

Bill as Introduced

SB 17 - AS INTRODUCED

2011 SESSION

11-0808
09/05

SENATE BILL

17

AN ACT

relative to evidence of admissions in medical injury actions.

SPONSORS:

Sen. Bradley, Dist 3

COMMITTEE:

Health and Human Services

ANALYSIS

This bill makes certain statements by medical care providers to an alleged victim and the alleged victim's relatives and representatives inadmissible as evidence in any medical injury action.

Explanation:

Matter added to current law appears in *bold italics*.

Matter removed from current law appears [~~in brackets and struck through.~~]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Eleven

AN ACT relative to evidence of admissions in medical injury actions.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Medical Injury Actions; Evidence of Admissions. RSA 507-E:4 is repealed and reenacted to
2 read as follows:

3 507-E:4 Evidence of Admissions.

4 I. In this section:

5 (a) "Relative" means a victim's spouse, parent, grandparent, stepfather, stepmother,
6 child, grandchild, brother, sister, half-brother, half-sister, or spouse's parents. The term includes
7 said relationships that are created as a result of adoption. In addition, "relative" includes any person
8 who has a family-type relationship with a victim.

9 (b) "Representative" means a legal guardian, attorney, person designated to make
10 decisions on behalf of a patient under a medical power of attorney, or any person recognized in law or
11 custom as a patient's agent.

12 (c) "Unanticipated outcome" means the outcome of a medical treatment or procedure
13 that differs from an expected result.

14 II. In any medical injury action brought by an alleged victim of an unanticipated outcome of
15 medical care, or in any arbitration proceeding related to such medical injury action, any and all
16 statements, affirmations, gestures, or conduct expressing apology, fault, sympathy, commiseration,
17 condolence, compassion, or a general sense of benevolence which are made by a medical care provider
18 to the alleged victim, a relative of the alleged victim, or a representative of the alleged victim and
19 which relate to the discomfort, pain, suffering, injury, or death of the alleged victim as the result of
20 the unanticipated outcome of medical care shall be inadmissible as evidence of an admission of
21 liability or as evidence of an admission against interest.

22 2 Effective Date. This act shall take effect January 1, 2012.

Committee Minutes

AMENDED
SENATE CALENDAR NOTICE
JUDICIARY

Printed: 02/01/2011 at 1:50 pm

Senator Matthew Houde Chairman
Senator Sharon Carson V Chairman
Senator Fenton Groen
Senator Jim Luther

For Use by Senate Clerk's Office ONLY	
<input type="checkbox"/>	Bill Status
<input type="checkbox"/>	Docket
<input type="checkbox"/>	Calendar
Proof <input type="checkbox"/>	Calendar <input type="checkbox"/> Bill Status

Date: February 1, 2011

HEARINGS

Thursday

2/10/2011

JUDICIARY

LOB 101

1:00 PM

(Name of Committee)

(Place)

(Time)

EXECUTIVE SESSION MAY FOLLOW

Comments: THE PURPOSE OF THIS CALENDAR NOTICE IS TO ADD SB 108 AT 2:00 P.M.

1:00 PM	SB34-FN	relative to orders of notice in cases involving guardianship of minors.
1:15 PM	SB30	relative to including a parent's residence in the parenting plan.
1:30 PM	SB12-FN	relative to screening panels for medical injury claims.
1:45 PM	SB17 ✓	relative to evidence of admissions in medical injury actions.
2:00 PM	SB108	relative to emergency obstetrical care.

Sponsors:

SB34-FN

Sen. Matthew Houde

Rep. Gregory Sorg

SB30

Sen. David Boutin

Rep. Frank Kotowski

Rep. Joe Duarte

Rep. Todd Smith

Sen. Tom De Blois

Sen. Lou D'Allesandro

SB12-FN

Sen. Jeb Bradley

Sen. Matthew Houde

SB17

Sen. Jeb Bradley

SB108

Sen. John Gallus

Sen. Jeb Bradley

Sen. Molly Kelly

Sen. Tom De Blois

Rep. Laurie Pettengill

Rep. Gene Chandler

Susan Duncan 271-8631

Sen. Matthew Houde

Chairman

Judiciary Committee

Hearing Report

TO: Members of the Senate

FROM: Susan Duncan, Senior Legislative Aide

RE: Hearing report on SB 17 – relative to evidence of admissions in medical injury actions.

