HOD ACTION: Council on Medical Education Report 9 adopted and the remainder of the report filed.

REPORT OF THE COUNCIL ON MEDICAL EDUCATION

CME Report 9-A-10

Subject: Liability Coverage for Medical Students Completing Extramural Electives
(Resolution 913, I-08)

Presented by: Susan Rudd Bailey, MD, Chair

Referred to: Reference Committee C
(Floyd A. Buras, Jr., MD, Chair)

INTRODUCTION

Resolution 913 (I-08), “Liability Coverage for Medical Students Completing Extramural Electives,” introduced by the Medical Student Section and referred to the Board of Trustees, asked that our American Medical Association (AMA):

1. Take into account the appropriate minimum levels of student liability coverage when examining the issue of student debt, particularly when in conversations with the administrations of various medical schools;

2. Examine whether students have been found partially accountable in recent malpractice suits, as well as the appropriateness of the amounts of medical student liability coverage required by medical schools with respect to the current medical professional liability insurance market; and

3. Examine the propriety of schools requiring their own and visiting students to carry levels of medical liability coverage in excess of the minimum amounts mandated for physicians by state law.

To address the three points of Resolution 913 (I-08), this report: 1) provides background on professional medical liability coverage for physicians and for medical students completing extramural electives; 2) examines the role of medical students in malpractice suits; and 3) provides an overview of liability coverage for extramural electives. Section 3 specifically addresses the following questions: How many medical schools require students completing extramural electives to obtain professional liability coverage? How much professional liability coverage do medical schools require? How do the professional liability insurance requirements for medical students completing extramural electives compare to coverage requirements for licensed physicians?

BACKGROUND

Medical schools typically include time for elective experiences during the fourth year of the curriculum. Students can take electives either at their medical schools or at other institutions. Electives give medical students the opportunity to enhance their education through valuable clinical experience as well as to assess their career options. A possible barrier to completing extramural electives is the cost of professional liability insurance. Students choosing electives at “away” institutions may have the extra expense of paying for professional medical liability coverage if the coverage provided by their home institution does not meet the requirements of the
institution hosting the extramural elective. Students in this situation must usually obtain a one-
year medical liability insurance policy, although the average time students participate in electives is
5 months.4

Professional medical liability (also called medical malpractice) coverage “is intended to protect the
physician from the consequences of a patient’s claim that he or she was injured as the result of the
physician’s negligence.” Professional liability insurance covers claims of negligence, inaccurate
advice, and/or an act of omission.

Some states require physicians to obtain coverage for professional medical liability. However,
even in the absence of state requirements, most physicians purchase coverage because in the
majority of hospitals, clinics, and health centers they are not allowed to practice without it. Physicians practicing in certain specialties and geographic locations are more likely to pay higher
liability insurance premiums. A 2008 survey of internists, general surgeons, and
obstetrician/gynecologists found that those practicing in Florida paid the highest liability insurance
premiums in this country. Also, paying high insurance premiums were physicians located in
Illinois, Michigan, New York, and Ohio and those practicing in large metropolitan areas.

Medical students are most often insured under their medical school programs and coverage rates
are typically low, particularly in comparison to licensed physicians. As previously mentioned,
professional medical liability insurance offered by medical schools may not provide adequate
coverage to students completing extramural electives. For example, tort reform in states such as
Texas yields lower rates for medical liability insurance but has the unintended consequence of
higher costs for medical students who go to states without tort reform and thus face increased costs
for higher coverage requirements. There are institutions that cover visiting students (e.g., Harvard
Medical School and Mayo Clinic), but many more do not.

The number of medical students affected by the cost of medical liability insurance is unclear.
Presumably, students most affected are those who choose to take extramural electives at medical
schools that: a) have higher coverage requirements; and b) offer no coverage to students from other
institutions. To understand the extent of this issue, data on the number of medical students
completing extramural electives, the home institution of students, and the institution where students
are completing their electives are needed. This information, along with data on insurance coverage
requirements and availability of medical liability insurance policies at medical schools, currently
available through the Association of American Medical Colleges (AAMC) online Extramural
Electives Compendium (EEC), would yield a more complete understanding of the barrier
professional liability insurance costs pose for medical students completing extramural electives.
The EEC is discussed in more detail in the Overview of Liability Coverage for Extramural
Electives section below.

