THIRTEENTH GUAM LEGISLATURE 1975 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 441, "An Act to add a new Chapter XV to Title X of the Government Code of Guam to provide for prompt and effective resolution of Medical Malpractice Claims," was on the 26th day of November, 1975, duly and regularly passed.

TOSEPH F.

Speaker

ATTESTED:

Concepcion Cue Barrett

CONCERCION CRUZ BARRET Legislative Secretary

This Act was received by the Governor this 1174 day of Learnber 1975 at 4:16 o'clock P.M.

/s/ Ruth F. Won-Pat

RUTH F. WON PAT Assistant Staff Officer Governor's Office

APPROVED:

DEC 2 3 1975

3:59 P.M. Lubli: Law 13-115

THIRTEENTH GUAM LEGISLATURE 1975 (FIRST) Regular Session

Bill No. 441 (As Substituted by the Committee on Health, Welfare and Ecology)

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Introduced by E. M. Espaldon

AN ACT TO ADD A NEW CHAPTER XV TO TITLE X OF THE GOVERNMENT CODE OF GUAM TO PROVIDE FOR PROMPT AND EFFECTIVE RESOLUTION OF MEDICAL MALPRACTICE CLAIMS.

BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM: Section 1. Statement of Policy. The Legislature finds that:

> The health of the territory's people is (a) the foundation of the territory's productivity, strength and well-being;

(b) Adequate medical care for all Guam citizens is a necessity of living;

(c) Resulting from the provision of comprehensive health care is an incidence of rising medical practice claims;

(d) Higher judgments, settlements and the filing of suits are increasing the costs of malpractice insurance and making it unavailable altogether;

(e) It is essential to assure the resolution of malpractice claims with optimum efficiency both for the benefit of the consumer and the medical profession;

Mandatory Screening of Medical Malpractice (f) claims and mandatory arbitration of valid claims, will provide an effective alternative to litigation;

(g) Arbitration is widely accepted as a forum for the settlement of such disputes; and

(h) There is a definite role in the malpractice

problem for the Government of Guam.

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Section 2. A new Chapter XV is hereby added to Title X of the Government Code of Guam to read as follows: "CHAPTER XV

Medical Malpractice Claims Mandatory Screening and

Mandatory Arbitration Act

Section 9990. Title. This Act may be cited as the 'Malpractice Claims Mandatory Screening and Mandatory Arbitration Act'.

Section 9990.1. Definitions. As used in this Chapter:

(a) 'Health Professional' means any person
 licensed or certified to practice the healing arts
 within the Territory of Guam.

(b) 'Health Care Institution' means any health care facility or health maintenance organization operated primarily to provide the services of health professionals.

(c) 'Malpractice' means any tort or breach of contract based on health care or professional services rendered or which should have been rendered by a health professional or health care institution to a patient.

Section 9990.2. Civil Action. Any civil action arising from a claim for damages on account of alleged medical malpractice on the part of any health professional or health care institution may be instituted in the Superior Court of Guam only after there has been a screening and arbitration of the claim which forms the basis for such action in accordance with this Chapter, except as provided in Subsection (b) of Section 9990.9. Section 9990.3. Initiation of Screening Process. The screening of any claim under this Section shall be initiated by filing a petition requesting such screening with the Superior Court of Guam, except when the United States is a party. In cases involving the United States the petition shall be filed with any court having jurisdiction to hear a civil action based upon such claim. The court shall inform the health professional or health care institution against which the claim is made of the filing of such petition, and send copies of the petition to the Guam Board of Examiners of Medicine and Osteopathy and the medical directors of all hospitals within the Territory of Guam.

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Section 9990.4. Composition of the Screening Panel. All hearings, as hereinafter provided for, shall be before a five (5) member panel, hereinafter referred to as the 'Panel', composed of the following: the President of the Commission on Licensure to Practice the Healing Art in Guam; one (1) person admitted to the practice of medicine in the territory of Guam; one (1) person admitted to the practice of law in the territory of Guam; one (1) lay person selected from the petit jury panel of the Superior Court of Guam and a Judge of the Superior Court of Guam who shall be the presiding member of the panel and shall be appointed by a blind system.

