTAL PAYOUT AMOUNT: \$762,000 | PER CAPITA: \$1.03 | -81.69% FROM 2013

OHIO

TOTAL PAYOUT AMOUNT: \$66,858,000 | PER CAPITA: \$5.77 | -3.31% FROM 2013

SOUTH DAKOTA

TOTAL PAYOUT AMOUNT: \$20,335,750 | PER CAPITA: \$23.84 | +196.22% FROM 2013

WISCONSIN

TOTAL PAYOUT AMOUNT: \$20,646,250 | PER CAPITA: \$3.59 | -7.25% FROM 2013

15.82%

The total payout amount for the midwest in 2014 was \$615,576,550 - making up 15.82% of total payouts in the United States. The only region with a lower amount was the west.

\$9.09

The midwest had \$9.09 paid out for every individual residing in the region in 2014. The midwest was only lower than the northeast in regard to per capita payouts.

+2.39%

The total payout amount for the midwest was up 2.39% from 2013. The country as a whole was up 4.41% from 2013, making the midwest slightly lower than the national increase.

SOUTHERN UNITED STATES

Taking a closer look at the southern United States of America in regard to medical malpractice payouts.

ALABAMA TOTAL PAYOUT AMOUNT: \$47,436,250 | PER CAPITA: \$9.78 | +74.81% FROM 2013

ARKANSAS TOTAL PAYOUT AMOUNT: \$23,264,750 | PER CAPITA: \$7.84 | +16.11% FROM 2013

FLORIDA TOTAL PAYOUT AMOUNT: \$236,204,600 | PER CAPITA: \$11.87 | +18.97% FROM 2013

GEORGIA TOTAL PAYOUT AMOUNT: \$106,749,550 | PER CAPITA: \$10.57 | +6.11% FROM 2013

KENTUCKY TOTAL PAYOUT AMOUNT: \$48,790,500 | PER CAPITA: \$11.05 | +48.8% FROM 2013

LOUISIANA TOTAL PAYOUT AMOUNT: \$60,463,300 | PER CAPITA: \$13.00 | +2% FROM 2013

MISSISSIPPI TOTAL PAYOUT AMOUNT: \$18,842,750 | PER CAPITA: \$6.29 | +8.36% FROM 2013

NORTH CAROLINA TOTAL PAYOUT AMOUNT: \$44,009,050 | PER CAPITA: \$4.43 | -28.67% FROM 2013

OKLAHOMA TOTAL PAYOUT AMOUNT: \$36,933,250 | PER CAPITA: \$9.52 | -22.54% FROM 2013

SOUTH CAROLINA TOTAL PAYOUT AMOUNT: \$32,685,500 | PER CAPITA: \$6.76 | -28.54% FROM 2013

TENNESSEE TOTAL PAYOUT AMOUNT: \$58,694,500 | PER CAPITA: \$8.96 | +73.28% FROM 2013

TEXAS TOTAL PAYOUT AMOUNT: \$100,792,300 | PER CAPITA: \$3.74 | +18.99% FROM 2013

VIRGINIA TOTAL PAYOUT AMOUNT: \$56,789,500 | PER CAPITA: \$6.82 | -28.98% FROM 2013

WEST VIRGINIA TOTAL PAYOUT AMOUNT: \$28,299,500 | PER CAPITA: \$15.29 | +6.63% FROM 2013

23.12%

The total payout amount for the south in 2014 was \$899,955,300 - making up 23.12% of total payout amounts in the United States, of America for 2014.

\$7.65

The south had \$7.65 paid out for every individual residing in the region in 2014. The South was lower than the average with a per capita rate of \$12.21 for the country.

+7.65%

The total payout amount for the south was up 7.65% from 2013. This number is higher than any other region. The country as a whole was up 4.41% from 2013.

WESTERN UNITED STATES

Taking a closer look at the western United States of America in regard to medical malpractice payouts.

