

**AMERICAN COLLEGE OF OBSTETRICIANS & GYNECOLOGISTS, DISTRICT 2
MEDICAL SOCIETY OF THE STATE OF NEW YORK
NEW YORK AMERICAN COLLEGE OF EMERGENCY PHYSICIANS
NEW YORK CHAPTER AMERICAN COLLEGE OF CARDIOLOGY
NEW YORK CHAPTER, AMERICAN COLLEGE OF SURGEONS
NEW YORK CHAPTER AMERICAN COLLEGE OF PHYSICIANS SERVICES
NEW YORK STATE ACADEMY OF FAMILY PHYSICIANS
NEW YORK STATE AMERICAN ACADEMY OF PEDIATRICS CHAPTERS 1, 2, & 3
NEW YORK STATE NEUROLOGICAL SOCIETY
NEW YORK STATE NEUROSURGICAL SOCIETY
NEW YORK STATE OPHTHALMOLOGICAL SOCIETY
NEW YORK STATE PSYCHIATRIC ASSOCIATION
NEW YORK STATE RADIOLOGICAL SOCIETY
NEW YORK STATE SOCIETY OF ANESTHESIOLOGISTS
NEW YORK STATE SOCIETY OF DERMATOLOGY & DERMATOLOGICAL SURGEONS
NEW YORK STATE SOCIETY OF ORTHOPEDIC SURGEONS
NEW YORK STATE SOCIETY OF OTOLARYNGOLOGY – HEAD & NECK SURGERY
NEW YORK STATE SOCIETY OF PLASTIC SURGEONS
NORTH EAST REGIONAL URGENT CARE ASSOCIATION**

Our respective associations' which together represent tens of thousands of physicians across the State delivering care to hundreds of thousands of patients each year are strongly opposed to a proposal within Part G of the Health/Mental Hygiene Article 7 bill that would require the nearly 16,000 physicians currently enrolled in the Excess Medical Malpractice Insurance program to bear 50% of the cost of these policies. This proposal has been advanced in multiple previous Executive Budgets but thankfully has been rejected by the State Legislature because of its adverse impact not only on physicians, but for the patients who are the ultimate beneficiaries of this program. We urge the Legislature to again reject this proposal and protect needed patient access to primary and specialty-based physician care.

This incredibly short-sighted proposal would thrust nearly \$40 million of new costs on the backs of our community-based physicians who served on the front lines of responding to the pandemic. Many of these physicians are struggling to stay in practice to deliver needed care, at a time when physicians already face staggeringly high liability premiums that have gone up by nearly 12% in the last 3 years and face continuing cuts in reimbursement from Medicare and other payors. The unconscionable cost imposition will most acutely impact those specialty physicians where we are already seeing physician shortages that are adversely patient access to needed care, including reproductive healthcare services, emergency care and surgical services.

Many of these physicians will have no choice but to move to other states with more favorable practice environments. Indeed, many have done so, with a particular adverse impact on rural areas. Many others may forego the coverage in order to avoid the thousands to tens of thousands of dollars of new costs, *per physician*, this Budget proposal would impose.

