

The Journal News

Malpractice fees forcing obstetricians out

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High malpractice costs may squeeze out more doctors who deliver babies in the Lower Hudson Valley this year. The area has seen a significant drop in the number of practicing obstetrician/gynecologists in recent years, and more will close their offices or charge patients out-of-pocket if state lawmakers don't help cap their costs, advocates for the doctors say.

"It's the biggest obstetrics crisis the state has ever seen," said Donna Montalto, executive director of the American College of Obstetricians and Gynecologists, or ACOG. "Who will deliver the babies? I don't know. "The silent, decades-long battle between doctors and their liability insurers reared its ugly head in recent months because of a proposed \$50,000 surcharge on top of the more than \$137,000 each OB/GYN must pay yearly. As doctors wait to hear whether their costs will go up, they are forced to make tough decisions that may cost patients more or compromise safety, advocates say.

In the spring, buloads of doctors from the Lower Hudson Valley met with lawmakers. Radio advertisements have run in the past few months encouraging patients to write to their state legislators. The state's insurance commissioner, Eric R. Dinallo, announced he would delay setting the malpractice insurance rates, which typically happens July 1, for the coming year.

Some obstetricians are planning to retire early, while others have moved to other states. Even experienced and trusted doctors with the most stable patient base are dissolving their independent practices into physician-owned groups or hospital-owned units. Ten percent of all OB/GYNs in New York state reported plans to retire or reduce hours, a rate that is much higher than for all other medical specialties, according to a study conducted by the Center for Health Workforce Studies. Dozens of others have simply stopped delivering babies.

For patients like Stephanie Herr, changing doctors is not an attractive option. Herr, 37, of Mount Kisco, was in the middle of her pregnancy when her obstetrician, Dr. F. Michael Shaw, decided he needed to make changes to his practice to protect his financial future. So he left his office in White Plains office to join the Mount Kisco Medical Group, a 168-doctor multi-specialty practice. With so many doctors in one place, the group has the clout to aggressively negotiate physician fees with managed-care companies. Shaw said that leaves him more time to focus on his patients.

"You don't want to struggle to see so many patients per hour just to make ends meet," Shaw said. "That's not how you want to treat people." Shaw's move worked in Herr's favor, but other patients did not follow him to his new northern location, Shaw said. He now delivers most of his babies at Northern Westchester Hospital in Mount Kisco. He has retained his privileges at White Plains Hospital for some patients.

"I would've been very disappointed if Dr. Shaw couldn't deliver my baby," said Herr, nine months pregnant, at an appointment just hours before she gave birth to a healthy boy. "I've been going to him for the last six or seven years and he's been through it all with me and my husband. ... It's been a smooth pregnancy, but it wasn't easy getting pregnant. ... To change doctors would've been very difficult for us." Herr said she wants to have more children and hopes Shaw is there to deliver them.

Local doctors said operating costs - including technology upgrades, staff salaries, medical-surgical supplies, rent and other insurance premiums - are making it difficult for them to stay in the baby delivery business, particularly when reimbursements from managed-care companies have stayed the same or declined over the years.

In some cases, the doctors have used their savings, refinanced their homes or dipped into their retirement funds to keep their practices afloat. Dr. Robert Greenlee shuttered his 28-year-old New Rochelle practice and moved to Rhode Island for this reason. He had many patients and was very busy - but he wasn't getting paid nearly enough to keep his office open, he said. He now delivers babies at a hospital in Westerly, R.I. He said he didn't want to stay in Westchester and practice "factory medicine."

"Seems like being there for your patients is going to be a thing of the past," Greenlee said. The Hudson Valley region, including Westchester, Rockland and Dutchess counties, saw a 5.7 percent drop in OB/GYNs between 2002-2006, excluding the number of doctors who have given up obstetrics, or delivering babies, in favor of practicing only gynecology. Malpractice insurance premiums drop dramatically to about \$40,000 once an OB/GYN stops delivering babies. The average age that these doctors stop delivering babies is 47 years old, ACOG said.

Nationally, malpractice insurance premiums make up an estimated 11 percent of an OB/GYN's operating budget. In comparison, the same doctor practicing in Rockland County, however, can expect to have malpractice insurance premiums make up much more - about 29 percent of operating costs and 38 percent of total revenue, an ACOG survey of local doctors showed. Doctors will have to see more patients, and allow less time for each, which increases the risk for medical errors, Montalto said.

"The quality of care is going to suffer because your doctor is being overworked," Montalto said. In seven counties in upstate New York, there are no OB/GYNs at all. In the entire city of Mount Vernon, there is only one OB/GYN practice, said Dr. Amy Newburger, president of the Westchester County Medical Society.

"What do they do? Cross their legs and hope that the local physician can deliver you," Newburger said. About 25 years ago, insurance companies paid obstetrician/gynecologists about \$4,500 for delivering a healthy baby, including prenatal visits. Now, a doctor makes about \$2,800 for the same service, said Jim Foy, chief executive officer of St. John's Riverside Hospital in Yonkers and president of the Greater New York Hospital Association.

Doctors are not allowed to discuss their fees, but Foy, who routinely negotiates with managed-care companies, said patients need to know the pressure doctors face.

"These are not greedy people," Foy said. "These people go to four years of college, four years of medical school, four years of training before they make their first dollar. And when they start, they aren't making anymore than an entry-level banker."

Over the past decade, St. John's Riverside has seen its number of OB/GYNs drop from 16 to eight. Over the same period, the number of deliveries at the hospital has nearly doubled and is expected to rise." Just because there aren't doctors to deliver the babies doesn't mean that women in the city of Yonkers aren't going to get pregnant," Foy said.

Patients are, or eventually will, feel the pinch, said Dr. Philip Florio, who delivers babies at St. John's. Florio sees about 20 patients per day and is on-call every third night for deliveries. Still, he feels for his patients, many of whom are self-employed and others who are underinsured.

"They think they have insurance until we show them how much their insurance company pays out for their care," Florio said. What's worse, Florio said, is that women are waiting too long after they've become pregnant to see a doctor, at times because they cannot get an appointment.

Though Florio delivered multiple generations of babies in the same family, he doesn't think his younger colleagues are going to stay in Westchester too long for the same rewarding career.

"When I retire and my partners retire, I don't know who's going to be here," Florio said. "It's kind of sad."