Section 9990.5. Appointment of Screening Panel. (a) The presiding judge of the Superior Court of Guam shall prepare a list of persons to serve on Medical Malpractice Screening Panels, whose purpose shall be to hear and facilitate the deposition of all medical malpractice actions arising within the territory of Guam. The number

- 3 -

of persons on the list shall be determined by the presiding judge, but shall be in sufficient number to efficiently carry-out the intent of this Section.

(b) A list of physicians licensed to practice medicine within the territory of Guam shall be prepared by the presiding judge of the Superior Court. In making______ the list, the presiding judge may accept the recommendations of recognized professionals of the medical society. The list shall be divided into lists of physicians according to the particular specialty of each. The panel members shall be selected from this list.

(c) A list of practicing attorneys shall be prepared by the presiding judge of the Superior Court. In making the list, the judge may accept the recommendations of recognized professionals of legal associations. The panel members shall be selected from this list.

(d) The names of panel members may be added to or taken off the panel's list at any time by the presiding judge of the Superior Court at his discretion provided, however, that all names added to the list shall be placed at the bottom of the list.

(e) A panel member selected to be on the hearing panel for a particular case shall serve unless good cause is shown for his excuse or challenge. To show good cause for relief from serving, the panelist shall present an affidavit to the presiding judge of the Superior Court of Guam that service would constitute an unreasonable burden or hardship. A decision on requests for disqualification shall be made by the presiding judge, while a dacision or challenge shall be by agreement of the parties or by the presiding judge.

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(f) If both parties agree upon a doctor and an attorney to sit upon the hearing panel they may so stipulate. In the event that no agreement is reached within thirty (30) days of the filing of the petition, the clerk shall mail to the parties and the panel members hereinafter described, the names selected at random of five (5) attorneys who are members of the hearing panel and the names selected at random of five (5) physicians who are members of the hearing panel. Thereafter the panel members so selected have ten (10) days within which to disqualify themselves and the parties shall have the same time in which to challenge the panel members for cause. If there are disqualifications or challenges for cause, the Court shall appoint additional panel members as required. Thereafter from the list of five (5) attorneys and five (5) physicians the parties shall agree on one (1) attorney and one (1) physician to serve on the hearing panel. If the parties are unable to agree, each side shall strike names alternately from the attorneys' list and from the physicians' list separately, with the claimant striking first, until each side has striken two (2) names from each list. The remaining attorney and physician shall serve on the hearing panel.

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(g) The lay member of the panel shall be selected by the court from the Superior Court petit jury panel.

Section 9990.6. Effect on Statute of Limitations. The one (1) year statute of limitations during which a tort claim must be instituted in the court of law shall be suspended during the period of screening and arbitration and until the panel issues its opinion.

Section 9990.7. Hearing Procedures. (a) Before

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hearing any testimony the members of the screening panel shall be sworn to hear the claim and render a decision faithfully and fairly by an officer authorized to administer an oath.

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(b) The presiding member of the panel shall appoint a time and place for the hearing and notify the panel members and the parties by means adequate to assure their presence. The presiding panelist shall exercise all powers relating to the conduct of the hearing and may direct the panel to proceed promptly with the hearing or postpone or adjourn the hearing as necessary.

(c) The parties are entitled to be heard, to present evidence and to cross-examine witnesses, but rules of evidence and the rules of judicial procedure need not be observed. On the request of any party to the screening procedure, the testimony of witnesses shall be given under oath. Members of the panel, once sworn, shall have the power to administer oaths.

(d) The presiding panel member shall rule on the admission and exclusion of evidence and on questions of hearing procedure and shall exercise all powers relating to the conduct of the hearing.

(e) The screening panel may issue or cause to be issued subpoenas for the attendance of witnesses and for the production of books, records, documents and other evidence. Subpoenas so issued shall be served, and upon application to the court, in which the petition for screening was filed, by a party or the screening panel, enforced in the manner provided by law for the sarvice and enforcement of subpoenas in a civil action. All provisions of law compelling a person under subpoena

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to testify are applicable.

(f) On application of a party and for use as evidence, the screening panel may permit a deposition to be taken, in the manner and upon the terms designated by the Rules of Civil Procedure for the Superior Court of Guam, of a witness who cannot be subpoenaed or is unableto attend the hearing.

