

HOUSE SUBSTITUTE TO SENATE BILL 3

A BILL TO BE ENTITLED

AN ACT

1 To amend Titles 9, 24, 33, 43, and 51 of the Official Code of Georgia Annotated, relating
 2 respectively to civil practice; evidence; insurance; professions and businesses; and torts, so
 3 as to provide for substantive and comprehensive revision of provisions regarding civil
 4 practice, evidentiary matters, and liability in tort actions in general and actions related to
 5 health care in particular; to provide for legislative findings; to change provisions relating to
 6 venue in actions with joint defendants; to provide that the courts of this state may under
 7 certain circumstances decline to decide cases under the doctrine of forum non conveniens;
 8 to change provisions relating to affidavits accompanying charges of professional malpractice;
 9 to provide for defendants' access to plaintiffs' health information in medical malpractice
 10 cases; to provide for offers for judgment and the effect thereof; to provide new procedures
 11 for damages for frivolous claims and defenses; to provide that certain statements of apology
 12 or similar statements by health care providers shall not be admitted as evidence in civil
 13 actions; to change provisions relating to opinions of experts in civil cases; to create
 14 provisions regarding expert opinions in certain malpractice civil actions; to change
 15 provisions relating to reporting of medical malpractice judgments and settlements; to provide
 16 for investigations and remedial actions with respect to physicians' fitness to practice under
 17 certain circumstances; to change provisions relating to establishment of liability and standard
 18 of care in certain actions relating to emergency health care; to change provisions relating to
 19 agency liability of hospitals; to change provisions relating to apportionment of award
 20 according to degree of fault; to create provisions relating to apportioning damages in certain
 21 malpractice actions; to limit noneconomic damages in certain actions relating to health care;
 22 to provide for payment over time of certain future damages in certain actions; to provide for
 23 related matters; to provide for severability; to provide for an effective date and applicability;
 24 to repeal conflicting laws; and for other purposes.

25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

1 (c) In any action involving a medical malpractice claim as defined in Code Section 9-9-60,
 2 a nonresident defendant may require that the case be transferred to the county of that
 3 defendant's residence if the tortious act upon which the medical malpractice claim is based
 4 occurred in the county of that defendant's residence.

5 ~~(b)~~(d) If all defendants who reside in the county in which an action is pending are
 6 discharged from liability before ~~the commencement of trial~~ or upon the return of a verdict
 7 by the jury or the court hearing the case without a jury, a nonresident defendant may
 8 require that the case be transferred to a county and court in which venue would otherwise
 9 be proper. If venue would be proper in more than one county, the plaintiff may elect from
 10 among the counties in which venue is proper the county and the court in which the action
 11 shall proceed.

12 ~~(c) If all defendants who reside in the county in which the action is pending are discharged~~
 13 ~~from liability after the commencement of trial, the case may be transferred to a county and~~
 14 ~~court in which venue would otherwise lie only if all parties consent to such transfer.~~

15 ~~(d) For purposes of this Code section, trial shall be deemed to have commenced upon the~~
 16 ~~jury being sworn or, in the instance of a trial without a jury, upon the first witness being~~
 17 ~~sworn.~~

18 (e) Nothing in this Code section shall be deemed to alter or amend the pleading
 19 requirements of Chapter 11 of this title relating to the filing of complaints or answers.

20 ~~(f) This Code section shall apply to actions filed on or after July 1, 1999.~~

21 9-10-31.1.

22 (a) If a court of this state, on written motion of a party, finds that in the interest of justice
 23 and for the convenience of the parties and witnesses a claim or action would be more
 24 properly heard in a forum outside this state or in a different county of proper venue within
 25 this state, the court shall decline to adjudicate the matter under the doctrine of forum non
 26 conveniens. As to a claim or action that would be more properly heard in a forum outside
 27 this state, the court shall dismiss the claim or action. As to a claim or action that would be
 28 more properly heard in a different county of proper venue within this state, the venue shall
 29 be transferred to the appropriate county. In determining whether to grant a motion to
 30 dismiss an action or to transfer venue under the doctrine of forum non conveniens, the
 31 court shall give consideration to the following factors:

32 (1) Relative ease of access to sources of proof;

33 (2) Availability and cost of compulsory process for attendance of unwilling witnesses;

34 (3) Possibility of viewing of the premises, if viewing would be appropriate to the action;

35 (4) Unnecessary expense or trouble to the defendant not necessary to the plaintiff's own
 36 right to pursue his or her remedy;

1 (5) Administrative difficulties for the forum courts;

2 (6) Existence of local interests in deciding the case locally; and

3 (7) The traditional deference given to a plaintiff's choice of forum.

