Here is an excerpt from a newspaper article on a weekly lobbying campaign by physicians in Tennessee. They were hoping to get changes in the law that would have benefited the med-mal carriers and supposedly reduced their premiums. Apparently med-mal companies make money by investing the premiums in the stock market that are left over after they pay out the annual claims.

Excerpt:

“Was there a crisis to begin with? State regulators didn’t think so. A little-noticed report for the year 2004, issued last October, had some startling findings.

During that year, **only six medical malpractice cases reached juries in Tennessee**, with **awards totaling $1.9 million**. Insurance companies **settled 444 before trial** at a cost of $108 million, with an average settlement of $45,904.

Insurance **premiums charged that year totaled $327 million**.

The dominant medical **malpractice insurance firm in Tennessee is a mutual company owned by the doctors themselves, meaning that it returns dividends to its members**. It has **$765 million in reserves**. Tennessee ranks in the lowest third of the states in malpractice premiums.”

**Editor’s Note:** Apparently having us all to be hysterical about a malpractice “crisis” is good for business. Of course, this is the best argument for a national ‘no fault’ fund for parents whose baby is diagnosed in the first 6 months of life with profound and permanent neurological damage, irrespective of any necessity to prove causation.