

A Band-Aid for Malpractice

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This study is dedicated to my brother, Andrew. His enthusiasm and love for medicine is the source of my inspiration for this research.

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ABSTRACT

The delay of medical malpractice reform and the hardship of absorbing increasing liability costs in California may result in an increasing number of physicians liberating themselves from practicing in the medical field. Survey data collected from a sample of California physicians ($N=56$) demonstrated that the maturing liability crisis has greatly impacted physicians' satisfaction with their profession. Specifically, this study examined (a) the overall relationship between a physician's satisfaction/dissatisfaction in relation to malpractice insurance, (b) the difference in degree of satisfaction between hospital employed physicians versus physicians employed in private practice, and (c) the difference in satisfaction expressed by general practitioners (pediatricians, family practitioners, and internists) compared to those in surgical-related specialties (e.g., plastic surgeons, anesthesiologists, oncologists, neurologists, radiologists, and urologists).

INTRODUCTION

Physicians are valuable assets to the nurturing of the public's health, but with dramatic increases in malpractice insurance premiums, many are likely less satisfied with their profession. The detrimental effects attributed to the high costs of malpractice insurance may have physicians searching for employment outside the medical field. Expectations of the past, when being a physician was a reliable field that rewarded hard work with stability and comfort, may no longer be accurate assumptions. Spectators, examining the unfolding of the malpractice crisis, commonly believe that a career in medicine calls for an unpredictable lifestyle that is frequently at the mercy of policy makers. There is considerable variation from state-to-state in regards to how catastrophic the issue of rising medical malpractice insurance premiums is in each region, but according to the American Medical Association, approximately two-thirds of states in the United States have either been labeled to be in a medical malpractice crisis or are showing signs of malpractice trouble (Mello, Studdert, and Brennan, 2003). The states identified as being most "in crisis" are: Arkansas, Connecticut, Florida, Georgia, Illinois, Kentucky, Mississippi, Missouri, Nevada, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, Texas, Washington, and West Virginia.

Purpose and Objectives

The primary purpose of this study is to examine the role that malpractice insurance has on career satisfaction among physicians. This study is particularly important because physicians are now more likely to view patients as possible court room litigants than ever before in our history, a situation that may have significant (negative) impact on the patient physician relationship. Physician satisfaction is critical because satisfied physicians tend to be more attentive to a patient's needs which results in better quality care. Physician dissatisfaction, on the other hand, may be linked to more physicians relocating their practice and thus disrupting the continuity of

care. When malpractice insurance premiums become economically burdensome for doctors, they may (1) postpone purchasing advanced equipment, (2) avoid performing services associated with high legal risks, and (3) increase costs for their services to recover from the outstanding payments made to insurance providers.

Physicians fearful of patients bringing claims against their practice may spend more time practicing defensive medicine and less time focusing on their patients' individual needs. In addition, they may perform unnecessary procedures for the sole purpose of securing a strong defense in court if a patient decides to bring a claim against the doctor. An estimated \$60 billion to \$108 billion a year goes to unnecessary health care costs (Trial Lawyers Inc., 2003). This price tag is burdensome for physicians, insurance providers, and the millions who claim to be uninsured each year because of the unaffordable health care system.

The pressure on doctors to protect themselves is beginning to be such an enormous problem that many doctors are starting to retire or walk out of the medical field (Mello et al., 2003). Furthermore, due to concerns about the high costs of medical malpractice insurance, doctors are less prone to open their own clinics and more inclined to opt for a position at a hospital where liability is the responsibility of their employer. If doctors increasingly choose to practice in hospitals, this may affect patients because physicians will be serving a much larger population and the change in environment may reflect a less personal relationship between physicians and patients.

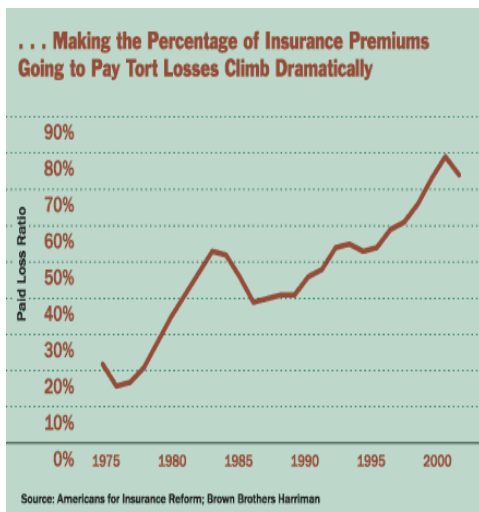
The research reported here surveys California physicians to determine if the above mentioned negative consequences associated with rising medical malpractice premiums have materialized.

BACKGROUND AND LITERATURE REVIEW

Rising Medical Malpractice Insurance Premiums: Causes

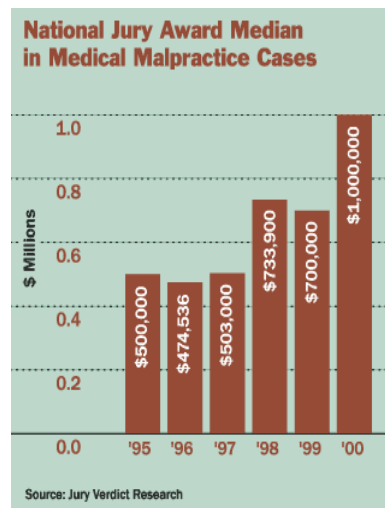
The source of rising costs in medical malpractice insurance is debated, but can not be solely attributed to one specific cause. The most highly regarded of the causes is the substantial influx of cases brought about by personal injury lawyers who stand to gain tremendously if the current system stands. (See Figure 1) Blockbuster settlements or awards by juries that sympathize with a plaintiff’s accusation against a physician have opened the floodgates of litigation to several others who seek to gain through manipulation of the political system. (See Figure 2) Political policy has been slow to protect physicians from our litigious environment and this delay may prove to impact citizens as well as doctors. While California has capped non-economic awards of malpractice claims to \$250,000 in order to protect physicians financially and rebuild esteem for their profession, lost wages and medical cost compensation is still unlimited.

