

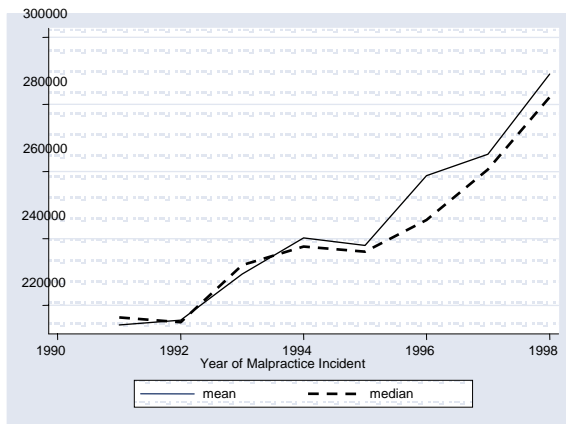
Table 1- Descriptive Statistics

Variable	Description	Mean	Std. Dev.	Source
Dependent Variables				
Average Payments	Settlement Amount	243,779	87,644.91	NPDB
# of Cases	# of Annual Settlements per State per doctor (per 100,000 population)	.0162937	.0068826	NPDB
Total Payments	Total Annual Payouts per State	51,000,000	66,900,000	NPDB
Reforms				
R_CN	=1 if state has passed a cap on non-economic damages	0.35	0.47	DSTLR
R_CP	=1 if state had adopted a cap on punitive damages	0.27	0.44	DSTLR
R_CS	=1 if state has adopted limitation on the collateral source rule	0.64	0.48	DSTLR
R_JS	=1 if state had adopted limitation on joint and several liability	0.72	0.44	DSTLR
R_PE	=1 if state has adopted higher evidentiary requirements for punitive damages	0.65	0.47	DSTLR
R_PP	=1 if state has allowed periodic payments	0.60	0.48	DSTLR
State Controls				
C_65	Percentage of Population over 65	12.66	2.04	CMMS, USCB
C_BS	Percentage with Bachelor degrees	22.18	4.33	USCB
C_CarDeath	Car Fatalities Per Million People	173.87	56.05	DOT
C_HealthSpend	Per Capita Healthcare Expenditures	4323.83	558.471	CMMS
C_Income	Income per Capita	26866.9	3911.836	DOC
C_Lawyer	Lawyers per Capita	289.85	90.73	ABF
C_LifeExp	Life expectancy for Newborns	75.65	1.28	CDC
C_MedCPI	Consumer Price Index for medical goods	213.11	21.12	BLS
C_Metro	Metropolitan Percentage	67.51	20.72	USCB
C_NewRes	Percentage of new Residents	3.27	1.42	USCB
C_Pop		5242.665	5714.688	
C_Unempl	Unemployment Rate	5.58	1.55	BLS
Individual Controls				
I_AgeGroup	Age of physician at event	42.78	10.76	NPDB
I_CaseLength	Case length	3.45	1.54	NPDB
I_Grad	Year of graduation	1969.89	11.39	NPDB
I_StFundPay	=1 if State Fund Paid	0.03	0.18	NPDB
I_Field	Fifteen Fields of Physicians			NPDB

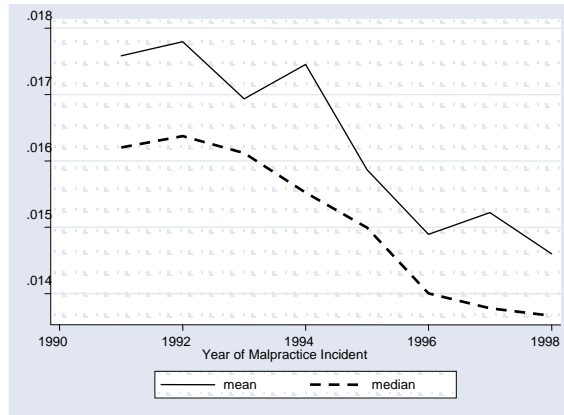
ABF- American Bar Foundation
BLS- Bureau of Labor Statistics
CDC- Centers for Disease Control
CMMS- Centers for Medicare and Medicaid
DOC- Department of Commerce
DOT- Department of Transportation
DSTLR- Database of State Tort Law Reforms
NPDB- National Practitioner Data Bank
USCB- U.S. Census Bureau

Table 3- State level aggregated results: general trends. (Medical malpractice settlements; doctors only).

3 (a) – Average Award



3(b) – Number of cases per doctor.



3(c) – Total payouts per doctor.