HEARING DATE: February 10, 2011

MEMBERS OF THE COMMITTEE PRESENT: Senators Houde, Carson, Luther and Groen

MEMBERS OF THE COMMITTEE ABSENT: No one

Sponsor(s): Senator Bradley

What the bill does: This bill makes certain statements by medical care providers to an alleged victim and the alleged victim's relatives and representatives inadmissible as evidence in any medical injury action.

Who supports the bill: Senator Bradley; Gary Woods, M. D. on behalf of the NH Medical Society; Gina Balkus on behalf of Dartmouth-Hitchcock; Valerie Acres on behalf of Aging Services of Maine and NH; Leslie Melby on behalf of the NH Hospital Association

Who opposes the bill: Attorney Kevin Dugan for the NH Association for Justice; Robert Clegg on behalf of the NH Association for Justice; Lori Nerbonne on behalf of NH Patient Voices

Summary of testimony received:

- Senator Houde opened the hearing at 1:48 p.m. and called on the bill's prime sponsor.
- Senator Bradley introduced this legislation which is commonly referred to as "I'm sorry" legislation. He explained that when there is an adverse outcome in a procedure that this legislation amends current law to allow the free flow of sympathy without fear of repercussions. He explained that RSA 507-E: 4 didn't go far enough and that the language here will do a better job.
- He said that it will allow the physician to recognize that an error has occurred and for him or her to respond with sympathy – and that this ability will allow for better resolution in these situations.

- He explained that Colorado introduced similar legislation and noted that this legislation provides for no financial compensation in these cases.
- Senator Bradley explained that this will allow for better communication between physician and patient and noted that there has to be compassion without fear of an adverse outcome. He said that these comments are not an admission of responsibility and may not be used later in court against the physician. He noted that this merely improves the current statute.
- Dr. Gary Woods appeared on behalf of the NH Medical Society. He noted that physicians should be able to speak compassionately, honestly and freely to a patient without fear of those words being used against him or her in any future legal proceeding. He remarked that the standard legal advice to physicians has been to admit nothing and that this often leads to more problems when a patient seeks legal action just to find out what happened.
- Dr. Woods testified that lifting the veil of secrecy and recognizing that an unanticipated outcome or medical error has occurred can help lead to fewer errors and better care.
- He said that the proposals in this bill will provide benefits to all parties:
 - There is freedom to explain what one thinks might have happened in the case of an unanticipated outcome or medical error which can lead to better care;
 - The patient benefits from better, open communication with the information about what the provider thinks might have happened. This enables both to consider all possibilities about what options may be available for subsequent care;
 - If the patient pursues legal action, the patient's attorney can use the statements by the provider as a "road map" for what happened and becomes information which might not have otherwise come forward.
- While the statements about what a medical care provider thinks might have happened are not admissible at trial, the statements can lead to providing direct evidence at trial.
- He told of a risk management attorney for the University of Michigan medical school who gave a presentation on Colorado's experience in this area where the average claim numbers went from 300 cases down to 90.
- Dr. Woods remarked that Dartmouth is self-insured so that they are free to do whatever they want, but for other providers, SB 17 provides an even playing field.
- He talked of the essential nature of the patient-physician relationship and how it is grounded on trust – and may help to reduce the risk of liability. He noted that this legislation is the right thing to do.