Figure 1



Source: (Americans for Insurance Reform, Brown Brothers Harriman, 2003)

Figure 2



Source: (Jury Verdict Research 2003)

Few observers of the malpractice issue would disagree that the situation has reached the point of a “crisis” in which serious change must be taken. It is apparent that this is the common belief of many based on changes that have already been implemented to adapt to the more hostile

medical environment. Several insurance providers are no longer interested in providing services to hospitals and private physicians, and others have exited the business, e.g., St. Paul, MIIX, PHICO, and Frontier (Kolodkin, 2003). The decrease in the number of suppliers along with the demand to insure more physicians has put severe pressure on providers to raise rates.

As insurance carrier rates of operation rise, physicians are steadily paying higher costs for insurance coverage and perhaps more needs to be done to protect doctors from leaving patient care. Figure 3 illustrates the trend of more and more doctors paying increasing amounts of money to secure protection from liability. This increase in premiums is affecting some doctors with specific specialties more than others, but all physicians have been faced with higher costs of liability (see Figure 4).

[Insert Figures 3 and 4 about here.]

In California, it is obvious that placing caps on awards and claims has helped lower premiums, but this is certainly not sufficient to protect physicians. California was the first state to cap non-economic awards, nevertheless, medical malpractice premiums outstandingly increased (Michigan Trial Lawyers Association, 2003). In 1986, after nearly a decade after the passage of the Medical Injury Compensation Reform Act or MICRA, which primarily restricts malpractice litigants to recover from non-economic damages, malpractice premiums rose at an approximate rate of 26% (Clark County Medical Society, 2004; see Figure 5). MICRA not only places a \$250,000 cap on compensation of non-economic injuries but eliminates the “collateral source rule” which forces the liable party to pay all the expenses of the winning party, permits liable parties to pay in installments, and also establishes a short “statue of limitations” on the plaintiffs for three years (Clark County Medical Society, 2004). There was no significant change in premiums until Californian voters approved Proposition 103 (Michigan Trial Lawyers Association, 2003). The proposition’s goal is to limit an insurance company’s ability to

erratically raise premiums. Proposition 103 has been proposed to be the strongest insurance rate regulation in the nation in 1988 that resulted in reduced premiums.

[Insert Figure 5 about here.]

Empirical Evidence of Physician Satisfaction/Dissatisfaction

Consensus about the causes of physician dissatisfaction and their relationship with increases in liability insurance premiums remains unresolved. There are numerous factors that may have considerable impact on a physician's satisfaction/dissatisfaction with their profession/career. Previous work has spent a considerable amount of time and energy focusing on four variables that influence physician satisfaction. Researchers have studied the effects of income, autonomy, practice environment, and hours worked with almost little or no regard of the effects of medical malpractice (Mello, Studdert, DesRoches, Peugh, Zapertm, Brennan, and Sage, 2004). This is surprising considering the evidence showing that physicians have strong emotional reactions to malpractice litigation (Mello et al., 2004). Past research may have overlooked malpractice as a viable factor due to the fact that it is are less apparent; nevertheless; malpractice effects may be acute and should be compared to the more highly researched variables (e.g., autonomy).

The apprehension of the adverse effects of the malpractice crisis does not only concern Californian citizens, but has proved to have substantial negative effects on other states struggling to combat increasing dissatisfaction among doctors. Pennsylvania is among one of the states that has been affected the most by the rising liability costs and findings from a study has suggested that Pennsylvanian physicians are experiencing decreasing satisfaction in ways that may prove to affect the quality of care (Mello et al., 2004). After conducting a series of in-depth interviews with forty-one Pennsylvania physicians and a mail survey of 1,333 physicians, the study concluded that approximately 40% of ob/gyns that were surveyed were dissatisfied. Nearly 75% of respondents reported that they would be very or somewhat likely to recommend their specialty

to a medical student. In analyzing whether a relationship between satisfaction and insurance premiums was a burden, the results indicated that the two variables had a significant inverse relationship ($p < .01$). More than half of the surveyed doctors felt that concerns about medical malpractice does not cause them to be less candid towards their patients, yet 91% of them believe that the current malpractice system limits their ability to provide the highest-quality care. The findings of this study overall concluded that there is great dissatisfaction among doctors in Pennsylvania. State-to-state variations make this study very difficult to generalize to California or any other state being analyzed for the effects of malpractice, especially since Pennsylvania is among the states that are considered to be in a serious malpractice crisis.

State-to-state variations must be acknowledged and thus, research focused on dissatisfaction among California's doctors is crucial. Research specifically looking at Californian physicians reveals that 43% of surveyed doctors plan to leave patient care in 2004 (California Medical Association, 2003). The results of this study showed that dissatisfaction among California's doctors was so strong that it led 25% of the surveyed doctors to respond that "they would no longer choose a career in medicine as a profession today if given a second chance".

Consistent with the above finding, Zuger (2004) concluded that 24% of final-year residents would not choose to go to medical school if they were to start their education again. Furthermore, this study reflects how much dissatisfaction has changed among physicians: e.g., in 1973 a mere 15% of physicians reported to have any doubts that they had made the correct career choice. Contrary to what many believe, the data revealed that "money does not always generate happiness," and that a physician's satisfaction cannot be solely attributed to how much income is received (Zuger, 2004).

Another (earlier) report argued that medical malpractice insurers have paid out amounts that directly track the rates of medical inflation, thus making it erroneous for doctors to claim

dissatisfaction due to the costs of malpractice (Americans for Insurance Reform, 2002). This study further details evidence that medical insurance premiums charged by insurance companies rise and fall with the state of the economy and therefore has no association with increasing claims filed by patients. The study analyzed the relationship between what insurers have taken in and what they have paid out over the last thirty years. It specifically examined what insurers have paid out in terms of jury awards, settlements, and other costs, then comparing these costs to the actual costs that doctors have paid through premiums. The main limitation is that all physicians were grouped together: i.e., individual differences of each specialty were not accounted for.

