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State insurance department postpones setting medical malpractice rates

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The New York State Insurance Department has postponed the setting of new medical malpractice insurance rates, originally scheduled for July 1.

Superintendent of Insurance Eric Dinallo said the delay will provide time for the negotiation of reforms to the malpractice system, which could result in reduced rates. When rates for 2008-2009 are determined, they will be retroactive to today.

The size of the rate hike had not been determined, but doctors feared it would be exorbitant. Last July, rates were increased 14 percent on average. Premiums have gone up 55 percent to 80 percent, cumulatively and depending on the type of medicine practiced, over the past five years. At the same time, both public and private insurers have taken steps to reduce reimbursement.

On June 27, Dr. Michael Rosenberg, president of the Medical Society of the State of New York, issued a statement lamenting the state legislature's failure to address needed medical liability reform before adjourning for the summer. He urged legislators to return to Albany to enact "meaningful legislation.