(g) A party has the right to be represented by an attorney and may claim such right at any time as to any part of the screening process which has not taken place. A waiver of this right may be revoked, but if a party revokes such waiver, the other party is entitled to a reasonable continuance for the purpose of procuring an attorney.

(h) The hearing shall be conducted by all members of the screening panel but a majority may determine any question and may render a decision pursuant to Section 9990.8.

Section 9990.8. Decision of Screening Panel. (a) Within thirty (30) days after the completion of the screening hearing, the panel shall file a written decision with the clerk of the court who shall thereupon mail copies to all parties concerned and their counsel. The panel shall decide the issue of liability and shall state its conclusion in substantially the following language: 'We find the defendant was actionably negligent in his care and/or treatment of the patient and we, therefore, find for the plaintiff', or 'We find the defendant was not actionably negligent in his care and/or treatment of the patient and we, therefore, find for the defendant'. The decision shall be signed by all members of the panel,

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however, any member of the panel may indicate a dissenting opinion.

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(b) After a finding of liability, the panel shall serve as arbitrators within the meaning of this Chapter if there is no findings of liability the plaintiff may appeal the panel's findings in the Superior Court of Guam.

(c) No member of a screening panel shall be liable in damages for libel, slander or defamation of character of any party to the screening proceedings for any action taken or recommendation made by such member acting within his official capacity as a member of the screening panel.

Section 9990.9. Law Governing Decision of Screening Panel. (a) Except as provided in Subsection (b), the decision of the screening panel shall be in accordance with the law of the territory of Guam as applicable to civil actions for medical malpractice.

(b) No party to a screening procedure under this Section shall be required to produce expert testimony as prerequisite to a decision in his favor. The screening panel may consider the absence of such testimony along with other relevant factors and evidence, in determining whether the applicable burden of proof has been sustained.

Section 9990.10. Mandatory Arbitration Proceedings Subsequent to Decision on Liability. (a) After a finding of liability, the panel shall continue proceedings for the purpose of assisting the parties in reaching a settlement. In such event, the panel:

(1) May hold such hearings as are deemed necessary.

(2) May order the submission of written briefswithin thirty (30) days of the close of hearings.

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In the briefs each party may summarize the evidence in testimony and may propose a comprehensive award of remedial or compensatory elements.

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(3) May by vote of a majority of the panel grant any relief deemed equitable and just, including money damages, provision for hospitalization, medical or rehabilitation procedures, support or any combination thereof.

(4) Shall file a written statement of award with the court in which the petition for screening was filed. The award shall be signed by a majority of the members of the panel and shall include a determination of all questions submitted to arbitration by each party, the resolution of which is necessary to determine the dispute, controversy or issue.

(5) Shall, in addition to the statement of award, render and file a written opinion which states its reasoning for the finding of liability and the reasoning for the amount and kind of award, if any. A panel member who disagrees with the majority may write a dissenting opinion.

(6) Shall render its award and opinion within thirty (30) days after the close of hearings or the submission of written briefs.

(7) Shall serve a signed copy of the statement of award and the opinion on each party to the proceedings, personally or by registered mail.

(b) The panel, upon written application of a party to the arbitration, may correct the award upon any of the grounds set forth in Subdivisions (1) and (3) of Sub-

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section (k) not later than thirty (30) days after service of a signed copy of the award on the applicant.

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Application for such correction shall be made not later than ten (10) days after service of a signed copy of the award on the applicant. Upon or before making such application, the applicant shall deliver or mail a _____ copy of the application to all of the other parties to the arbitration.

Any party to the arbitration may make written objection to such application. The objection shall be made not later than ten (10) days after the application is delivered or mailed to the objector. Upon or before making such objection, the objector shall deliver or mail a copy of the objection to the applicant and to all other parties to the arbitration.

The panel shall either deny the application or correct the award. The denial of the application or the correction of the award shall be in writing and signed by the panel concurring therein, and the panel shall serve a signed copy of such denial or correction on each party to the arbitration personally or by registered or certified mail or as provided in the agreement. If no denial of the application or correction of the award is served within the thirty (30) day period provided in this Subsection, the application for correction shall be deemed denied on the last day thereof.