Several other researchers also find it rather disturbing that federal and state lawmakers are being told by insurance lobbyists that insurance rates are rising because of claims by patients and the distrusting tort system. An earlier telephone survey disputes the theory of physician dissatisfaction by reporting that 80% of the doctors surveyed responded to be somewhat or very satisfied with their careers (Landon et al., 2003). The primary restriction on this study is that although physicians may be largely satisfied with their careers in medicine, they may be dissatisfied with certain aspects of their career (e.g., autonomy, insurance premiums, and income) and so a broad generalization of dissatisfaction is an inadequate conclusion.

Trends in specialty choices by medical students in the United States reveal no evidence that malpractice costs are considered when choosing specialties, but rather the degree of control and working hours account for most of the variability in the recent patterns of specialty choices (Dorsey, Jarjoura, and Rutecki, 2003). The author demonstrated that the specialty preferences of US senior medical students changed significantly from 1996 to 2002 ($p < .001$). The results also further indicate that controllable lifestyle explained 55% of the variability in specialty preference

and thus concluded that controllable lifestyle was the main reason for the shift in specialty choices.

Hypotheses

In summary, research suggests that physicians are increasingly dissatisfied with certain aspects of their careers. Therefore, I propose that:

- H1: Physicians are generally dissatisfied with their career in medicine due to the rising costs of malpractice insurance.
- H2: For fear of increased liability or litigation, physicians are altering medical treatment: e.g., ordering more tests, prescribing more medications, referring patients to specialists more often, suggesting more invasive procedures, and avoid personally conducting certain procedures.
- H3: Physicians employed at hospitals are more dissatisfied with the malpractice system and their careers than physicians employed at private clinics.
- H4: Physicians holding “surgically related specialties” are more dissatisfied than doctors in “general practice related” specialties.”

METHODOLOGY

Overview of Procedure and Sample

Graduated medical students in residency programs were surveyed from the University of Western Health Sciences, Pomona and the University of Southern California Medical School, Los Angeles. Working physicians were also surveyed from two organized charity functions. Physicians selected at either function were briefed about the approximate time the survey would take and the program supporting the study (California State University Long Beach Business Honor’s Program). Other surveyed physicians were referrals from doctors that had already voluntarily taken the survey. These few surveys were administered during the lunch breaks and most convenient times for the doctors.

Respondents were asked to complete a five page survey that assessed their dissatisfaction in relation to their medical malpractice insurance. At the end of the survey, there were six questions

assessing the physicians overall profile, physician status, and two qualitative questions. The first question asked the respondent to state what they believe the purpose of the study is. Next, they were asked to specify gender and ethnicity. Ethnicity subgroups were American Indian, Asian American, Black/African American, Hispanic, White/Caucasian, Multi-Cultural, Indian, Middle Eastern, and Pakistanian. Physicians were also grouped by the amount of time they have devoted to their profession: subgroups were resident, less than 5 years, 5 to 10 years, 11 to 15, 16 to 20, or more than 20 years. Medical specialty was another question asked along with the type of employment the physician chose. Employment categories were employed by HMO, private practice, hospital employee, and medical group. Lastly, respondents were asked to respond to the survey with any questions or comments they might have.

The survey was designed to gather information from a relatively small sample of California physicians. The total useable surveys received from respondents were 56. The survey was administered to physicians from ten medical specialties: plastic surgery, anesthesiology, oncology, neurology, radiology, urology, internal medicine, pediatrics, family practice, and general surgery. Due to insufficient data, responses from emergency medicine specialists and ob/gyn specialists were omitted in subgroup analyses, thus leaving 49 useable surveys for “specialty” comparisons.

Dependent Measures

The questionnaire examined the attitudes of specialists using 9-point scales that asked respondents to rate their level of agreement with statements, where “1” represented “strongly agree” and “9” represented “strongly disagree”. Several questions and statements were intermixed and spread out in order to provide more accurate results. In a series of five questions, respondents were asked to rate how influential specific external aspects of their professional career were in choosing their specialty (e.g., money earned, flexibility in hours working,

autonomy, medical liability, and flexibility of family life.) Two questions asked physicians to indicate how likely they were to recommend graduating medical students to practice in their particular specialty and to practice in the state of California. Next, a group of questions asked the physicians to reveal how often concerns about medical malpractice liability cause them to perform extra preventative measures such as order more tests, prescribe more medications, refer patients to specialists more often, suggest invasive procedures, and avoid personally conducting certain procedures. Items were also designed to assess how strongly the physician agreed with statements about the patient-physician relationship, retirement and walk outs, joining groups that would cover liability, and the relative burden of insurance. [See the Appendix for the complete survey.]

RESULTS

The primary hypotheses were tested via assessment of overall mean responses and ANOVA (Analysis of Variance). To test H3, specialties were categorized into “surgically-related” and “general practice” in order to produce adequate sub-group sample sizes. Physician specialties classified as general practice were pediatricians, family practitioners, and internists. Specialties that were considered to be surgically-related included: plastic surgery, anesthesiology, oncology, neurology, radiology, and urology. Next, in order to examine H4, physicians were distinguished as being either “hospital employees” or “private practice employees”.

