



# Closing the Gap on Diagnostic Reporting Errors



Advances in medical technology and electronic health records have not eliminated diagnostic reporting errors. These errors remain one of the most persistent and costly challenges in healthcare. Communication breakdowns, meant to be routine and systematic, can have devastating consequences. They reach beyond individual patient encounters and increase liability exposure for healthcare organizations of all sizes.

The problem's scale is staggering. Research indicates that diagnostic errors affect approximately 12 million Americans annually.<sup>1</sup> Of those, 795,000 die or suffer permanent disability each year.<sup>2</sup> Troublingly, nearly 70% of the results do not stem from clinical judgment, but rather from preventable process breakdowns, communication gaps, and administrative oversights.<sup>3</sup> For healthcare organizations, this presents a major risk management opportunity. It is disguised as an operational challenge.

The financial stakes are high. Diagnostic errors consistently lead to medical malpractice claims. Settlements average \$242,000 or more per claim.<sup>4</sup> Between 2010 and 2019, \$42 billion was paid to malpractice claimants. Diagnostic errors were the most common, costly, and dangerous category of medical mistakes.<sup>5</sup>

## WHEN SYSTEMS FAIL: REAL-WORLD EXAMPLES OF DIAGNOSTIC BREAKDOWNS

The most damaging diagnostic errors rarely arise from complex cases. Instead, they result from ordinary system failures that any healthcare organization could face.

Consider an all-too-common scenario in which test results fall through the cracks. A patient visits the emergency department with concerning symptoms. Blood work is ordered, but the patient is discharged before the results are returned. Later, the lab flags a critical finding, but there is no clear protocol for who should contact the patient or ensure follow-up. In one case, a woman experienced months of abdominal pain and abnormal bleeding. Despite multiple visits and tests, poor communication and missed appointment follow-ups delayed her

metastatic uterine cancer diagnosis for nearly a year. This happened even after masses were detected on ultrasound.<sup>6</sup>

Technical processing errors create another vulnerability. More than 23% of testing-phase errors are attributed to equipment misuse, poorly processed specimens, or inadequate technician training. An additional 20% involve mixed-up samples, mislabeled specimens, or tests performed on the wrong patient.<sup>7</sup>

Many cases illustrate a crucial insight: diagnostic errors aren't typically about doctors reaching wrong conclusions with complete information. Instead, they're about information never reaching the right person at the right time — it is a systems problem with clear solutions.<sup>8</sup>

## THE TRUE COST OF DIAGNOSTIC COMMUNICATION FAILURES

For healthcare organizations, diagnostic reporting errors create a perfect storm of liability. Legal vulnerability goes beyond individual malpractice claims. It includes regulatory compliance, accreditation standards, and reputation risks that can affect organizations for years.

From a liability perspective, defending claims against diagnostic errors can be challenging. In other malpractice categories, clinical judgment plays a central role. Diagnostic communication failures, however, often involve clear documentation gaps, which can be difficult to explain to juries. When test results go unreviewed, referrals are not tracked, or patients are not notified of critical findings, organizations face claims with limited defensive options.

The financial impact goes beyond settlement costs. Healthcare organizations facing claims related to diagnostic errors may see increased insurance premiums, regulatory scrutiny, and accreditation challenges. Large health systems may face federal oversight, while smaller practices risk settlements that exceed their coverage. Even successful defenses can result in high legal costs and operational disruptions, straining resources and eroding staff morale.

Patient safety organizations have identified health equity implications that create additional liability exposure. Women and racial minorities face 20-30% higher rates of misdiagnosis, creating potential discrimination claims alongside traditional malpractice exposure.<sup>9</sup> This demographic risk factor requires specific attention in organizational policies and training programs.



## STRATEGIC SOLUTIONS FOR DIAGNOSTIC SAFETY AND RISK REDUCTION

Effective diagnostic error prevention requires systematic approaches that address both technology and human factors. Healthcare organizations can significantly reduce their exposure by implementing targeted strategies that don't require massive capital investments or complete operational overhauls.

Key recommendations include implementing diagnostic tracking dashboards for real-time monitoring of overdue test results and pending referrals, establishing clear ownership models that assign responsibility for each step of the diagnostic process, and standardizing communication protocols through the use of structured scripts and secure messaging systems. These measures directly address process breakdowns and reduce opportunities for human error in diagnostic communications.

**Communication and Follow-Up Strategies:** Pre-test patient education creates important safety redundancies by teaching patients when to expect results and emphasizing that "no news is not good news." Multi-modal contact approaches use phone, email, portal messages, and certified mail to ensure critical results reach patients, with documentation of each attempt.

Emergency contact systems provide backup communication channels when primary contact information fails, which is particularly valuable for high-risk diagnoses.

Most importantly, these solutions can be implemented incrementally. Organizations don't need to transform everything simultaneously. Start with high-risk areas, such as oncology results or critical lab values, and then expand successful processes to other departments. This phased approach allows for testing, refinement, and staff adaptation without overwhelming existing workflows.



## BUILDING A SAFER FUTURE THROUGH SYSTEMATIC CHANGE

Given the significant impact of diagnostic errors on healthcare organizations, practitioners, and patients, prioritizing diagnostic safety is essential. Organizations that do so protect both their patients and themselves.

Achieving success means organizations must treat diagnostic safety as a strategic risk management imperative — directly addressing the root cause of most errors: preventable system and communication failures. Systematic tracking, standardized protocols, and redundant safety checks are practical steps to reduce liability and improve care reliability.

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