4 (b) A court may not dismiss a claim under this Code section until the defendant files with
 5 the court or with the clerk of the court a written stipulation that, with respect to a new
 6 action on the claim commenced by the plaintiff, all the defendants waive the right to assert
 7 a statute of limitations defense in all other states of the United States in which the claim
 8 was not barred by limitations at the time the claim was filed in this state as necessary to
 9 effect a tolling of the limitations periods in those states beginning on the date the claim was
 10 filed in this state and ending on the date the claim is dismissed."

11 SECTION 3.

12 Title 9 of the Official Code of Georgia Annotated, relating to civil practice, is amended by
 13 striking Code Section 9-11-9.1, relating to affidavits in professional malpractice cases, and
 14 inserting in its place a new Code section to read as follows:

15 "9-11-9.1.

16 (a) In any action for damages alleging professional malpractice against a professional
 17 licensed by the State of Georgia and listed in subsection (f)(d) of this Code section or
 18 against any licensed health care facility alleged to be liable based upon the action or
 19 inaction of a health care professional licensed by the State of Georgia and listed in
 20 subsection (f)(d) of this Code section, the plaintiff shall be required to file with the
 21 complaint an affidavit of an expert competent to testify, which affidavit shall set forth
 22 specifically at least one negligent act or omission claimed to exist and the factual basis for
 23 each such claim.

24 ~~(b) The contemporaneous filing requirement of subsection (a) of this Code section shall~~
 25 ~~not apply to any case in which the period of limitation will expire or there is a good faith~~
 26 ~~basis to believe it will expire on any claim stated in the complaint within ten days of the~~
 27 ~~date of filing and, because of such time constraints, the plaintiff has alleged that an~~
 28 ~~affidavit of an expert could not be prepared. In such cases, the plaintiff shall have 45 days~~
 29 ~~after the filing of the complaint to supplement the pleadings with the affidavit. The trial~~
 30 ~~court may, on motion, after hearing and for good cause extend such time as it shall~~
 31 ~~determine justice requires. If an affidavit is not filed within the period specified in this~~
 32 ~~subsection or as extended by the trial court and the defendant against whom an affidavit~~
 33 ~~should have been filed alleges, by motion to dismiss filed contemporaneously with its~~
 34 ~~initial responsive pleading that the plaintiff has failed to file the requisite affidavit, the~~
 35 ~~complaint is subject to dismissal for failure to state a claim.~~

1 ~~(c) This Code section shall not be construed to extend any applicable period of limitation,~~
 2 ~~except that if the affidavit is filed within the period specified in this Code section, the filing~~
 3 ~~of the affidavit after the expiration of the statute of limitations shall be considered timely~~
 4 ~~and shall provide no basis for a statute of limitations defense.~~

5 ~~(d)~~(b) If a plaintiff files an affidavit which is allegedly defective, and the defendant to
 6 whom it pertains alleges, with specificity, by motion to dismiss filed ~~contemporaneously~~
 7 ~~with its initial responsive pleading~~ on or before the close of discovery, that said affidavit
 8 is defective, the plaintiff's complaint is subject to dismissal for failure to state a claim,
 9 except that the plaintiff may cure the alleged defect by amendment pursuant to Code
 10 Section 9-11-15 within 30 days of service of the motion alleging that the affidavit is
 11 defective. The trial court may, in the exercise of its discretion, extend the time for filing
 12 said amendment or response to the motion, or both, as it shall determine justice requires.

13 ~~(e)~~(c) If a plaintiff fails to file an affidavit as required by this Code section and the
 14 defendant raises the failure to file such an affidavit by motion to dismiss filed
 15 contemporaneously with its initial responsive pleading, such complaint shall not be subject
 16 to the renewal provisions of Code Section 9-2-61 after the expiration of the applicable
 17 period of limitation, unless a court determines that the plaintiff had the requisite affidavit
 18 within the time required by this Code section and the failure to file the affidavit was the
 19 result of a mistake.

