



Malpractice Rate Increase Is Postponed

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July 1, 2008

The state's insurance superintendent, Eric Dinallo, is holding off on raising medical malpractice insurance rates pending negotiations on ways to reform the state's malpractice system, the insurance department announced yesterday.

When rates for 2008-09 are determined, they will be retroactive to today.

Malpractice insurance rates are set each year by the insurance superintendent, and physician groups were bracing for a single-digit rate increase this year.

Following a rate increase of 14% last year, Governor Spitzer appointed a task force to examine the drivers of high medical malpractice costs and to make recommendations for change. No final report was produced.

In a letter sent yesterday to Mr. Dinallo, several consumer groups expressed a lack of confidence in the task force, which has not met since December. The groups also urged Mr. Dinallo to focus on two main drivers of the current situation: the failure of previous administrations to adequately adjust insurance rates and the state's "invasion," or borrowing, of \$700 million from an insurance pool that covers high-risk doctors.