ALASKA TOTAL PAYOUT AMOUNT: \$7,075,000 | PER CAPITA: \$9.60 | +73.18% FROM 2013

ARIZONA TOTAL PAYOUT AMOUNT: \$66,528,000 | PER CAPITA: \$9.88 | -9.09% FROM 2013

CALIFORNIA TOTAL PAYOUT AMOUNT: \$224,146,850 | PER CAPITA: \$5.78 | -18.36% FROM 2013

COLORADO TOTAL PAYOUT AMOUNT: \$49,666,250 | PER CAPITA: \$9.27 | +14.84% FROM 2013

HAWAII TOTAL PAYOUT AMOUNT: \$12,777,850 | PER CAPITA: \$9.00 | +1.83% FROM 2013

IDAHO TOTAL PAYOUT AMOUNT: \$11,923,500 | PER CAPITA: \$7.30 | +67.08% FROM 2013

MONTANA TOTAL PAYOUT AMOUNT: \$8,829,250 | PER CAPITA: \$8.63 | -13.19% FROM 2013

NEVADA TOTAL PAYOUT AMOUNT: \$16,371,750 | PER CAPITA: \$5.77 | -24.58% FROM 2013

NEW MEXICO TOTAL PAYOUT AMOUNT: \$36,389,250 | PER CAPITA: \$17.45 | +12.33% FROM 2013

OREGON TOTAL PAYOUT AMOUNT: \$42,364,250 | PER CAPITA: \$10.67 | +26.94% FROM 2013

UTAH TOTAL PAYOUT AMOUNT: \$27,352,550 | PER CAPITA: \$9.29 | +80.06% FROM 2013

WASHINGTON TOTAL PAYOUT AMOUNT: \$68,958,100 | PER CAPITA: \$9.77 | +15.74% FROM 2013

WYOMING TOTAL PAYOUT AMOUNT: \$6,848,250 | PER CAPITA: \$11.72 | +8.1% FROM 2013

14.88%

The total payout amount for the west in 2014 was \$579,230,850 - making up 14.88% of total payouts in the USA. This makes the total payout amount lower than any other region.

\$7.70

The west had \$7.70 paid out for every individual residing in the region in 2014. The per capita rate in the west was lower than any other region.

-2.41%

The total payout amount for the west was down 2.41% from 2013. The west was the only region that saw a decrease. The country as a whole was up 4.41% from 2013.

REFERENCES & NOTES

Where the data came from and how it was analyzed.

“National Practitioner Data Bank Public Use Data File”

September 1, 1990 - December 31, 2014

U.S. Department of Health and Human Services

All data not pertaining to the 50 United States of America and the District of Columbia were removed for the purposes of this analysis.

State data was determined by evaluating Work State (workstat), Home State (homestat) and Licensure State (licnstat), in that order.

Figures used for the ‘per capita’ statistics are based on July 2014 population estimates from the U.S. Census Bureau:

Table 1. Annual Estimates of the Resident Population for the United States, Regions, States, and Puerto Rico: April 1, 2010 to July 1, 2014 (NST-EST2014-01)

Source: U.S. Census Bureau, Population Division

Release Date: December 2014

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ABOUT DIEDERICH HEALTHCARE

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Diederich Healthcare’s network of over two-hundred contracted insurance affiliates assures healthcare clients greater portability, market accessibility, and effective consultation. Diederich Healthcare provides comprehensive medical malpractice insurance and consulting services to over 13,000 healthcare providers throughout the United States, Guam, and Puerto Rico. Through Diederich’s 13 U.S. regional offices and multiple sales and service centers, the company strives to provide superior client services. As a leader in the industry for almost 40 years, our goal is to deliver cost-effective quality insurance to our physician clients. To obtain a quote for medical malpractice insurance, please call us at 800-457-7790 or complete a quote from at:

<http://www.diederichhealthcare.com/get-a-quote/>