Overall Attitude Responses

Generally, physicians surveyed showed that they prefer being employed by a hospital rather than working in a private clinic ($M=5.16$, $N=56$). The results also support the idea that physicians believe that the malpractice system limits them ($M=6.14$, $N=56$) and that their malpractice insurance is a significant burden ($M=6.61$, $N=56$). Despite feeling restricted by the malpractice system, physicians consider themselves to have control over their future ($M=6.21$, $N=56$) and are

overall proud of their career choice in medicine ($M=6.79$, $N=56$). The survey showed that doctors lack trust in their insurance provider to provide them complete coverage ($M=5.59$, $N=56$) and that they believe that their premiums are a significant financial burden ($M=6.61$, $N=56$). Concerns about medical malpractice issues would lead many physicians to consider joining a network that would assume responsibility ($M=6.71$, $N=56$), but this was not great enough to persuade them to leave the medical field ($M=3.16$, $N=56$). The physicians surveyed tended to be less candid with patients because of concerns about medical malpractice ($M=5.73$, $N=56$), and were more likely to view patients as potential malpractice lawsuits because of such concerns ($M=5.02$, $N=56$). Overall, doctors showed that they would be both inclined to recommend others to their specific specialty ($M=6.78$, $N=56$) and to recommend practicing in California ($M=7.55$, $N=56$). The degree of importance between money earned, flexibility in working hours, flexibility in family life, and medical liability all showed a high degree of importance when choosing specialties, with medical liability revealing the greatest degree of importance ($M=7.66$, $N=56$; $M=7.88$, $N=56$; $M=8.14$, $N=56$; $M=8.20$, $N=56$; respectively). Although the degree of medical liability was considered when choosing a specialty, it did not appear to have a significant effect on where physicians prefer to practice medicine ($M=4.81$, $N=54$). Overwhelmingly, physicians claim to take actions of defensive medicine such as order more tests ($M=8.15$, $N=54$), prescribe more medications ($M=5.33$, $N=54$), suggest more invasive procedures ($M=5.39$, $N=54$), avoid personally conducting certain procedures ($M=5.76$, $N=54$), and refer patients to specialists more often ($M=7.98$, $N=54$) because of apprehension about the current malpractice system.

[Insert Table 1 about here.]

Type of Employment Effects

As expected, physicians employed in hospitals ($M=6.43$) prefer to work in a hospital setting compared to those in a private practice ($M=4.45$; $t=3.07$, $p=.003$). Private practice physicians ($M=5.81$) felt that the current malpractice system limits them less than hospital employed physicians ($M=6.81$; $t=2.62$, $p=.012$). Doctors working in a private practice environment ($M=7.10$) were found to be more proud of their career choice than doctors working in a hospital ($M=6.29$; $t=1.70$, $p=.096$). The belief that physicians have control over their future was more consistent with private practice physicians ($M=6.52$) than with hospital employed physicians ($M=5.57$; $t=2.27$, $p=.028$). Hospital employed physicians ($M=6.52$) revealed that they were less candid with patients because of the malpractice system than were physicians working in a private practice ($M=5.29$; $t=2.25$, $p=.029$). The survey showed that hospital employed physicians ($M=5.81$) were more likely to view patients as potential malpractice lawsuits than were private practice physicians ($M=4.61$; $t=2.03$, $p=.047$). Physicians most considering leaving the medical field were found to be hospital employees ($M=4.00$) in comparison to private practice doctors ($M=2.77$; $t=2.52$, $p=.029$). The study further revealed that more private practice doctors ($M=7.29$) would recommend their specific specialty to medical students than would hospital employed physicians ($M=5.86$; $t=2.70$, $p=.010$). Furthermore, less hospital employees ($M=6.81$) would recommend others to practice in the state of California than would private practice employees ($M=7.90$; $t=2.61$, $p=.012$). Lastly, more hospital employed physicians ($M=6.15$) prefer to suggest more invasive procedures to assure their diagnosis than private practice doctors ($M=4.80$, $t=2.33$, $p=.024$).

[Insert Table 2 about here.]

Medical Specialty Effects

The results of the study revealed that physicians holding “surgically related specialties” ($M=6.11$) preferred more to work in a hospital setting than physicians in “general practice related specialties” ($M=4.32$; $t=2.53$, $p=.015$). More physicians in surgically related specialties ($M=6.78$) believed that the malpractice system limits them than those in “general practice specialties” ($M=5.58$; $t=2.82$, $p=.007$). A minimal difference was found between general practice physicians ($M=6.29$) and physicians working in surgical environments ($M=7.00$; $t=1.88$, $p=.067$): the latter claim to believe that their malpractice insurance is a significant burden. Fewer physicians in surgical specialties ($M=6.22$) felt proud of their career choice than general practice physicians ($M=7.39$; $t=2.38$, $p=.022$). The finding that more general practice physicians ($M=6.55$) believe to have more control over their future than surgical physicians ($M=5.67$; $t=1.91$, $p=.062$) is in accordance with H4. Physicians occupying jobs in “surgically related specialties” ($M=3.61$) were more likely to consider leaving the medical field than were general practice practitioners ($M=2.45$; $t=2.22$, $p=.031$). Doctors who would recommend others to their specialty were more likely to be general practice physicians ($M=7.35$) than physicians in surgical fields ($M=6.22$; $t=2.15$, $p=.046$). More physicians in “surgically related specialties” ($M=6.53$) decline performing specific (e.g., risky) procedures than general practice physicians ($M=5.00$, $t=2.15$, $p=.037$).

[Insert Table 3 about here.]

GENERAL DISCUSSION

The results of this study show that malpractice liability is an issue for many physicians, but is neither great enough to persuade them to leave the medical field nor to make them feel that they have less control over their future. Therefore, H1 is partially supported. Physicians might view their medical career as having provided a comfortable and stable income, which makes them more loyal to their chosen field. This study’s findings support previous data that, overall,

physicians are proud of their career choice (Landon et al., 2003), which can also be attributed to the fact that they have been accustomed to the lifestyle that being a physician has provided. The overall dissatisfaction reported in this study supports previous evidence that there is less satisfaction among physicians because of the burden of insurance premiums, but does not support evidence acknowledging that doctors are not less candid towards patients because of malpractice concerns (Mello et al., 2004). Apparently, the dissatisfaction voiced by some physicians was not great enough to discourage physicians from recommending their specific specialty to others or from recommending that graduated medical students practice in the state of California. Despite evidence that there is great dissatisfaction among physicians (Mello et al., 2004), the data do not suggest that physicians are dissatisfied enough to persuade them to leave the medical field altogether (California Medical Association, 2003). The lack of interest to leave one's current profession may be in part due to a sample bias: i.e., most of the surveyed physicians were in the older age bracket and thus, starting a new career after several years of practice may be perceived as a risky or impractical venture.