- Senator Houde inquired how this is different from existing statute – and articulated his concern that the physician’s admission of an error could be omitted. Dr. Woods responded that this is the double-edged sword – but that this is still the right thing to do. He said that patients deserve to know that the system is working with them to deal with the consequences. He noted, again, that the doctor’s comments can be used as a roadmap. He said that it does take time to identify that there has been a problem.
- Senator Groen asked if the primary difference here is the word “fault.” Dr. Woods agreed.
- Former Senator Clegg commented on the problem we have here is the ability to add “fault.” He said that we’re looking at someone’s ability to say “I made a mistake.” He commented that someone could admit their fault but then the insurance provider comes in and says that it didn’t happen. He asked why is it necessary to hide the fault if the doctor admitted it? He said that in this case, the insurance provider can then come in and do what they are paid to do – provide coverage.
- He spoke of back problems he had where the surgeon operated and he spent two years on medication because the doctor operated on the wrong disk.
- He remarked that the previous legislature took out fault purposefully – and that if you admit fault, then let the insurance company deal with it.
- Senator Houde asked if his only opposition is the “fault” word being included. Mr. Clegg responded “yes.”
- Attorney Dugan testified that he agreed with Senator Bradley’s testimony and said that the same debate went on at the House side with not including statements of fault. He said that this is the only difference. He commented that he has no argument with trying to do the right thing in these circumstances – but that the insurance companies do not want doctors to do the right thing. He said that this would only come into play if the doctor makes a mistake, admits it and then suit is brought.
- Senator Groen commented that if the doctor admits the fault, then the admission cannot be introduced into evidence and noted that either way, the case would be based on the facts. Attorney Dugan responded that “truth is truth.” He said that oftentimes the only people who know what happened is the doctor – and that this statement would not end up on the record. He told of a recent case he was involved with where a woman had a heart catheter where air was pumped into her heart causing her death. He noted that this information was not anywhere in her medical records, thus not available at trial.
- Senator Groen stated that he agrees with Attorney Dugan that communication should be honest, but noted that if “they don’t say it” is it a roadmap for the plaintiff to follow? Attorney Dugan commented “sure, but they would need to introduce the evidence.”

- Senator Groen followed up noting that they will not have it anyway. Attorney Dugan commented that the harm comes into play if that is the only evidence.
- Laurie Nerbonne testified as a nurse and co-founder of NH Patient Voices of Bow. She appeared in opposition on behalf of the “increasing numbers of patients who are suffering physical, emotional and financial hardships from their injuries.” She said that NH already has an “I’m sorry” law. She noted that NH has a three person medical malpractice panel that has resulted in more obstacles for patients who seek justice for their injuries by having to incur more up-front legal costs which serve to delay the judicial process. She commented that the very places we turn for help turn out to be the leading cause of death in our country where national estimates show that at least 250,000 people’s lives a year are at stake from preventable medical injury and infection. She noted that these patients who are injured often face serious financial consequences – sometimes losing employment and ending up on welfare. She further noted that in NH since 1997, medical malpractice lawsuits as well as total payouts have declined – partly explaining why there is a large surplus in the State medical malpractice fund.
- She closed by stating that if the Senate intends to include “fault,” then please leave the compensation in (as Colorado did).
- Dr. Gary Woods testified that he wanted to clarify that this is very simple – the doctor can admit what happened. He remarked how medicine is getting more and more complicated – and used an example at Duke University where the wrong liver was transplanted into a patient. He said that while we want to try to make things “black and white,” it just is not always possible.
- Senator Houde closed the hearing at 2:25 p.m.

Funding: Not applicable

Future Action: The Committee took the bill under consideration.

sfd

[file: SB 17 report]

Date: February 15, 2011

Speakers

Testimony

Re: SB 17

TITLE LII
ACTIONS, PROCESS, AND SERVICE OF
PROCESS

CHAPTER 507-E
MEDICAL INJURY ACTIONS

Section 507-E:4

507-E:4 Evidence of Admissions of Liability. –

I. In this section "family" means spouse, parent, grandparent, stepfather, stepmother, child, adopted child, grandchild, brother, sister, half-brother, half-sister, father-in-law, or mother-in-law.

II. A statement, writing, or action that expresses sympathy, compassion, commiseration, or a general sense of benevolence relating to the pain, suffering, or death of an individual and that is made to that individual or to the individual's family is inadmissible as evidence of an admission of liability in a medical injury action.

III. This section does not apply to a statement of fault, negligence, or culpable conduct that is part of or made in addition to a statement, writing, or action described in paragraph II.

Source. 2005, 144:1, eff. Jan. 1, 2006.

NEW HAMPSHIRE MEDICAL SOCIETY



For the betterment of public health since 1791

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February 10, 2011

SB 17, relative to admissions in medical injury actions.