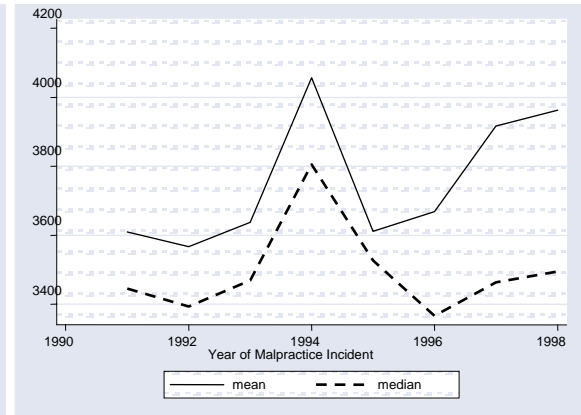


Table 4a: : Regressions on Different Reforms separately (dependent variable=log of Average Payment)

Reform	OLS Regressions						Quintile Regressions		
	OLS1		OLS2		OLS3		0.25 th	0.50 th	0.75 th
	Sep	Joint	Sep	Joint	Sep	Joint			
Caps Non-Econ	0.055 [0.045]	0.062 [0.056]	0.055 [0.045]	0.062 [0.064]	0.069 [0.049]	0.069 [0.065]			
Joint & Sev Liab	-0.225 * [0.130]	-0.219 ** [0.102]	-0.224 * [0.130]	-0.219 * [0.110]	-0.216 [0.132]	-0.219 *** [0.108]			
Coll Source Rule	-0.1348 [0.171]	-0.082 [0.131]	-0.134 [0.171]	-0.082 [0.140]	-0.112 [0.177]	-0.057 [0.136]			
Punitive Evidence	0.086 [0.068]	0.079 [0.102]	0.086 [0.068]	0.079 [0.110]	0.089 [0.074]	0.077 [0.111]			
Caps Punitive	0.110 ** [0.049]	0.090 [0.058]	0.110 ** [0.049]	0.090 [0.062]	0.124 ** [0.055]	0.097 [0.067]			
Periodic Payment	0.045 [0.045]	-0.047 [0.076]	0.045 [0.045]	-0.047 [0.082]	0.048 [0.039]	-0.039 [0.076]			
Over all Effect		-0.119		-0.119		-0.074			
Joint Significance		0.0804		0.1275		0.1046			
Cluster by State	No		Yes		Yes		No	No	No
State Specific time Trends	No		No		Yes		No	No	No
R-squared	0.253	0.280	0.722	0.730	0.730	0.740			

NOTE: N=400. Robust standard error in brackets. In the “Sep” specification a separate regression for each tort reform variable and is estimated. In the “Joint” specification we a regression that includes all tort reform dummy variables is estimated. Not reported: Year dummies, State Dummies, Percentage of Population over 65, Percentage with Bachelor degrees, Car Fatalities Per Million People, Per Capita Healthcare Expenditures, Income per Capita, Lawyers per Capita, Life expectancy for Newborns, Consumer Price Index for medical goods, Metropolitan Percentage, Percentage of new Residents, Unemployment Rate. * significant at 10% or less. ** significant at 5% or less. *** significant at 1% or less. The Time Period is 1991-1998.

Table 4b: Regressions on Different Reforms (dependent variable=Log of individual Payment)

Reform	OLS Regressions						Quintile Regressions		
	OLS1		OLS2		OLS3		0.25 th	0.50 th	0.75 th
	Sep	Joint	Sep	Joint	Sep	Joint			
Caps Non-Econ	0.059 *	0.074 **	0.059	0.074 *	0.037	0.050	0.045	0.056 *	0.053 **
	[0.030]	[0.037]	[0.043]	[0.038]	[0.048]	[0.040]	[0.044]	[0.032]	[0.025]
Joint & Sev Liab	-0.108 ***	-0.116 ***	-0.108 ***	-0.116 **	-0.108 ***	-0.111 **	-0.075*	-0.074 **	-0.114 ***
	[0.031]	[0.034]	[0.040]	[0.047]	[0.038]	[0.048]	[0.043]	[0.037]	[0.028]
Coll Source Rule	-0.053	-0.050	-0.053	-0.050	-0.071	-0.062	-0.072	-0.069	-0.072 **
	[0.044]	[0.051]	[0.046]	[0.055]	[0.046]	[0.058]	[0.059]	[0.048]	[0.034]
Punitive Evidence	0.084 **	0.076	0.084 *	0.076	0.065 *	0.058	0.053	0.071 *	0.180 ***
	[0.033]	[0.049]	[0.043]	[0.080]	[0.042]	[0.078]	[0.050]	[0.037]	[0.028]
Caps Punitive	0.079 ***	0.047	0.079 **	0.047	0.065 *	0.052	0.041	0.075 ***	0.154 ***
	[0.026]	[0.037]	[0.035]	[0.051]	[0.036]	[0.050]	[0.038]	[0.028]	[0.023]
Periodic Payment	-0.006	-0.068 *	-0.006	-0.068 ***	-0.023	-0.079 ***	-0.060	-0.064 *	0.081 ***
	[0.031]	[0.037]	[0.025]	[0.023]	[0.017]	[0.027]	[0.046]	[0.038]	[0.027]
Over all Effect		-0.038		-0.038		-0.093			
Joint Significance		P=0.00		P=0.00		P=0.00			
Cluster by State	No		Yes		Yes		No	No	No
State Specific time Trends	No		No		Yes		No	No	No
R-squared	0.130	0.130	0.130	0.130	0.130	0.130			

NOTE: N=85,997. Robust standard error for OLS (but not for Quintile) regressions are in brackets. In the “Sep” specification a separate regression for each tort reform variable is estimated. In the “Joint” specification a regression that includes all tort reform dummy variables is estimated. Not reported: Year dummies, State Dummies, % of Population over 65, % with Bachelor degrees, Car Fatalities Per Million People, Per Capita Healthcare Expenditures, Income per Capita, Lawyers per Capita, Life expectancy for Newborns, Consumer Price Index for medical goods, Metropolitan Percentage, Percentage of new Residents, Unemployment Rate, Age of physician, Case length, Year of graduation, State Fund Paid, Fields of Physicians. * significant at 10% or less. ** significant at 5% or less. *** significant at 1% or less. The Time Period is 1991-1998.

