



Commissioner Kim Holland

Oklahoma Insurance Department

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Medical Professional Liability Insurance

Closed Claim Annual Report

January 1, 2005 – December 31, 2005

Oklahoma Insurance Department

Medical Professional Liability Insurance Closed Claim Annual Report January 1, 2005 – December 31, 2005

The Oklahoma Insurance Department is pleased to present composite data of medical professional liability closed claim reports for 2005. The Department publishes this report pursuant to Title 36, Section 6813 of the Oklahoma Statutes. This report contains aggregate numbers from statewide closed claims data. Information about specific closed claims is confidential pursuant to Title 36, Section 6816 and is unavailable for public inspection.

The Oklahoma Insurance Department has procedures to collect the claim reports and produce the final composite report. However, the closed claim reports submitted to the Insurance Department are done without any type of affirmation of accuracy by the insurer. The Insurance Department makes no final and absolute guarantees about the information contained within the report. This information should not be viewed as a substitute for any type of financial or actuarial opinion about a reporting insurer's claims activity.

The Oklahoma Insurance Department collects unedited data from reporting insurers and presents the final aggregate numbers in the annual report. The Department continues to work with the Oklahoma Legislature and with other Oklahomans to more accurately define the statutory requirements and to enhance the data collection understanding and process.

Questions about this report should be directed to:

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The Policy 2005

Business or Profession	Closed Claim Count
Physicians & Surgeons	524
Hospitals	116
Other Medical Professionals	53
Other Health Care Facilities	138

Insurance Policy Limits	Closed Claim Count
100,000	3
100,000/300,000	8
500,000/1,000,000	3
25,000/25,000	1
250,000	1
1,000,000	121
1,000,000/1,000,000	122
1,000,000/3,000,000	152
500,000/500,000	1
2,000,000	2
2,000,000/2,000,000	39
2,000,000/4,000,000	14
3,000,000	1
3,000,000/3,000,000	121
2,000,000/6,000,000	2
5,000,000	1
5,000,000/5,000,000	171
3,000,000/6,000,000	1
10,000,000	62
15,000,000	1
2,000,000/5,000,000	0
2,000,000/6,000,000	0
25,000,000	4
50,000/1,000,000	0
500,000	0

Type of Insurance Coverage	Closed Claim Count
Claims Made - basic	111
Claims Made - tail	13
Occurrence	707
Claims Made	0
Unknown	0

Insured's Practice Type	Closed Claim Count
Institutional (academic)	59
Corporation or Partnership (group)	257
Self-employed	451
Employed Physician	42
Employed Nurse	2
All Other Employees	6
Intern or Resident	13
Not Applicable	1

Composite Amount Reserved For All The Claims	
Reserve at Onset	\$17,163,197
Last Reserve	\$90,742,003

Injury or Loss 2005

Injury Location - Facility	Closed Claim Count
Hospital Inpatient Facility	483
Emergency Room	54
Hospital Outpatient Facility	34
Nursing Home	21
Physician's Office	159
Patient's Home	40
Other Outpatient Facility	20
Other	11
Other Hospital/Institutional Location	9
Unknown	0

Injury Location - County	Closed Claim Count
Adair	1
Alfalfa	0
Atoka	1
Beaver	0
Beckham	6
Blaine	2
Bryan	4
Caddo	4
Canadian	0
Carter	9
Cherokee	4
Choctaw	2
Cimarron	0
Cleveland	24
Coal	0
Comanche	25
Cotton	0
Craig	2
Creek	5
Custer	3
Delaware	3
Dewey	0
Ellis	0
Garfield	18
Garvin	5
Grady	3
Grant	0
Greer	1
Harmon	0
Harper	0
Haskell	1
Hughes	1
Jackson	6
Jefferson	0