20 ~~(f)~~(d) The professions to which this Code section applies are:

21 (1) Architects;

22 (2) Audiologists;

23 ~~(2)~~(3) Attorneys at law;

24 ~~(3)~~(4) Certified public accountants;

25 ~~(4)~~(5) Chiropractors;

26 ~~(5)~~(6) Clinical social workers;

27 ~~(6)~~(7) Dentists;

28 ~~(7)~~(8) Dietitians;

29 ~~(8)~~(9) Land surveyors;

30 ~~(9)~~(10) Medical doctors;

31 ~~(10)~~(11) Marriage and family therapists;

32 ~~(11)~~(12) Nurses;

33 ~~(12)~~(13) Occupational therapists;

34 ~~(13)~~(14) Optometrists;

35 ~~(14)~~(15) Osteopathic physicians;

36 ~~(15)~~(16) Pharmacists;

37 ~~(16)~~(17) Physical therapists;

SECTION 5.

Title 9 of the Official Code of Georgia Annotated, relating to civil practice, is amended by inserting in place of Code Section 9-11-68, which is reserved, a new Code Section 9-11-68 to read as follows:

"9-11-68.

(a) At any time more than 30 days after the service of a summons and complaint on a party but not less than 30 days (or 20 days if it is a counteroffer) before trial, either party may serve upon the other party, but shall not file with the court, a written offer, denominated as an offer under this Code section, to settle a tort claim for the money specified in the offer and to enter into an agreement dismissing the claim or to allow judgment to be entered accordingly. Any offer under this Code section must:

(1) Be in writing and state that it is being made pursuant to this Code section;

(2) Identify the party or parties making the proposal and the party or parties to whom the proposal is being made;

(3) Identify generally the claim or claims the proposal is attempting to resolve;

(4) State with particularity any relevant conditions;

(5) State the total amount of the proposal;

(6) State with particularity the amount proposed to settle a claim for punitive damages, if any;

(7) State whether the proposal includes attorney's fees or other expenses and whether attorney's fees or other expenses are part of the legal claim; and

(8) Include a certificate of service and be served by certified mail or statutory overnight delivery in the form required by Code Section 9-11-5.

(b) When the complaint sets forth a tort claim for money, if the offeree rejects or does not accept the offer and the judgment finally obtained by the offeree was not at least 25 percent more favorable than the last offer, the offeree shall pay the offeror's reasonable attorney's fees and costs incurred after the rejection of the last offer.

(c) Any offer made under this Code section shall remain open for 30 days unless sooner withdrawn by a writing served on the offeree prior to acceptance by the offeree, but an offeror shall not be entitled to attorney's fees and costs under subsection (b) of this Code section to the extent an offer is not open for at least 30 days (unless it is rejected during that 30 day period). A counteroffer shall be deemed a rejection but may serve as an offer under this Code section if it is specifically denominated as an offer under this Code section. Acceptance or rejection of the offer by the offeree must be in writing and served upon the offeror. An offer that is neither withdrawn nor accepted within 30 days shall be deemed rejected. The fact that an offer is made but not accepted does not preclude a subsequent

1 offer. Evidence of an offer is not admissible except in proceedings to enforce a settlement
2 or to determine reasonable attorney's fees and costs under this Code section.

3 (d) Upon motion made within 30 days of the entry of the judgment or after voluntary or
4 involuntary dismissal, the court shall determine the following:

5 (1) If the offer of judgment was 25 percent more favorable than the monetary award, the
6 court shall award reasonable attorney's fees and costs and the court shall set off such
7 reasonable attorney's fees and costs against any award; and

8 (2) If a party is entitled to costs and fees pursuant to the provisions of this Code section,
9 the court may determine that an offer was not made in good faith in an order setting forth
10 the basis for such a determination. In such case, the court may disallow an award of
11 attorney's fees and costs.

12 (e) Upon motion by the prevailing party at the time that the verdict or judgment is
13 rendered, the moving party may request that the finder of fact determine whether the
14 opposing party presented a frivolous claim or defense. In such event, the court shall hold
15 a separate bifurcated hearing at which the finder of fact shall make a determination of
16 whether such frivolous claims or defenses were asserted and to award damages, if any,
17 against the party presenting such frivolous claims or defenses. Under this subsection:

18 (1) Frivolous claims shall include, but are not limited to, the following:

19 (A) A claim, defense, or other position that lacks substantial justification or that is not
20 made in good faith or that is made with malice or a wrongful purpose, as those terms
21 are defined in Code Section 51-7-80;

22 (B) A claim, defense, or other position with respect to which there existed such a
23 complete absence of any justiciable issue of law or fact that it could not be reasonably
24 believed that a court would accept the asserted claim, defense, or other position; and

25 (C) A claim, defense, or other position that was interposed for delay or harassment;

26 (2) Damages awarded may include reasonable and necessary attorney's fees and
27 expenses of litigation; and

28 (3) A party may elect to pursue either the procedure specified in this subsection or the
29 procedure specified in Code Section 9-15-14, but not both."