The NH Medical Society supports SB17, because doing the right thing should be encouraged. Unfortunately, the current law discourages doing the right thing.

Physicians should be able to speak compassionately, honestly and freely to a patient without fear of those words being used against him or her in any future legal proceeding. Standard legal advice to physicians has been to admit nothing and that often leads to more problems when a patient seeks legal action just to find out what happened. Lifting the veil of secrecy and recognizing an unanticipated outcome or medical error can lead to fewer errors and better care in the future.

The proposed change to RSA 507-E:4 has benefits to all parties:

- The health care provider is free to explain what he or she thinks may have happened when there is an unanticipated outcome or medical error. Such open recognition and admission can lead to improved care.
- The patient benefits from the open communication: knowing what the provider thinks happened, being able to ask questions, and hearing what options may be available for subsequent care, etc.
- Should the patient pursue [or bring] legal action, the patient's attorney can use that open discussion or admission as a "road map" for what happened. Whatever information comes from the provider is information the patient and the attorney otherwise would not get.

The protections offered in SB17 do not affect the factual evidence. A healthcare provider may offer his or her best guess of what happened – "I think the nurse or lab tech did this, which resulted in the need for a second surgery." The health care provider may be wrong in his or her comments or may be correct. The comments cannot be used as evidence of liability but the *facts* of what the nurse or lab tech actually did, is evidence that can be used in any subsequent legal action.

At a recent AMA meeting, a risk management attorney for the University of Michigan medical school gave presentation on a program similar to Colorado where they aggressively deal with unanticipated outcomes by immediately engaging the patient. They identify the unanticipated outcome, communicate with the patient, and learn from the experience to avoid future repeats.

At the University of Michigan the annual average claim number went from 300 cases before the program, down to 90. As is the case in Colorado, patients are never precluded from bringing a lawsuit.

If New Hampshire is ever to bring about real change in patient safety and liability reform, patients need to learn what actually went wrong. In order for NH to pursue similar risk management programs here, we first need a stronger law, as proposed in SB17, to change the atmosphere of "deny and defend" to open up dialogue between the provider and patient.

Thank you

Gary L. Woods, MD

On February 10th, 2011 our organization provided public testimony against SB 17 to the Senate Judicial Committee because it serves to create more obstacles for injured patients to seek justice for their injuries.

The result is that costs are being shifted from medical malpractice insurance companies to employer and taxpayers in the form of unemployment benefits, short & long term disability, personal, sick and vacation benefits, Medicaid, Food stamps, State Catastrophic Illness Programs, and others.

As you deliberate your vote on Senate Bill 17 (Medical Malpractice Apology Law), we would be most appreciative if you would consider these important realities:

1. Our current "I'm Sorry Law" already affords providers/hospitals protection from admissibility. To add the word "fault" to the text will only serve to further protect providers/hospitals at the expense of the injured victims who deserve quick and just compensation for their injuries.

2. The AMA code of ethics already clearly forbids physicians from taking legal liability into account when apologizing or disclosing harmful medical errors.

American Medical Association. Opinion 8.12 Patient information. *Code of Medical Ethics*. American Medical Association; 2006. Available at: <http://www.ama-assn.org/ama/pub/category/8497.html>.

3. Since our current apology law was enacted (2005), we have not seen a surge in lawsuits. Quite the opposite is true as you can see from **the attached data on NH medical malpractice lawsuits from The National Practitioner Databank**.

Nationally, according to The Progressive Policy Institute, approximately 2% of injured patients sue, and of that only 1/3 are awarded compensation for their injuries.

http://www.ppionline.org/ppi_ci.cfm?knlgAreaID=111&subsecID=138&contentID=254574

4. Legislative solutions should include patients--not only providers or powerful healthcare facility interests. The NH legislature has passed 3 laws that offer more protection to providers/hospitals at the expense of injured patients.

- The I'm Sorry Law
- Medical Malpractice Screening Panels
- Three year statute of limitations on medical malpractice cases (considering that the majority of patient injuries are never disclosed to patients, this limit puts victims at a serious disadvantage as it can take months or years for them to realize/discover that their injuries can be traced back to the medical care they received. Obtaining copies of medical records alone can take months....)