Table 5: Regressions on Different Reforms (dependent variable=Number of Cases per Capita)

Reform	OLS Regressions						Quintile Regressions		
	OLS1		OLS2		OLS3		0.25 th	0.50 th	0.75 th
	Sep	Joint	Sep	Joint	Sep	Joint			
Caps Non-Econ	-0.002 *** [0.001]	-0.002 *** [0.001]	-0.002 *** [0.001]	-0.002 *** [0.001]	-0.002 ** [0.001]	-0.002 ** [0.001]			
Joint & Sev Liab	-0.001 [0.001]	0.000 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]			
Coll Source Rule	0.000 [0.001]	0.000 [0.001]	0.000 [0.001]	0.000 [0.001]	0.000 [0.001]	0.001 [0.001]			
Punitive Evidence	0.000 [0.001]	-0.001 [0.001]	0.000 [0.001]	0.000 [0.001]	0.000 [0.001]	0.000 [0.001]			
Caps Punitive	-0.001 [0.001]	0.000 [0.001]	-0.001 [0.001]	0.000 [0.001]	0.000 [0.001]	0.001 [0.001]			
Periodic Payment	-0.0007 [0.001]	0.000 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]	0.000 [0.001]			
Over all Effect		-0.004		-0.004		-0.002			
Joint Significance		0.0033		P=0.008		P=0.31			
Cluster by State	No		Yes		Yes		No	No	No
State Specific time Trends	No		No		Yes		No	No	No
R-squared	0.22	0.24	.88	.88	.88	.88			

NOTE: N=400. Robust standard error in brackets. In the “Sep” specification a separate regression for each tort reform variable and is estimated. In the “Joint” specification we a regression that includes all tort reform dummy variables is estimated. Not reported: Year dummies, State Dummies, Percentage of Population over 65, Percentage with Bachelor degrees, Car Fatalities Per Million People, Per Capita Healthcare Expenditures, Income per Capita, Lawyers per Capita, Life expectancy for Newborns, Consumer Price Index for medical goods, Metropolitan Percentage, Percentage of new Residents, Unemployment Rate. * significant at 10% or less. ** significant at 5% or less. *** significant at 1% or less. The Time Period is 1991-1998.

Table 6: Regressions on Different Reforms (dependent variable=Total Annual Payment)

Reform	OLS Regressions						Quintile Regressions		
	OLS1		OLS2		OLS3		0.25 th	0.50 th	0.75 th
	Sep	Joint	Sep	Joint	Sep	Joint			
Caps Non-Econ	-0.069 [0.063]	-0.052 [0.086]	-0.069 [0.067]	-0.052 [0.092]	-0.035 [0.071]	-0.035 [0.095]			
Joint & Sev Liab	-0.282 * [0.149]	-0.250 ** [0.116]	-0.282 * [0.159]	-0.250 * [0.125]	-0.261 * [0.147]	-0.247 * [0.124]			
Coll Source Rule	-0.203 [0.192]	-0.115 [0.153]	-0.203 [0.206]	-0.115 [0.164]	-0.154 [0.200]	-0.069 [0.160]			
Punitive Evidence	0.053 [0.065]	0.046 [0.115]	0.053 [0.070]	0.046 [0.123]	0.065 [0.075]	0.042 [0.129]			
Caps Punitive	0.051 [0.086]	0.076 [0.104]	0.051 [0.093]	0.076 [0.111]	0.088 [0.101]	0.100 [0.120]			
Periodic Payment	0.032 [0.055]	-0.057 [0.064]	0.032 [0.059]	-0.057 [0.069]	0.043 [0.059]	-0.039 [0.066]			
Over all Effect		-0.352		-0.352		-0.248			
Joint Significance		0.0633		0.1038		0.1162			
Cluster by State	No		Yes		Yes		No	No	No
State Specific time Trends	No		No		Yes		No	No	No
R-squared	.095	.12	.72	.73	.725	.73			

NOTE: N=400. Robust standard error in brackets. In the “Sep” specification a separate regression for each tort reform variable and is estimated. In the “Joint” specification we a regression that includes all tort reform dummy variables is estimated. Not reported: Year dummies, State Dummies, Percentage of Population over 65, Percentage with Bachelor degrees, Car Fatalities Per Million People, Per Capita Healthcare Expenditures, Income per Capita, Lawyers per Capita, Life expectancy for Newborns, Consumer Price Index for medical goods, Metropolitan Percentage, Percentage of new Residents, Unemployment Rate. * significant at 10% or less. ** significant at 5% or less. *** significant at 1% or less. The Time Period is 1991-1998.