30 SECTION 6.

31 Title 24 of the Official Code of Georgia Annotated, relating to evidence, is amended by
32 inserting after 24-3-37 a new Code Section 24-3-37.1 to read as follows:

33 "24-3-37.1.

34 (a) The General Assembly finds that conduct, statements, or activity constituting voluntary
35 offers of assistance or expressions of benevolence, regret, mistake, error, sympathy, or
36 apology between or among parties or potential parties to a civil action should be

1 encouraged and should not be considered an admission of liability. The General Assembly
 2 further finds that such conduct, statements, or activity should be particularly encouraged
 3 between health care providers and patients experiencing an unanticipated outcome resulting
 4 from their medical care. Regulatory and accreditation agencies are in some instances
 5 requiring health care providers to discuss the outcomes of their medical care and treatment
 6 with their patients, including unanticipated outcomes, and studies have shown such
 7 discussions foster improved communications and respect between provider and patient,
 8 promote quicker recovery by the patient, and reduce the incidence of claims and lawsuits
 9 arising out of such unanticipated outcomes. The General Assembly therefore concludes
 10 certain steps should be taken to promote such conduct, statements, or activity by limiting
 11 their admissibility in civil actions.

12 (b) As used in this Code section, the term:

13 (1) 'Health care provider' means any person licensed under Chapter 9, 10A, 11, 11A, 26,
 14 28, 30, 33, 34, 35, 39, or 44 of Title 43 or any hospital, nursing home, home health
 15 agency, institution, or medical facility licensed or defined under Chapter 7 of Title 31.
 16 The term shall also include any corporation, professional corporation, partnership, limited
 17 liability company, limited liability partnership, authority, or other entity comprised of
 18 such health care providers.

19 (2) 'Unanticipated outcome' means the outcome of a medical treatment or procedure,
 20 whether or not resulting from an intentional act, that differs from an expected or intended
 21 result of such medical treatment or procedure.

22 (c) In any claim or civil action brought by or on behalf of a patient allegedly experiencing
 23 an unanticipated outcome of medical care, any and all statements, affirmations, gestures,
 24 activities or conduct expressing benevolence, regret, apology, sympathy, commiseration,
 25 condolence, compassion, mistake, error, or a general sense of benevolence which are made
 26 by a health care provider or an employee or agent of a health care provider to the patient,
 27 a relative of the patient, or a representative of the patient and which relate to the
 28 unanticipated outcome shall be inadmissible as evidence and shall not constitute an
 29 admission of liability or an admission against interest."

30 **SECTION 7.**

31 Title 24 of the Official Code of Georgia Annotated, relating to evidence, is amended by
 32 striking Code Section 24-9-67, relating to expert opinion evidence, and inserting in its place
 33 new Code Sections 24-9-67 and 24-9-67.1 to read as follows:

1 "24-9-67.

2 ~~The~~ In criminal cases, the opinions of experts on any question of science, skill, trade, or
3 like questions shall always be admissible; and such opinions may be given on the facts as
4 proved by other witnesses.

5 24-9-67.1

6 (a) The provisions of this Code section shall apply in all civil actions. The opinion of a
7 witness qualified as an expert under this Code section may be given on the facts as proved
8 by other witnesses. The facts or data in the particular case upon which an expert bases an
9 opinion or inference may be those perceived by or made known to the expert at or before
10 the hearing or trial. If of a type reasonably relied upon by experts in the particular field in
11 forming opinions or inferences upon the subject, the facts or data need not be admissible
12 in evidence in order for the opinion or inference to be admitted. Facts or data that are
13 otherwise inadmissible shall not be disclosed to the jury by the proponent of the opinion
14 or inference unless the court determines that their probative value in assisting the jury to
15 evaluate the expert's opinion substantially outweighs their prejudicial effect.

16 (b) If scientific, technical, or other specialized knowledge will assist the trier of fact in any
17 cause of action to understand the evidence or to determine a fact in issue, a witness
18 qualified as an expert by knowledge, skill, experience, training, or education may testify
19 thereto in the form of an opinion or otherwise, if:

20 (1) The testimony is based upon sufficient facts or data which are or will be admitted
21 into evidence at the hearing or trial;

22 (2) The testimony is the product of reliable principles and methods; and

23 (3) The witness has applied the principles and methods reliably to the facts of the case.

