



Rising Malpractice Costs Affecting Access and Services for CAHs

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January 26, 2005



Critical Access Hospitals

- ❑ Illinois CAH Status: 43 CAHs, 6 pending certification and 2-4 considering CAH status
- ❑ 25 beds or less; >60 % Medicare; >60% outpatient business
- ❑ Quality and access to primary care and emergency services are “critical” for rural residents



How the Illinois Medical Malpractice Situation Affects CAHs?

- ❑ Increase in premiums 40-67% in past three years
- ❑ Community physicians having difficulty obtaining insurance
- ❑ Placed in pool with high risk facilities
- ❑ Obstetric coverage – cost prohibitive; decreasing physicians interest in providing OB care in rural areas, i.e. \$30,000 increase; five CAHs stopped OB this year



How the Illinois Medical Malpractice Situation Affects CAHs? (cont.)

- ❑ Losing physicians to Indiana and Iowa
- ❑ Difficult to recruit and retain
- ❑ Limited options-carriers available



What Options Do CAHs/ICAHN Members Have?

- ❑ Buying power as a group
- ❑ Identify needs- hospital and physician
- ❑ Physician performance
- ❑ Group performance and risk management
(understand your data)
- ❑ Finding a solution together



Call to Be Proactive

- ❑ United Voice
- ❑ Facts affecting access in rural areas – the numbers
- ❑ Physician performance programs
- ❑ Group insurance options for network
- ❑ Must find a solution so we can be competitive and maintain services for rural areas