5. New Hampshire's 3 person medical malpractice panel passed by the legislature in 2005, has resulted in delaying the judicial process for harmed victims and forcing them to incur more up-front costs to them.

Many injured patients report that they simply cannot afford to access the courts because of this.

6. Recently, a groundbreaking survey was done on over 500 injured patients to determine the physical, emotional and financial toll that medical injuries have on patients and their families. The results can be viewed here:

<http://www.empoweredpatientcoalition.org/report-a-medical-event/report-an-adverse-event/view-reporting-data>

We would like to thank you sincerely for considering the input of New Hampshire's healthcare consumers and injured patients.

All the best,

Lori Nerbonne
New Hampshire Patient Voices
www.nhpatientvoices.org

New Hampshire Physician Malpractice Payments, by Year

Year original report processed	N	Sum	Maximum	Minimum	Median	Mean
Sept 1 - Dec 31 1990	4	\$436,250	\$245,000	\$8,750	\$91,250.00	\$109,062.50
1991	45	\$5,941,250	\$835,000	\$2,500	\$47,500.00	\$132,027.78
1992	42	\$13,827,250	\$1,650,000	\$1,500	\$85,000.00	\$329,220.24
1993	74	\$18,064,500	\$995,000	\$1,500	\$145,000.00	\$244,114.86
1994	77	\$16,402,000	\$995,000	\$4,500	\$135,000.00	\$213,012.99
1995	50	\$9,742,000	\$1,050,000	\$4,500	\$125,000.00	\$194,840.00
1996	65	\$12,717,250	\$995,000	\$1,500	\$125,000.00	\$195,650.00
1997	49	\$20,191,250	\$3,450,000	\$2,500	\$125,000.00	\$412,066.33
1998	57	\$11,792,500	\$1,050,000	\$6,250	\$135,000.00	\$206,885.96
1999	42	\$10,767,250	\$995,000	\$3,500	\$185,000.00	\$256,363.10
2000	64	\$16,799,500	\$1,350,000	\$4,500	\$110,000.00	\$262,492.19
2001	59	\$17,852,500	\$1,050,000	\$1,500	\$175,000.00	\$302,584.75
2002	42	\$16,601,250	\$1,550,000	\$6,250	\$245,000.00	\$395,267.86
2003	54	\$13,257,500	\$975,000	\$2,500	\$245,000.00	\$245,509.26
2004	46	\$14,427,500	\$1,350,000	\$12,500	\$235,000.00	\$313,641.30
2005	57	\$20,191,250	\$1,450,000	\$8,750	\$245,000.00	\$354,232.46
2006	39	\$13,014,500	\$975,000	\$4,500	\$295,000.00	\$333,705.13
2007	45	\$17,682,500	\$2,750,000	\$12,500	\$245,000.00	\$392,944.44
2008	50	\$19,568,500	\$1,350,000	\$3,500	\$280,000.00	\$391,370.00
2009	54	\$13,526,250	\$995,000	\$8,750	\$190,000.00	\$250,486.11
Jan 1 - Jun 30 2010	30	\$11,842,500	\$1,450,000	\$37,500	\$280,000.00	\$394,750.00
Total	1045	\$294,645,250	\$3,450,000	\$1,500	\$175,000.00	\$281,957.18

Calculations from the National Practitioner Data Bank Public Use Data File of June 30, 2010 by Robert E. Oshel, Ph.D, Associate Director for Research and Disputes, National Practitioner Data Bank (Retired).

Additional Notes from Dr. Robert Oshel's data report:

<http://www.statehealthfacts.org/comparemaptable.jsp?ind=429&cat=8>

New Hampshire had 4,974 non-federal physicians in 2009. Using that number, about only 2.49% of New Hampshire's physicians are responsible for over half of the dollars paid for malpractice! However, since physicians left practice and new physicians entered practice over the almost 20 years represented by the payment data, the actual percent of all the physicians practicing in the state at some point during the period who are responsible for over half of all the payment dollars would be even lower

Note especially that there has been extremely limited action against the licenses or clinical privileges of these physicians.

