stock life insurance companies. *Journal of Business*, Vol. 65, No. 1 (January 1992), pp. 51-74. (Reprinted with permission of the *Journal of Business*).

Insurers' Profits in the Third-Party Liability Insurance, by Nico Dellaert, Hans Frenk (Erasmus University, Netherlands) and Bob van der Laan (Goudse Verzekeringen, Netherlands)

In this note we derive the expected total discounted profit of an insurer due to a single policy holder within a third-party liability insurance. We consider both a policy holder claiming optimally and non-optimally. *Insurance: Mathematics and Economics*, Vol. 10, No. 3 (December 1991), pp. 165-72. (Reprinted with permission of the North-Holland Publishing Company).

27 L(*)

LIABILITY RULES

Canadian Medical Malpractice Liability: An Empirical Analysis of Recent Trends, by P. C. Coyte, D. N. Dewees, and M. J. Trebilcock

The determinants of the frequency of Canadian malpractice claims, the proposition of claims that result in payment, and the severity of these claims are examined. Interspecialty variation in the frequency of malpractice claims is almost entirely related to the differential performance of major surgery. Various legal doctrines concerning both compensation and liability appear responsible for approximately half of the upward trend in the propensity to initiate malpractice litigation. The authors believe that the remaining explanations for growth in claims frequency are changes in social attitudes toward risk-bearing, increasing social distance between patients and physicians, and innovations in medical technology. *Journal of Health Economics*, Vol. 10, No. 2 (July 1991), pp. 143-68. (Reprinted with permission of the *Journal of Economic Literature*).

28 L(*)

SAFETY AND LOSS CONTROL

Evaluating the Safety Function: A Conceptual Model, by Anthony Veltri (Oregon State University)

Evaluation is becoming recognized as an important management practice of the Safety Function. What is it, then, that makes for effective safety function evaluation? This paper provides a framework for evaluating the efficacy of the Safety Function. The need for a model to evaluate the efficacy (i.e., intended effectiveness and efficiency) continues to build among a distinct group of safety practitioners who are required to justify their continued organizational existence in a strict economical sense. Specifically, the paper focuses on (a) a definition and purpose of safety