The current survey further shows that (overall) physicians feel that the malpractice system limits them and this feeling attributes to their dissatisfaction. The uneasiness of practicing freely within their environment likely produces feelings of restraint and lack of control over situations with patients. Medical liability was the issue most considered when choosing a specialty, in contrast to previous evidence that a controllable lifestyle is the most important factor when deciding a specialty for residency (Dorsey et al., 2003). The preference to look at medical liability costs when choosing specialties indicates the magnitude of anxiety and apprehension many doctors feel towards the current malpractice system.

Physicians did show a strong fear of medical liability, indicated by an increase of preventative actions to decrease possible exposure to liability conflicts, which supports H2. They

tended to view patients as possible future litigants and therefore devoted a considerable amount of time ensuring the correct diagnosis of each patient. This is a colossal problem for several reasons. First, insurance providers are paying for procedures that may be unnecessary, which may in time raise health insurance costs for citizens. Next, patients are suffering because they are spending too much time at doctors' offices for tedious and unneeded tests and procedures that could have been diagnosed in a fraction of the time. In addition, doctors' offices will likely become too busy, thus jeopardizing the quality of patient care. This all, in turn, impacts physician satisfaction: i.e., it tends to lower perceived job importance and meaning/value, and forces doctors to practice dreary routine check-ups.

The lack of trust that most physicians expressed towards their insurance provider's ability and willingness to protect them from liability issues further supports the notion of increased dissatisfaction among doctors. If physicians do not have confidence that their insurance provider will support them, they may practice fearfully and with less enthusiasm towards quality care. The data supports evidence that physicians claim to practice more defensive actions to ensure protection from liability (Mello et al., 2004) by prescribing more medications, suggesting more invasive procedures, avoiding to (personally) conduct certain procedures and referring patients to specialists more often. Overall, physicians indicated that they are most likely to refer patients to specialists more often and least likely to prescribe more medications. Referring more patients to specialists may be preferred because it shifts responsibility for patient diagnosis and treatment to another physician.

Physicians employed at hospitals were found to be more dissatisfied than physicians employed at private practice clinics, thus supporting H3. Generally, doctors employed at a hospital perform more risky and urgent procedures that require faster judgment and action. Physicians working in hospitals in which they must constantly make life-threatening choices are

more prone to making decisions that others might disagree with. The results indicate that hospital employed physicians felt that the current malpractice system limits them compared to private practice physicians. This finding is surprising since all hospital physicians are protected from liability by the hospital they serve. Perhaps these medical professionals fear the potential negative effect of claims on their reputation and advancement in their medical career. The results further indicated that hospital employed physicians were more likely to view patients as potential malpractice lawsuits and more likely to consider leaving the medical field. Dissatisfaction is also shown to be greater amongst hospital employed physicians as they claim to be less likely to recommend their specific specialty to other students or to suggest that they practice in California. This is also surprising since the State of California is not reported to be one of the states in serious malpractice crisis. In spite of a lack of difference between the two groups of physicians in terms of prescribing more medications, referring patients to specialists more often, and avoiding conducting certain procedures; more hospital employed doctors admitted to performing more invasive procedures than those in private practice.

The study also demonstrates that there are medical specialty differences in satisfaction between physicians holding “surgically related specialties” and physicians in “general practice specialties”, thereby supportive of H4. Physicians in surgical fields feel more limited by the malpractice system and more of these physicians felt less proud of their career choice. However, there was no difference between the two groups of physicians when asked if they felt that their malpractice insurance is a significant economic burden. This particular finding may be due to the fact that physicians in “surgically related specialties” tend to work in hospitals and, are therefore not paying for the costs of malpractice.

Overall, general practice physicians have more of a perception of control over their future than physicians in surgical fields: i.e., they are free to make more management and

administrative decisions than physicians in surgical fields. Furthermore, the medical environment in hospitals tends to have a more structured organizational flow chart which means physicians in hospital settings have other people to report to and thus, are making fewer decisions about their career and role as a doctor. Physicians in such surgical fields were more likely to consider leaving the medical field than those in “general practice related specialties”, likely because of the riskier procedures they tend to perform and the more complicated cases they deal with.

Limitations

This study has several limitations that may have contributed to less conclusive results. Unquestionably, the most crucial restriction of this study is the total number of physicians surveyed. This problem was partly due to the relatively weak response from the doctors who were given surveys to mail back. A total of 100 surveys were distributed to local physicians throughout California and only 56 were returned for analysis.

Another possible contributing factor was the time constraint. This study was prepared over a period of approximately nine months, which is an insufficient amount of time to analyze the complexity of the malpractice system. Lack of professional expertise on the part of the researcher is also acknowledged. As a business student, I had to rely on books, journals, and articles to gain knowledge about an array of specialties and to further my understanding about the malpractice system.

The assignment of various specialties into “general practice related” and “surgically related” may be open to debate. Specifically, radiology and urology can be argued to be under the “general practice” category by others assessing their relative job environment and roles. The motive behind the placement of these two specialties under jobs that were “surgically related” was primarily because of the inadequacy of physicians in that group and because the radiologists and urologists surveyed identified themselves more as being “surgically related.”

Future Research

Extant research on the topic of malpractice and the dissatisfaction among physicians is limited. The issue is a growing concern and thus should be assessed by public policy agencies and lawmakers across the United States. It is quite unfortunate to find so few empirical studies devoted to the relationship between physician satisfaction and malpractice insurance costs. Such research is warranted to protect citizens and physicians, and to increase public awareness. I call upon researchers to perform longitudinal studies, thus enabling us to link doctors' satisfaction with malpractice insurance rates.

