



Healthcare Malpractice Verdicts and Settlements: An Increase in the Frequency of Severity



Developing Trend of Higher Severity Losses Involving U.S. Hospital Systems

IronHealth’s Claim Data Warehouse contains detail on over \$167B of hospital professional liability losses. In the last two years, there have been a number of hospital malpractice verdicts in excess of \$50M and a reported increase in average settlements.

Snapshot of high severity hospital malpractice verdicts/settlements in last two years				
Date	State	County	Amount	Description
May 2015	New York	Bronx	\$45.6M Verdict	Paralysis from waist down due to alleged misplacement of screws during spinal surgery on 14 year old boy.
May 2015	Massachusetts	Norfolk	\$35.9M Verdict	Failure to document brain disorder in chart leading to stroke and full paralysis following child birth.
April 2015	Rhode Island	Providence	\$25.6M Verdict	Brain injury following failure to diagnose brain hemorrhage and contusion over 48 hour period.
March 2015	California	Los Angeles	\$28.2M Verdict	Amputation of right leg, half of pelvis, and part of spine as a result of failure to diagnose osteosarcoma. There was a three month delay in ordering an MRI.
February 2015	Illinois	Cook	\$30M Settlement	Paraplegia requiring kidney dialysis three times per week due to alleged negligent laparoscopic surgery to remove the left cancerous kidney wherein aorta cut in half and stapled on both sides.
January 2015	Georgia	Fulton	\$21.9M Verdict	Brain damage after being sedated for steroid injections for back pain. The patient died six years after the incident and before the trial.
January 2014	New York	Brooklyn	\$62M Verdict	Amputation of legs and partial deafness as a result of infection/blood poisoning after puncture of colon during laparoscopic procedure.
December 2013	Washington	King	\$50M Verdict	Wrongful life/birth case due to alleged failure of fetal maternal clinic and lab to diagnose genetic chromosomal defect.

Factors contributing to increase in frequency of severity

- Concentration of medical malpractice cases in the hands of high caliber plaintiff attorneys
- Increased focus on economic damages with expensive life care plans
- Advances in medical technology resulting in longer life expectancy and creation of new category of high exposure wrongful birth/life and multiple amputation claims
- Jurors with lottery mentality who are desensitized to the value of money
- Increased incidence of multi-claimant batch events (see chart below for more detail)

Healthcare system batch events					
Date	State	County	Date of Settlement	Amount	Description
2014	Maryland	Baltimore	2014	\$190M	Class action breach of privacy/infliction of emotional distress lawsuit by 5,000+ women alleging that they were illegally photographed and videotaped by OB/GYN employed by hospital system.
2009-2013	Florida	Orange	TBD	TBD	Multi-claimant litigation filed on behalf of 150+ patients alleging negligence arising out of performance of experimental spine surgery by employed physician.
2012	New Mexico	Alamogordo	2014	Partial \$34M Settlement	Experimental spinal surgery performed by allegedly unqualified anesthesiologist on more than 72 patients; allegations of negligent credentialing against hospital and other defendants. Liability found against hospital management company. Damage phase of trial pending.
2009	Maryland	Baltimore	2014	\$37M Settlement	Unnecessary implantation of cardiac stents. In 2009, hospital sent letters to nearly 600 patients informing them they may have received an unnecessary stent.
2004	North Carolina	Durham	2008	\$26M Settlement	Patients said they suffered health problems ranging from infections to immune system reactions after the exposure to instruments that had been washed with used hydraulic fluid. 127 patients pursued litigation.
1977-1997	New Mexico	Bernalillo	1998-2007	Partial \$48M Settlement (on behalf of 118 cancer patients)	Child cancer patients allege negligent treatment of leukemia and blood disorders by pediatric oncologist. Class Action still pending on behalf of 1,000 additional patients.

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