THE ROLE OF MEDICAL STUDENTS IN MALPRACTICE SUITS

The physician is ultimately responsible for the well-being of his or her patient. A medical student
can provide clinical care only under the supervision of a licensed physician; however, a medical
student can be left alone to care for patients and, in this scenario, a medical error could leave the
student open to a medical liability claim. The likelihood of the student being sued for the error,
however, is small. Students’ claims exposure is about 1 percent that of full-time physicians’ claims
exposure. Claims naming medical students are rare, and it is extremely unusual for a medical
student to be the sole name on a medical liability suit.
The role of residents in malpractice suits

The AAMC researched medical liability suits involving medical residents and found that residents were rarely cited in lawsuits, and those who were included were dropped from the lawsuits before any legal action occurred. Further, actuarial data shows that residents are named more frequently than medical students and usually are named along with the facility or program through which they are insured. Residents’ claims exposure is about 35 – 50 percent that of full-time physicians’ claims exposure, notably higher than the 1 percent for medical students discussed above.

OVERVIEW OF LIABILITY COVERAGE FOR EXTRAMURAL ELECTIVES

Two data sources were found that provide information on liability coverage for extramural electives, the Liaison Committee for Medical Education (LCME) Part II Annual Medical School Questionnaire and the AAMC EEC. The LCME Part II Questionnaire is an AMA administered web-based survey, which collects data from all LCME-accredited medical schools on operational characteristics of the educational program leading to the MD degree. Results from 2003-2004 showed that about 92 percent of medical schools (110 out of 125) required medical students from other medical schools who were taking electives at their institution to be covered by their own institution’s liability plan.

The AAMC EEC contains information on electives from 121 medical schools and yields similar results. About 96 percent (116/121) of medical schools require students to obtain liability coverage. The majority of the medical schools require students participating in extramural electives to obtain $1,000,000 of liability coverage per occurrence. However, the range of liability coverage required per occurrence for all medical schools is between $25,000 and $3,000,000. Additionally, the majority of medical schools require students participating in extramural electives to obtain $3,000,000 of aggregate liability coverage. The range of aggregate liability coverage required for all medical schools is between $75,000 and $7,000,000. More information on electives can be found online at the EEC Web site at: [http://services.aamc.org/eec/students/](http://services.aamc.org/eec/students/).

The $1,000,000 per occurrence and $3,000,000 aggregate of professional medical liability insurance most schools require students to obtain while completing extramural electives is on par with the amount of professional medical liability coverage most licensed physicians carry. A 2001 AMA survey found across all specialties, and in every specialty, at least 75 percent of physicians had a per claim limit at or above $1,000,000 of medical liability insurance coverage in the year 2000. Physicians in certain specialties and subspecialties are likely those who obtain greater amounts of medical liability insurance coverage. For example, 25 percent of emergency medicine physicians had a per claim limit at or above $3,000,000 of medical liability insurance coverage in the year 2000.

SUMMARY AND RECOMMENDATIONS

Medical students have the opportunity, most commonly during their fourth year, to enhance their educational experience through participation in electives. Extramural electives offer students the option of completing electives away from their home institution. A financial barrier may exist, however, for students who choose extramural electives at schools whose professional medical liability insurance requirements are greater than those of their home schools. Strategies to ease or eliminate the cost of coverage include standardizing professional medical liability insurance requirements across institutions and developing institutional policies which shift liability from visiting students to institutions.
Opportunities for learning are of utmost importance in medical education, and barriers to accessing educational experiences such as extramural electives must be addressed. It is important to highlight, however, that the extent of the impact of this particular barrier – the cost to medical students, of professional medical liability insurance for extramural electives, remains unclear due to lack of data.

The Council on Medical Education, therefore, recommends that the following be adopted in lieu of Resolution 913 (I-08) and that the remainder of the report be filed.

1. That our American Medical Association support the continuance of the AAMC online Extramural Electives Compendium (EEC) database as a resource for information on medical school electives, including liability insurance fees. (Directive to Take Action)

2. That our AMA work with the AAMC to encourage medical schools to provide sufficient medical liability insurance for their own students completing electives at US Medical Doctor and Doctor of Osteopathy granting medical schools. (Directive to Take Action)

Fiscal note: Less than $500.
REFERENCES

10. The LCME Part II Annual Medical School Questionnaire. Liaison Committee on Medical Education. 2004-2005.