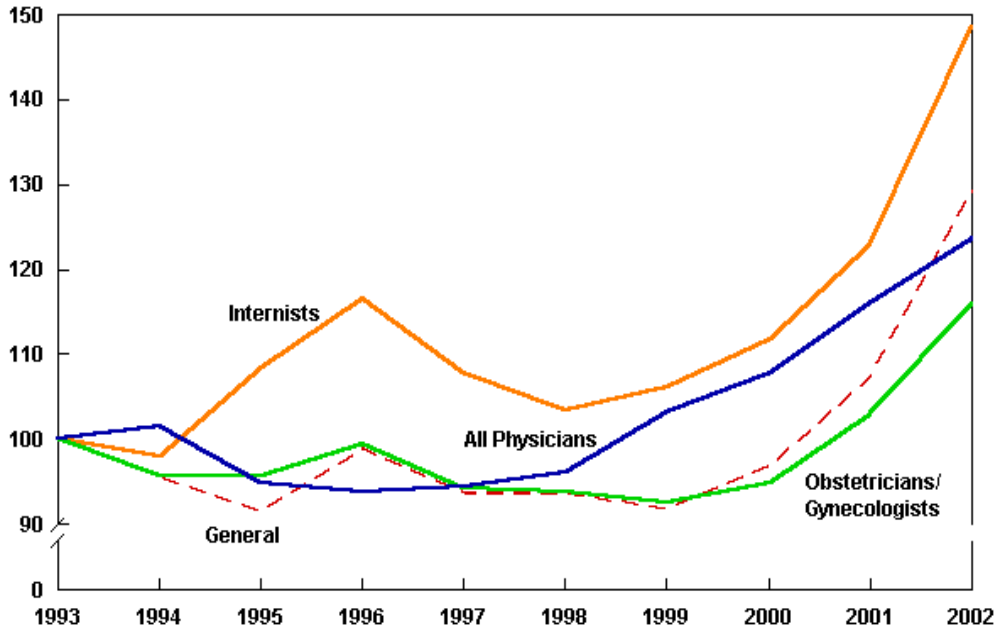
Another (proactive) possible area of research is to determine the most effective solutions to the malpractice problem faced by many of the nation's doctors. Such research may assist public policy makers seeking to regulate the system or to propose new laws, thereby protecting physicians fearful of malpractice concerns.

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FIGURE 3

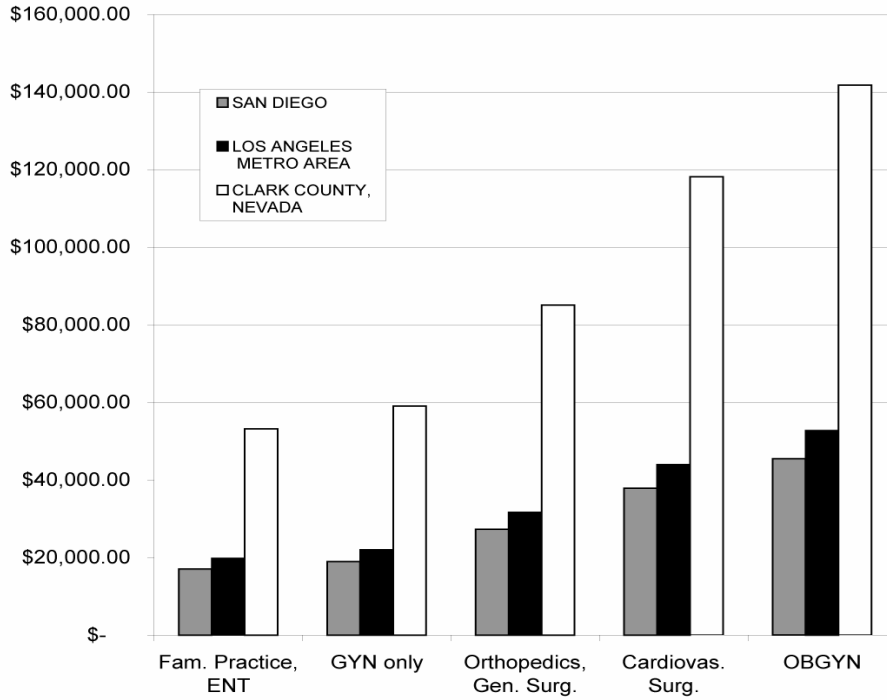
THE RISE IN MEDICAL MALPRACTICE INSURANCE RATES



1993 to 2002 (Index, 1993 = 100)

Source: Congressional Budget Office based on data from the Office of the Actuary at the Centers for Medicare and Medicaid Services (data for all physicians) and from annual premium surveys conducted by *Medical Liability Monitor* newsletter (data for physicians by specialty).