(c) Any party to an arbitration in which an award has been made may petition the court to confirm, correct or vacate the award. The petition shall name as respondents all parties to the arbitration and may name as respondents any other persons bound by the arbitration

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(d) A response to a petition under this Chapter may request the court to dismiss the petition or to confirm, correct or vacate the award.

(e) A petition under this Chapter shall:

(1) Set forth the substance of or have attached a copy of the agreement to arbitrate unless the petitioner denies the existence of such an agreement.

(2) Set forth the names of the panel members.

(3) Set forth or have attached a copy of the award and the written opinion of the panel members,if any.

(f) Unless a copy thereof is set forth in or attached to the petition, a response to a petition under this Chapter shall:

(1) Set forth the substance of or have attached a copy of the agreement to arbitrate unless the respondent denies the existence of such an agreement.

(2) Set forth the names of the panel members.

(3) Set forth or have attached a copy of the award and the written opinion of the panel members.

(g) A petition to correct or vacate an award, or a response requesting such relief, shall set forth the gounds on which the request for such relief is based.

(h) If a petition or response under this Chapter is duly served and filed, the court shall confirm the award as made unless in accordance with this Chapter it corrects the award and confirms it as corrected, vacates the award or dismisses the proceeding.

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(i) Subject to Subsection (j) of this Section, the

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court shall vacate the award if the court determines that:

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 The award was procured by corruption, fraud or other undue means;

(2) There was corruption in any of the panel members;

(3) The rights of such party were substantially prejudiced by misconduct of a panel member;

(4) The panel members exceeded their powers and the award cannot be corrected without affecting the merits of the decision upon the controversy submitted; or

(5) The rights of such party were substantially prejudiced by the refusal of the panel members to postpone the hearing upon sufficient cause being shown therefor or by the refusal of the panel members to hear evidence material to the controversy or by other conduct of the panel members contrary to the provisions of this Chapter.

(j) The court may not vacate an award unless:

(1) A petition or response requesting that the award be vacated has been duly served and filed; or

(2) A petition or response requesting that the award be corrected has been duly served and filed and:

(i) All petitioners and respondents are before the court; or

(ii) All petitioners and respondents have been given reasonable notice that the court will be requested at the hearing to vacate the award or that the court on its own motion has determined to vacate the award and all peti-

- 12 -

tioners and respondents have been given an opportunity to show why the award should not be vacated.

(k) Subject to Subsection (1) of this Section,
the court, unless it vacates the award pursuant to Subsection (i) of this Section, shall correct the award and_____
confirm it as corrected if the court determines that:

(1) There was an evident miscalculation of figures or an evident mistake in the description of any person, thing or property referred to in the award;

(2) The panel members exceeded their powers but the award may be corrected without affecting the merits of the decision upon the controversy submitted; or

(3) The award is imperfect in a matter of form, not affecting the merits of the controversy.(1) The court may not correct an award unless:

(1) A petition or response requesting that the award be corrected has been duly served and filed; or

(2) A petition or response requesting that the award be vacated has been duly served and filed and:

(i) All petitioners and respondents are before the court; or

(ii) All petitioners and respondents have been given reasonable notice that the court will be requested at the hearing to correct the award or that the court on its own motion has determined to correct the award and all petitioners and respondents

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have been given an opportunity to show why the award should not be corrected.

(m) If the award is vacated, the court may order a rehearing before new panel members. If the award is vacated on the grounds set forth in Subdivision (4) or (5) of Subsection (1), the court with the consent of the parties to the court proceeding may order a rehearing before the original panel members.

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If the arbitration agreement requires that the award be made within a specified period of time, the rehearing may nevertheless be held and the award made within an equal period of time beginning with the date of the order for rehearing but only if the court determines that the purpose of the time limit agreed upon by the parties to the arbitration agreement will not be frustrated by the application of this provision.

(n) The court shall dismiss the proceeding under this Chapter as to any person named as a respondent if the court determines that such person was not bound by the arbitration award and was not a party to the arbitration.

(o) If an award is confirmed, judgment shall be entered in conformity therewith. The judgment so entered has the same force and effect as, and is subject to all the provisions of law relating to, a judgment in a civil action; and it may be enforced like any other judgment of the court in which it is entered.

