



Hospital Executives: 32 Percent of Healthcare Costs Due to Defensive Medicine

ATLANTA, GA (April 8, 2014) — Hospital administrators estimate that one-third of healthcare costs are the result of tests and treatments that aren't medically necessary and ordered to prevent lawsuits, according to a new survey by Atlanta-based Jackson Healthcare.

Ninety-four percent of survey participants affirmed that the practice of defensive medicine drives up healthcare costs in the U.S. They also estimated an average of 57 percent of physicians practice defensive medicine.

The survey is important as debate continues to swirl around defensive medicine's true impact on U.S. healthcare costs.

Survey participants were divided on how defensive medicine impacts the quality of patient care. Thirty-two percent believe it has a negative impact. Thirty-one percent said it has a positive impact and 30 percent said it had no impact.

When it comes to hospitals' financial performance, 65 percent of executives believe defensive medicine negatively impacts performance. Only 27 percent reported a positive impact.

A separate survey of physicians conducted by Gallup in 2010, found that one in four healthcare dollars could be attributed to defensive medicine. In addition, the same poll found that 73 percent of physicians agreed that they had practiced some form of defensive medicine in the past 12 months.

"We have been studying the reach and impact of defensive medicine for five years and the conclusions are consistent," said Richard L. Jackson, chairman and CEO of Jackson Healthcare. "The data shows defensive medicine is impacting healthcare costs and is a uniquely American problem."

A total of 106 hospital executives completed the Jackson survey between February 7 and March 25, 2014. To qualify, participants answered that they believe some physicians practice defensive medicine. The error range for the survey was +/-9.5 percent at the 95 percent confidence level.

About Jackson Healthcare

Jackson Healthcare is the third largest healthcare staffing company in the U.S. and serves more than five million patients in over 1,300 healthcare facilities. The company also provides technology solutions that enable total hospital efficiency. Jackson has earned national media coverage by providing innovative solutions to healthcare problems, in addition to championing local, national and international charitable work. *Atlanta Business Chronicle* has recognized the company as one of the *Best Places to Work* for seven consecutive years. Visit <http://www.JacksonHealthcare.com> to learn more.