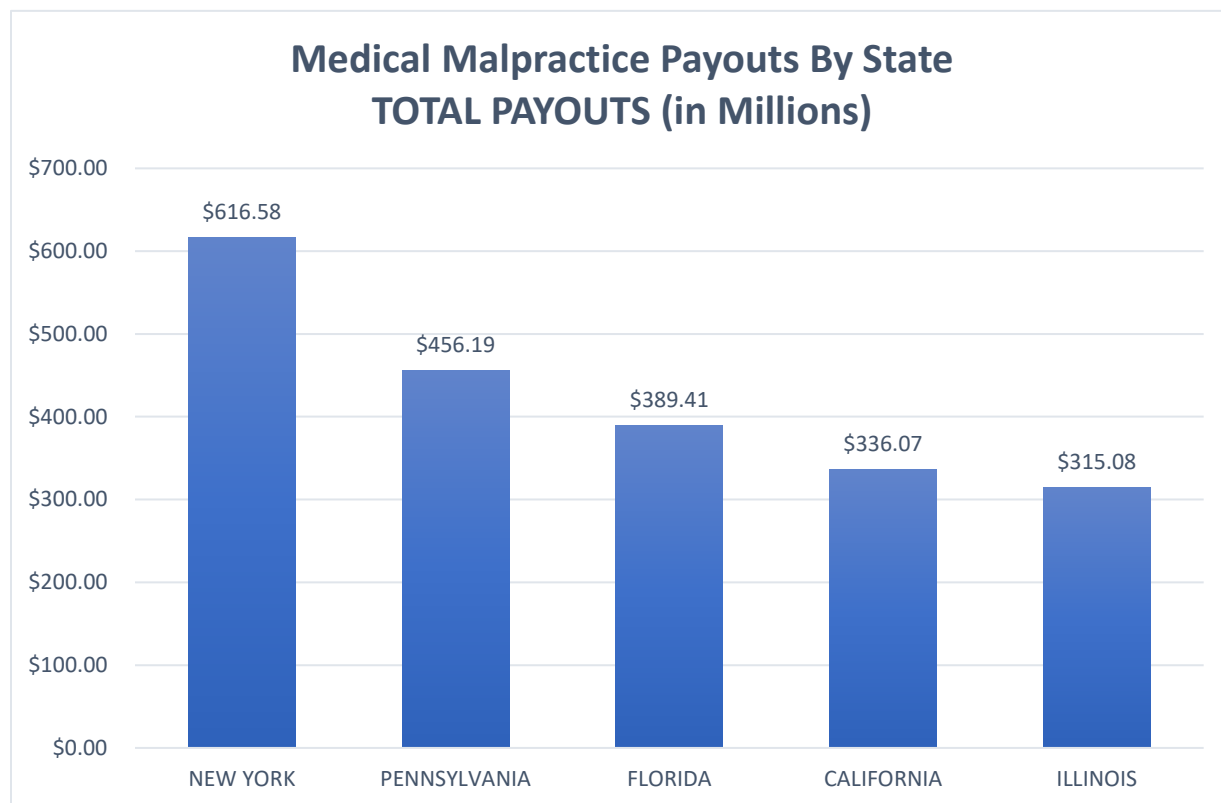
**ESTIMATED NEW COSTS TO BE IMPOSED ON PHYSICIANS FOR EXCESS COVERAGE
BASED UPON GOVERNOR'S 50% COST BUDGET PROPOSAL**

SPECIALTY	Long Island	Bronx, Staten Island	Brooklyn, Queens	Westchester, Orange, Manhattan
<i>ER</i>	\$5,554	\$6,446	\$6,024	\$4,199
<i>Cardiac Surgery</i>	\$3,848	\$4,466	\$4,173	\$2,909
<i>General Surgery</i>	\$3,858	\$4,477	\$4,184	\$2,916
<i>OB-GYN</i>	\$17,071	\$19,813	\$18,516	\$12,916
<i>Neurosurgery</i>	\$28,796	\$33,423	\$31,233	\$21,771

These costs would be on top of the tens of thousands, in some cases, hundreds of thousands of dollars that physicians already pay per year for their liability insurance coverage.

The Excess Medical Malpractice Insurance Program provides an additional layer of \$1M of coverage to physicians with hospital privileges who maintain primary coverage at the \$1.3 million/\$3.9 million level. The program was created because of the liability insurance crisis of the mid-1980's to address concerns among physicians that their liability exposure far exceeded available coverage limitations. They legitimately feared that everything they had worked on for all their professional lives could be lost because of one wildly aberrant jury verdict.

This fear continues today since New York State has failed to enact meaningful liability reform to ameliorate this risk. The size of medical liability awards in New York State has continued to rise significantly and physician liability premiums remain far out of proportion compared to the rest of the country. While many other states have passed laws to contain medical liability payouts and provide greater fairness in medical liability litigation, New York has not, which is why our medical liability insurance and payout costs far exceed every other state in the country. In fact, in 2023 New York exceeded the 2d highest state Pennsylvania by 35%, the third highest state Florida by 58%, and 4th highest state California by 83%! For these reasons, New York is regularly ranked [worst among states in the country for physicians to practice medicine](#).



Absent comprehensive liability reform to bring down New York's grossly disproportionate medical liability costs, maintaining an adequately funded Excess Medical Malpractice Insurance Program is essential to maintaining some availability of skilled physician care throughout the various regions of New York to ensure patients can receive the care they need and in a timely manner.

We urge you to again reject this proposal, and work for the enactment of measures that will help to reduce these overwhelming costs that are interfering with patient access to needed care.