Economic Consequences of Diagnostic Errors

For more than 20 years, medical errors have been one of the most important topics of health policy and management analyses. While the focus in the earlier phases was on medication, nursing and surgical errors, the emphasis has now shifted to the much more important problem of misdiagnosis.

This presentation has two parts. First, it will give an overview on the available evidence of the costs of diagnostic errors, report the results of select studies, analyze some of the relevant methodological problems faced by any inquiry on the subject and discuss the problems which arise in any attempt to extrapolate the results of any study to other contexts and countries.

The most comprehensive inquiry into the subject found diagnostic errors to be the most common cause for malpractice claims in the US during the period of 1986 and 2010, with median costs of US$ 386,000,- per case. Based on the methodology used, one can safely assume significant underreporting of cases, resulting in significantly higher overall costs. On the other hand, the specifics of American tort law will significantly inflate the costs per case compared to other countries, decreasing their economic burden.

In the second part, the presentation will try to look at non-monetary costs of misdiagnosis, by taking a cultural-historical and socio-psychological perspective. It will provide hypotheses on the structure of the relationship between doctor, nurse and therapist on one side and the patient on the other side and between medicine and society in general. It will show, that the success of western medicine is in part based on its success in a successful separation of disease and patient and thereby structurally ignoring patient input and expertise. On a societal level, this is reflected by a process of delegation of responsibility by the patient and society for their wellbeing to professionals and to medicine as a professional and cultural context. The price of this are not only the costs of misdiagnosis reported earlier, but also the incredible physical and psychological burden under which many practitioners and parts of the system collapse, reflected, among other symptoms, in the high suicide and substance abuse rates among physicians.