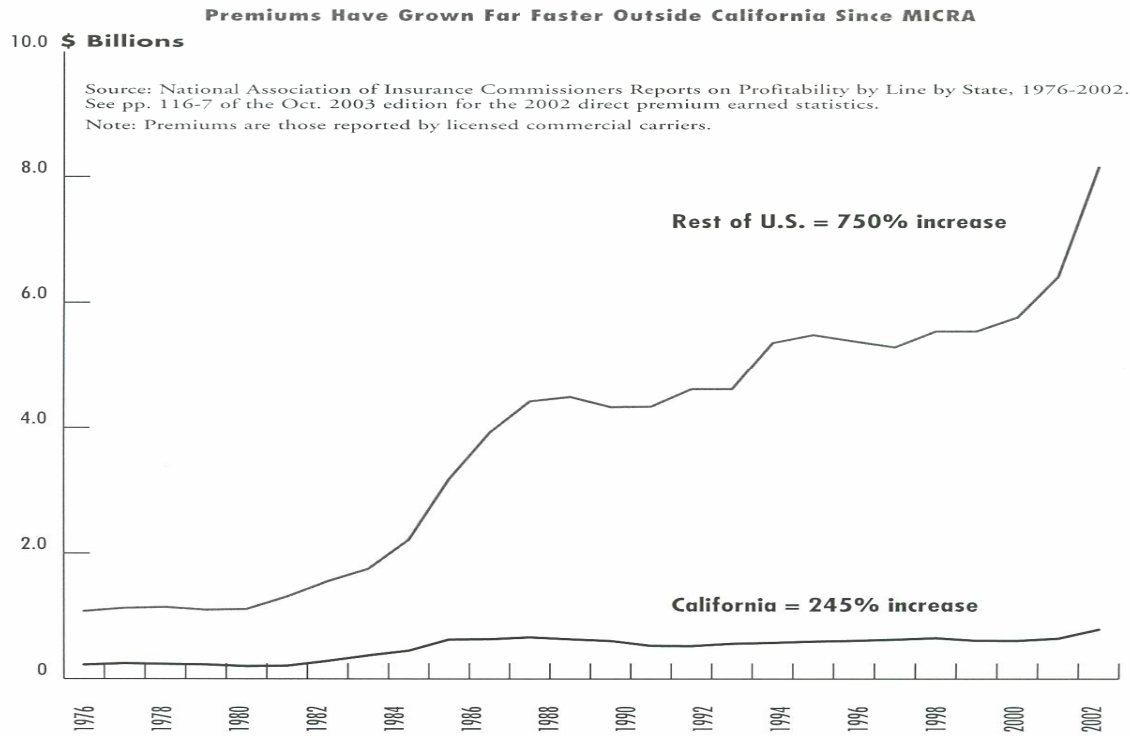
FIGURE 4
MALPRACTICE PREMIUMS BY MEDICAL SPECIALTY



Source: (Clark County Medical Society, 2004)

FIGURE 5

MALPRACTICE PREMIUMS: CALIFORNIA VERSUS THE REST OF THE U.S.



Source: (Clark County Medical Society, 2004)

TABLE 1
Summary of Overall Means

| Measures | N | Mean | Std. Dev. |
|--|----------|-------------|------------------|
| Prefer Being Employed By A Hospital | 56 | 5.16 | 2.45 |
| Belief That The Malpractice System Limits Physicians | 56 | 6.14 | 1.52 |
| Belief That Malpractice Insurance Is A Burden | 56 | 6.61 | 1.28 |
| Confidence In Medical Malpractice Insurance Provider For Coverage | 56 | 5.59 | 1.49 |
| Physicians Proud of Career Choice | 56 | 6.79 | 1.71 |
| Belief That Physicians Have Control Over Their Future | 56 | 6.21 | 1.53 |
| Physicians Less Candid With Patients Because of Concerns About Medical Malpractice | 56 | 5.73 | 2.05 |
| Physicians That View Patients As Potential Malpractice Lawsuits | 56 | 5.02 | 2.13 |
| Physicians Considering Leaving The Medical Field | 56 | 3.16 | 1.98 |
| Physicians That Would Consider Joining A Network | 56 | 6.71 | 2.33 |
| Physicians That Would Recommend Others To Their Specialty | 56 | 6.79 | 1.98 |
| Physicians That Would Recommend Others To Practice In California | 56 | 7.55 | 1.55 |
| Degree Of Importance Between Money Earned And Specialty | 56 | 7.66 | 1.76 |
| Degree Of Importance Between Flexibility(Work Hours) And Specialty | 56 | 7.88 | 1.16 |
| Degree of Importance Between Flexibility(Family Life) And Specialty | 56 | 8.14 | 1.31 |
| Degree of Importance Between Medical Liability and Specialty | 56 | 8.20 | 1.07 |

| Measures | N | Mean | Std. Dev. |
|---|----------|-------------|------------------|
| Importance Of Liability In Choosing Specialty | 54 | 6.41 | 1.71 |
| Importance of Liability In Choosing Where To Practice | 54 | 4.81 | 1.77 |
| Physicians That Order More Tests Because Of Malpractice Liability | 54 | 8.15 | 1.12 |
| Physicians That Prescribe More Medications Because of Malpractice Liability | 54 | 5.33 | 2.32 |
| Physicians That Refer Patients To Specialists More Often Because of Malpractice Liability | 54 | 7.98 | 1.33 |
| Physicians That Suggest More Invasive Procedures To Protect Against Lawsuits | 54 | 5.39 | 2.09 |
| Physicians That Avoid Personally Conducting Procedures | 54 | 5.76 | 2.43 |

TABLE 2
Summary of Type of Employment Differences

| Measures | Overall Mean | Private Practice (N=31) | Hospital Employ (N=21) | <i>t</i> Value | <i>p</i> value |
|--|---------------------|------------------------------------|-----------------------------------|-----------------------|-----------------------|
| Prefer Being Employed By A Hospital | 5.16 | 4.45 | 6.43 | 3.07 | .003 |
| Belief That The Malpractice System Limits Physicians | 6.14 | 5.81 | 6.81 | 2.62 | .012 |
| Physicians Proud Of Career Choice | 6.79 | 7.10 | 6.29 | 1.70 | .096 |
| Belief That Physicians Have Control Over Their Future | 6.21 | 6.52 | 5.57 | 2.27 | .028 |
| Physicians That Feel Less Candid With Patients | 5.73 | 5.29 | 6.52 | 2.25 | .029 |
| Physicians That View Patients As Potential Malpractice Lawsuits | 5.02 | 4.61 | 5.81 | 2.03 | .047 |
| Physicians Considering Leaving The Medical Field | 3.16 | 2.77 | 4.00 | 2.52 | .029 |
| Physicians That Would Recommend Others To Their Specialty | 6.79 | 7.29 | 5.86 | 2.70 | .010 |
| Physicians That Would Recommend Others To Practice In California | 7.55 | 7.90 | 6.81 | 2.61 | .012 |
| Physicians That Suggest More Invasive Procedures To Protect Against Lawsuits | 5.39 | 4.80 | 6.15 | 2.33 | .024 |