Injury Location - County	Closed Claim Count
Johnston	0
Kay	7
Kingfisher	0
Kiowa	2
Latimer	0
Le Flore	5
Lincoln	1
Logan	0
Love	1
Major	1
Marshall	0
Mayes	0
McClain	0
McCurtain	5
McIntosh	2
Murray	0
Muskogee	14
Noble	1
Nowata	0
Okfuskee	0
Oklahoma	285
Okmulgee	13
Osage	2
Ottawa	1
Pawnee	1
Payne	23
Pittsburg	7
Pontotoc	13
Pottawatomie	19
Pushmataha	0
Roger Mills	0
Rogers	11
Seminole	1
Sequoyah	2
Stephens	1
Texas	0
Tillman	0
Tulsa	244
Wagoner	9
Washington	21
Washita	0
Woods	1
Woodward	6
Unknown	2
Out of State	0
Not Applicable	0

Claims Process 2005

Was a Lawsuit Filed?	Closed Claim Count
Yes	653
No	178

County Where Suit Was Filed	Closed Claim Count
Adair	0
Alfalfa	0
Atoka	0
Beaver	0
Beckham	5
Blaine	2
Bryan	3
Caddo	1
Canadian	0
Carter	5
Cherokee	2
Choctaw	2
Cimarron	0
Cleveland	18
Coal	0
Comanche	22
Cotton	0
Craig	2
Creek	4
Custer	1
Delaware	3
Dewey	0
Ellis	0
Garfield	17
Garvin	5
Grady	1
Grant	0
Greer	0
Harmon	0
Harper	0
Haskell	0
Hughes	1
Jackson	2
Jefferson	2
Johnston	0
Kay	7
Kingfisher	0
Kiowa	1

County Where Suit Was Filed	Closed Claim Count
Latimer	0
Le Flore	4
Lincoln	0
Logan	0
Love	0
Major	0
Marshall	0
Mayes	0
McClain	0
McCurtain	3
McIntosh	2
Murray	0
Muskogee	13
Noble	1
Nowata	0
Okfuskee	0
Oklahoma	239
Okmulgee	12
Osage	2
Ottawa	0
Pawnee	1
Payne	16
Pittsburg	8
Pontotoc	9
Pottawatomie	16
Pushmataha	0
Roger Mills	0
Rogers	6
Seminole	1
Sequoyah	2
Stephens	0
Texas	0
Tillman	0
Tulsa	193
Wagoner	7
Washington	8
Washita	1
Woods	0
Woodward	77
Unknown	0
Out of State	1
Not Applicable	178

Claims Process 2005 (continued)

Were Attorneys Involved?	Closed Claim Count
Yes	784
No	47
Not Applicable	0

Stage the Claim Was Closed	Closed Claim Count
No Suit	177
Suit Filed No Trial	598
Trial No Verdict	3
Court Verdict	48
During Appeal	3
After Appeal	2

Was a Court Verdict Issued?	Closed Claim Count
Yes	56
No	761
Not Applicable	14

Result of Court Verdict	Closed Claim Count
Directed Verdict for Plaintiff	1
Directed Verdict for Defendant	11
Judgment Not Withstanding for Plaintiff	0
Judgment Not Withstanding for Defendant	2
Judgment for Plaintiff	8
Judgment for Defendant	9
For Plaintiff after Appeal	0
For Defendant after Appeal	7
All Others	24
Not Applicable	769

Was the Verdict Appealed?	Closed Claim Count
Yes	15
No	672
Not Applicable	144

Who Requested Appeal?	Closed Claim Count
Plaintiff	13
Defendant	2
Not applicable	816

Number of Defendants	Closed Claim Count
None	90
One	269
Two	140
Three	119
Four	75
Five	36
Six	32
More than Six	59
Not Applicable	10
Unknown	1