(p) An award that has not been confirmed or vacated has the same force and effect as a contract in writing between the parties to the arbitration.

(q) A petition to confirm an award shall be served

- 14 -

and filed not later than four (4) years after the date of service of a signed copy of the award on the petitioner. A petition to vacate an award or to correct an award shall be served and filed not later than one hundred (100) days after the date of the service of a signed copy of the award on the petitioner.

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(r) A response requesting that an award be vacated or that an award be corrected shall be served and filed not later than one hundred (100) days after the date of service of a signed copy of the award upon:

The respondent if he was a party to the arbitration; or

(2) The respondent's representative if the respondent was not a party to the arbitration.

(s) No petition may be served and filed under this Chapter until at least ten (10) days after service of the signed copy of the award upon the petitioner.

(t) If an application is made to the panel for correction of the award, a petition may not be served and filed under this Chapter until the determination of that application.

(u) If an application is made to the panel for correction of the award, the date of the service of the award for the purposes of this Chapter shall be deemed to be whichever of the following dates is the earlier:

(1) The date of service upon the petitioner of a signed copy of the correction of the award or of the denial of the application.

(2) The date that such application is deemed to be denied under Subsection (b) of this Section.

- 15 -

Section 9990.11. Reporting of Screening Decisions. (a) Decisions rendered by screening panels pursuant to this Section with respect to claims made against any health professional shall be reported to the director of the Department of Public Health and Social Services, the President of the Commission on Licensure to Practice the Healing Art in Guam and the Medical Directors of all hospitals within the territory of Guam.

(b) The Commission on Licensure to Practice the Healing Art in Guam shall investigate all incidents which have resulted in an affirmative finding by the screening panel, pursuant to the Licensure Commission's obligation under Title XXVIII of the Government Code to assure a quality practice of medicine in Guam.

(c) The Medical Director of any hospital in Guam shall review or cause to be reviewed each petition filed with the screening panel which relates to a person or persons who perform any healing arts in his or her hospital, in order to determine the conditions which caused the petition to be filed and to seek methods of improving the practice of medicine in Guam.

Section 9990.12. Witness Fees and Mileage. Counsel fees or other expenses incurred by a party for his own benefit shall be paid for by that party.

Except for the parties to the screening proceedings and their agents, officers and employees, all witnesses appearing pursuant to subpoena are entitled to receive fees and mileage in the same amount and under the same circumstances as prescribed by law for witnesses in civil actions in the Superior Court. The fee and

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- 16 -

mileage of a witness subpoenaed upon the application of a party to the arbitration shall be paid by such party. The fee and mileage of a witness subpoenaed solely upon the determination of the screening panel shall be paid in the manner provided for in Section 2114 of the Code of Civil Procedure.

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Section 9990.13. Agreement for Binding Arbitration. Nothing in this Section shall be construed to impose any limitation on the right of any person to enter into an agreement to arbitrate a dispute or to be bound by the decision of the panel. The provision to submit to mandatory arbitration any controversy arising between the parties is valid and binding as a proper exercise of public policy.

(a) It is the express intention of this Statute to preserve to every litigant the right to a trial by jury, following the decision of the Arbitrator. This right is guaranteed by this Statute. All Regulations adopted under this Statute shall prescribe the procedures to be followed in the guarantee of the right to trial by jury.

(b) In any action for such injury against a government health professional, or government health care institution, allegedly based on professional negligence, the injured party shall be entitled to recover non-economic losses to compensate for pain and suffering and other non-economic or non-pecuniary damage. In no event shall the amount of damages in any action for non-economic losses exceed Fifty Thousand Dollars (\$50,000.00).

Professional negligence is defined herein as an

- 17 -

action for personal injury, fatal or non-Zatal, proximately caused by a government health professionals or government health care institutions negligent or careless act or emission to act in the providing of professional services.

Section 9990.14. General Provisions.

(a) Repealer. All Acts and parts of Acts are repealed insofar as they are inconsistent with this Act.

(b) Effective Date. This Act shall take effect immediately upon enactment.

(c) Severability. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of this Act and the application to other persons not similarly situated or to different circumstances shall not be affected thereby."

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