

Study Puts Cost of Medical Errors At \$19.5 Billion

Written On August 16, 2010 By Bob Kraft

Medical errors and the problems they can cause — including bed sores, post-op infections and implant or device complications — cost the U.S. economy \$19.5 billion in 2008, according to the Health Blog of the Wall Street Journal, which cited a recent study by the Society of Actuaries based on insurance claims

data. Here are excerpts from the article:

The cost estimate includes medical costs, costs associated with increased mortality rate and lost productivity, and covers what the authors describe as a conservative estimate of 1.5 million measurable errors. The report estimates the errors caused more than 2,500 avoidable deaths and over 10 million lost

days of work.

A couple of things make this study stand apart from previous studies, Jim Toole, the chairman of the SOA's project oversight group, who proposed the study a few years ago, tells the Health Blog. First, the sample size is bigger, starting with a dataset of 24 million people. It also used control groups to calculate the cost-of-care differential between a patient who sustained an error-caused injury and a similar patient who wasn't injured. And finally, says Toole, these were neutral data, collected for another reason, which means they're less subject to bias than data aggregated for the sole purpose of counting errors.

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Bed sores — which are almost always considered to be the result of an error — produced the largest annual error cost, at almost \$3.9 billion, followed by post-op infections (\$3.7 billion), device complications (\$1.1 billion), complications from failed spinal surgery (\$1.1 billion) and hemorrhages (\$960 million).

Kraft & Associates 2777 Stemmons Freeway Suite 1300 Dallas, Texas 75207 Toll Free: (800) 989-9999 FAX: (214) 637-2118 To come up with those figures, researchers found the total cost of a given type of injury and estimated

how often it was caused by an error. (Those assumptions, plus the possibility that some data were

miscoded, represent the study's biggest weaknesses, Toole says.)

"This is so important, and yet it's so overlooked," says Toole. "We have wonderful information in this

country about automobile safety and how in the last 20 years we've reduced highway deaths by 35% ...

but we have no starting point for medical errors or injuries."

He'd like to see better federal patient-safety efforts, including a mandatory national reporting system.

Clarification: A previous version of this post said that bed sores are always considered to be the result of

errors; although the AHQR classifies them as "never events," in this study 5% of the bed sore-related

injuries were not counted as errors

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