Settled Outside of Court	Closed Claim Count
Yes	645
No	177
Not Applicable	9

Legal Stage of Settlement	Closed Claim Count
Alternative Dispute Resolution: No Suit	5
No Suit Filed	115
Alternative Dispute Resolution: With Suit	62
Suit Filed, Settled Before Trial	152
During Trial, Before Court Verdict	0
Court Verdict	18
After Verdict	1
Settlement After Appeal Filed	2
Case Dismissed or Summary Judgment	380
Not Applicable	96

Amount Paid 2005

Total Amount of Claim Cost	\$73,339,667
Amount Paid by the Medical Professional Liability Insurer	\$43,810,096
Amount of any Collateral Source	\$ 0
Amount of any Structured Settlement	\$ 370,453
Amount of Economic Compensatory Damages	\$21,149,909
Amount of Noneconomic Compensatory Damages	\$21,815,711
Total:	\$43,336,073
Amount of Allocated Loss Adjustment Expenses	\$26,605,680
Amount Paid for Defense Cost	\$23,543,857
Amount Paid by Another Insurer, if Known	\$1,130,122
Amount Paid by Another Defendant, if Known	\$1,579,000
Method of Allocation:	
1. Settlement	58
2. Court Determination	2
3. Adjuster Determination	183
4. No payments made	558
5. Not Applicable	30
Amount of Prejudgment Interest	\$0
Amount Paid for Punitive Damages	\$0

Please Note:

1. Because of ambiguity and reporting differences, some amounts, which should have a relationship with one another, do not agree.
2. Allocated Loss Adjustment Expense (ALAE) may include defense attorney expenses, court costs, stenographer costs, expenses for expert testimony, specific research, etc. However, it is important to note that insurers may not have reported this data consistently. Some carriers may have included defense attorney expenses in the Amount of Allocated Loss Adjustment Expense category and the Amount Paid for Defense costs or one category but not the other.
3. The original statutes do not allow the Department to collect the precise data that we believe is necessary to adequately interpret and/or suggest any findings of fact. During the 2006 Legislative Session, minor changes were made to the statute to improve data collection methodologies; however, we believe additional changes are necessary to produce a reliable report. The Department will continue to work with the Oklahoma Legislature and, on a national scale, with the National Association of Insurance Commissioners' Statistical Information Task Force to enhance the data collection. This Task Force is in the initial stages of drafting a Medical Malpractice Closed Claim Reporting Model Law that should be beneficial to Oklahoma and to other states as well.

Oklahoma Insurance Department
 Medical Professional Liability Insurance
 Closed Claim Annual Report Supplement*

2004 Supplemental Information	
Number of claims with payment by insurer	257
Number of claims with no payment by insurer	717
Total amount of payment by the Medical Professional Liability Insurer	\$77,388,723
Average payment of claims with payment by insurer	\$301,123
Total amount of ALAE for claims with payment by insurer	\$6,864,092
Total amount of ALAE for claims with no payment by insurer	\$13,760,150
Average ALAE for claims with payment by insurer	\$26,709
Average ALAE for claims with no payment by insurer	\$19,191

2005 Supplemental Information	
Number of claims with payment by insurer	247
Number of claims with no payment by insurer	584
Total amount of payment by the Medical Professional Liability Insurer	\$43,810,096
Average payment of claims with payment by insurer	\$177,369
Total amount of ALAE for claims with payment by insurer	\$9,833,086
Total amount of ALAE for claims with no payment by insurer	\$16,772,594
Average ALAE for claims with payment by insurer	\$39,810
Average ALAE for claims with no payment by insurer	\$28,720

* The information on this page is provided as a courtesy by the Oklahoma Insurance Department to supplement your Medical Professional Liability Insurance Closed Claim Annual Report and is not required to be furnished by statute.

Allocated Loss Adjustment Expense (ALAE) may include defense attorney expenses, court costs, stenographer costs, expenses for expert testimony, specific research, etc. However, it is important to note that insurers may not have reported this data consistently. Some carriers may have included defense attorney expenses in the Amount of Allocated Loss Adjustment Expense category and the Amount Paid for Defense costs or one category but not the other.