A total of about \$14,527,4500 (numbers rounded in the NPDB Public Use File) was paid during the specified period for malpractice cases in which the state was New Hampshire. 765 physicians had one or more payments. Only 124 of these physicians were responsible for just over half of all the dollars paid (about \$145,597,625). Only 11 of the 124 physicians had an action in New Hampshire against their license, and only 5 of them (not necessarily the same physicians) had had any action against their clinical privileges by a New Hampshire facility.

Citations:

Calculations from the Nation Practitioner Data Bank Public Use Data File of June 30, 2010 by Robert E. Oshel, Ph.D, Associate Director for Research and Disputes, National Practitioner Data Bank (Retired).

Committee Report

STATE OF NEW HAMPSHIRE
SENATE
REPORT OF THE COMMITTEE

Date: March 17, 2011

THE COMMITTEE ON Judiciary

to which was referred Senate Bill 17

AN ACT relative to evidence of admissions in medical injury
actions.

Having considered the same, the committee recommends that the Bill:

BE RE-REFERRED TO COMMITTEE

BY A VOTE OF: 4-0

AMENDMENT # s

Senator Sharon M. Carson
For the Committee

Susan Duncan 271-8631

New Hampshire General Court - Bill Status System

Docket of SB17

Docket Abbreviations

Bill Title: relative to evidence of admissions in medical injury actions.*Official Docket of SB17:*

Date	Body	Description
1/4/2011	S	Introduced 1/5/2011 and Referred to Health & Human Services, SJ 1 , Pg.20
1/19/2011	S	Sen. Bradley Moved to Vacate SB 17 from Health & Human Services to Judiciary, MA, VV; SJ 3 , Pg.27
1/31/2011	S	Hearing: 2/10/2011, Room 101, LOB, 1:45 p.m.; SC10
3/17/2011	S	Committee Report: Rereferred to Committee, 3/23/11; SC16
3/23/2011	S	Rereferred to Committee, MA, VV; SJ 10 , Pg.184

NH House

NH Senate

STATE OF NEW HAMPSHIRE
SENATE
REPORT OF THE COMMITTEE

Date: December 9, 2011

THE COMMITTEE ON Judiciary

to which was referred Senate Bill 17

AN ACT relative to evidence of admissions in medical injury
actions.

Having considered the same, the committee recommends that the Bill:

IS INEXPEDIENT TO LEGISLATE

BY A VOTE OF: 2 - 2

AMENDMENT # s

Senator Matthew Houde
For the Committee

Susan Duncan 271-8631

Other Referrals

COMMITTEE REPORT FILE INVENTORY

ORIGINAL REFERRAL

RE-REFERRAL

1. THIS INVENTORY IS TO BE SIGNED AND DATED BY THE COMMITTEE AIDE AND PLACED INSIDE THE FOLDER AS THE FIRST ITEM IN THE COMMITTEE FILE.
2. PLACE ALL DOCUMENTS IN THE FOLDER FOLLOWING THE INVENTORY IN THE ORDER LISTED.
3. THE DOCUMENTS WHICH HAVE AN "X" BESIDE THEM ARE CONFIRMED AS BEING IN THE FOLDER.
4. THE COMPLETED FILE IS THEN DELIVERED TO THE CALENDAR CLERK.

- DOCKET (Submit only the latest docket found in Bill Status)
- COMMITTEE REPORT
- CALENDAR NOTICE
- HEARING REPORT
- PREPARED TESTIMONY AND OTHER SUBMISSIONS HANDED IN AT THE PUBLIC HEARING

SIGN-UP SHEET(S) (3)

ALL AMENDMENTS (passed or not) CONSIDERED BY COMMITTEE:

___ - AMENDMENT #	___	___ - AMENDMENT #	___
___ - AMENDMENT #	0	___ - AMENDMENT #	___

ALL AVAILABLE VERSIONS OF THE BILL:

<input checked="" type="checkbox"/> AS INTRODUCED	___ AS AMENDED BY THE HOUSE
___ FINAL VERSION	___ AS AMENDED BY THE SENATE

___ OTHER (Anything else deemed important but not listed above, such as amended fiscal notes):

[Handwritten mark]

DATE DELIVERED TO SENATE CLERK

12/9/2011

By:

[Signature]
COMMITTEE AIDE