TABLE 3
Summary of Specialty Differences

| Measures | Overall Mean | Surgery (N=18) | General Practice (N=31) | <i>t</i> Value | <i>p</i> value |
|---|---------------------|-----------------------|------------------------------------|-----------------------|-----------------------|
| Prefer Being Employed By A Hospital | 5.16 | 6.11 | 4.32 | 2.53 | .015 |
| Belief That The Malpractice System Limits Physicians | 6.14 | 6.78 | 5.58 | 2.82 | .007 |
| Belief That Malpractice Insurance Is A Burden | 6.61 | 7.00 | 6.29 | 1.88 | .067 |
| Physicians Proud Of Career Choice | 6.79 | 6.22 | 7.39 | 2.38 | .022 |
| Belief That Physicians Have Control Over Their Future | 6.21 | 5.67 | 6.55 | 1.91 | .062 |
| Physicians Considering Leaving The Medical Field | 3.16 | 3.61 | 2.45 | 2.22 | .031 |
| Physicians That Would Recommend Others To Their Specialty | 6.79 | 6.22 | 7.35 | 2.05 | .046 |
| Physicians That Avoid Personally Conducting Procedures | 5.76 | 6.53 | 5.00 | 2.15 | .037 |

APPENDIX

ATTITUDE SURVEY

Thank you for agreeing to participate in this study, administered by Ann Abraham, a student enrolled in the Business Honors Program at California State University, Long Beach. This survey deals with your opinions about certain issues related to your professional career.

- * Please proceed at your own pace. Do NOT hurry; answer each question carefully and honestly.
- * Please note that your responses are completely confidential and your identity will not be connected in any way to this survey (i.e., responses are completely anonymous).
- * Thank you.

**PLEASE PROCEED TO THE NEXT PAGE AND COMPLETE THE
ENTIRE SURVEY (AT YOUR OWN PACE).**

1. Please indicate your level of agreement with each of the following statements where ‘1’ represents ‘strongly disagree’ and 9 represents ‘strongly agree’.

| | Strongly Disagree | | | | | Strongly Agree | | | |
|--|-------------------|---|---|---|---|----------------|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| Residency programs have become too strenuous and less rewarding for graduated medical students. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| Continuous education is very important for all physicians. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| I would prefer or do prefer to work at a hospital rather than in my own practice. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| The medical malpractice system in my state limits my ability to provide the highest quality medical care possible. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| My professional liability insurance is a substantial financial burden. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| I believe that the government looks to protect my interests as a physician. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| I am confident that my current liability insurance will cover all situations in which I may need coverage. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| I believe that physicians are paid well for the services they provide. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| I believe that physicians are well respected. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| Preventative medicine has been overlooked in the medical field. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| I believe that doctors relatively have the same stress level as others holding different occupations. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| I feel proud of the decision I made to enter medical school. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| I believe that I have control over my future as a physician. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| My spouse or significant other believes that my career does not affect our personal lives. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| My spouse or significant other believes that my profession allows for a successful family life. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |

| | Strongly Disagree | | | | | | Strongly Agree | | |
|--|-------------------|---|---|---|---|---|----------------|---|---|
| I feel that I am less candid with my patients because of concerns about medical malpractice liability. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| I view every patient as a potential malpractice lawsuit because of concerns about medical malpractice liability. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| I am considering leaving the medical field because of concerns about medical malpractice liability. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| I would consider joining a network that assumes all such responsibility because of concerns about medical malpractice liability. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| Being a physician makes it difficult to manage family life. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| Being a physician makes my family proud. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |

2. Please indicate how likely you are to recommend a graduating medical school student to each of the following where '1' represents 'not very likely' and '9' represents 'very likely' to recommend it.

| | Not Very Likely | | | | | | | | | Very Likely | | |
|---|-----------------|---|---|---|---|---|---|---|---|-------------|--|--|
| To practice your specific specialty. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | | |
| To practice in the state of California. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | | |

3. How important were each of the following when you were choosing your specialty?

| | Not at all Important | | | | | | | | | Very Important | | |
|---|----------------------|---|---|---|---|---|---|---|---|----------------|--|--|
| The amount of money earned. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | | |
| The degree of flexibility in hours working. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | | |
| The amount of autonomy possible. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | | |
| The amount of medical liability. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | | |
| The flexibility of family life. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | | |

4. How important was/is the degree of liability ...?

| | Not at all Important | | | | | Very Important | | | |
|---|-------------------------|---|---|---|---|-------------------|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| In choosing your specialty? | | | | | | | | | |
| In choosing political candidates that support your views? | | | | | | | | | |
| In choosing where to practice medicine? | | | | | | | | | |

5. How often do concerns about medical malpractice liability cause you to...?

| | Never | | | | | Always | | | |
|---|-------|---|---|---|---|--------|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| Order more tests than you would based only on your professional judgment of what is medically needed. | | | | | | | | | |
| Prescribe more medications, such as antibiotics, than you would based only on your professional judgment of what is medically needed. | | | | | | | | | |
| Refer patients to specialists more often than you would based only on your professional judgment. | | | | | | | | | |
| Suggest invasive procedures, such as biopsies, to confirm diagnosis more often than you would based only on your professional judgment. | | | | | | | | | |
| Avoid personally conducting certain procedures or interventions. | | | | | | | | | |

PLEASE PROCEED TO THE FINAL PAGE.

The following information is confidential and will be used only for classification purposes.

1. What do you think the purpose of this research study is?

2. Gender: Male: _____ Female: _____

3. Ethnicity:

American Indian: _____ Asian-American: _____

Black/African American: _____ Hispanic: _____

White/Caucasian: _____ Multi-Cultural _____

Indian _____ Middle-Eastern _____ Pakistanian _____

Other (please specify): _____

4. Physician Status: Resident: _____ Physician (for less than 5 years): _____

Physician (for 5-10 years): _____ Physician (for 11-15 years): _____

Physician (for 16-20 years): _____ Physician (for more than 20 years): _____

5. Medical Specialty: _____

6. Type of Employment: Employed by HMO _____ Private Practice _____

Hospital Employee _____ Medical Group _____

7. Comments:

Thank you for your time and cooperation. Your participation is greatly appreciated.