24 (c) Notwithstanding the provisions of subsection (b) of this Code section and any other
25 provision of law which might be construed to the contrary, in professional malpractice
26 actions, the opinions of an expert, who is otherwise qualified as to the acceptable standard
27 of conduct of the professional whose conduct is at issue, shall be admissible only if, at the
28 time the act or omission is alleged to have occurred, such expert:

29 (1) Was licensed by an appropriate regulatory agency to practice his or her profession
30 in the state in which such expert was practicing or teaching in the profession at such time;
31 and

32 (2) In the case of a medical malpractice action, had actual professional knowledge and
33 experience in the area of practice or specialty in which the opinion is to be given as the
34 result of having been regularly engaged in:

35 (A) The active practice of such area of specialty of his or her profession for at least
36 three of the last five years, with sufficient frequency to establish an appropriate level

1 of knowledge, as determined by the judge, in performing the procedure, diagnosing the
 2 condition, or rendering the treatment which is alleged to have been performed or
 3 rendered negligently by the defendant whose conduct is at issue; or

4 (B) The teaching of his or her profession for at least three of the last five years as an
 5 employed member of the faculty of an educational institution accredited in the teaching
 6 of such profession, with sufficient frequency to establish an appropriate level of
 7 knowledge, as determined by the judge, in teaching others how to perform the
 8 procedure, diagnose the condition, or render the treatment which is alleged to have been
 9 performed or rendered negligently by the defendant whose conduct is at issue; and

10 (C) Except as provided in subparagraph (D) of this paragraph:

11 (i) Is a member of the same profession;

12 (ii) Is a medical doctor testifying as to the standard of care of a defendant who is a
 13 doctor of osteopathy; or

14 (iii) Is a doctor of osteopathy testifying as to the standard of care of a defendant who
 15 is a medical doctor; and

16 (D) Notwithstanding any other provision of this Code section, an expert who is a
 17 physician and, as a result of having, during at least three of the last five years
 18 immediately preceding the time the act or omission is alleged to have occurred,
 19 supervised, taught, or instructed nurses, nurse practitioners, certified registered nurse
 20 anesthetists, nurse midwives, physician's assistants, physical therapists, occupational
 21 therapists, or medical support staff, has knowledge of the standard of care of that health
 22 care provider under the circumstances at issue shall be competent to testify as to the
 23 standard of that health care provider. However, a nurse, nurse practitioner, certified
 24 registered nurse anesthetist, nurse midwife, physician's assistant, physical therapist,
 25 occupational therapist, or medical support staff shall not be competent to testify as to
 26 the standard of care of a physician.

27 (d) Upon motion of a party, the court may hold a pretrial hearing to determine whether the
 28 witness qualifies as an expert and whether the expert's testimony satisfies the requirements
 29 of subsections (a) and (b) of this Code section. Such hearing and ruling shall be completed
 30 no later than the final pretrial conference contemplated under Code Section 9-11-16.

31 (e) An affiant must meet the requirements of this Code section in order to be deemed
 32 qualified to testify as an expert by means of the affidavit required under Code Section
 33 9-11-9.1.

34 (f) It is the intent of the legislature that, in all civil cases, the courts of the State of Georgia
 35 not be viewed as open to expert evidence that would not be admissible in other states.
 36 Therefore, in interpreting and applying this Code section, the courts of this state may draw
 37 from the opinions of the United States Supreme Court in Daubert v. Merrell Dow

1 Pharmaceuticals, Inc., 509 U.S. 579 (1993); General Electric Co. v. Joiner, 522 U.S. 136
 2 (1997); Kumho Tire Co. Ltd. v. Carmichael, 526 U.S. 137 (1999); and other cases in
 3 federal courts applying the standards announced by the United States Supreme Court in
 4 these cases."

5 SECTION 8.

6 Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended by
 7 striking subsection (b) of Code Section 33-3-27, relating to reports of medical malpractice
 8 judgments and settlements, and inserting in its place a new subsection (b) to read as follows:

9 "(b) Every insurer providing medical malpractice insurance coverage in this state shall
 10 notify in writing the Composite State Board of Medical Examiners when it pays a judgment
 11 ~~in excess of \$10,000.00~~ or enters into an agreement to pay an amount ~~in excess of~~
 12 ~~\$10,000.00~~ to settle a medical malpractice claim against a person authorized by law to
 13 practice medicine in this state; ~~such.~~ Such judgments or agreements shall be reported to the
 14 board regardless of the dollar amount ~~if the records of the insurer establish that there have~~
 15 ~~been two or more previous judgments against or settlements with a licensed physician~~
 16 ~~which relate to the practice of medicine.~~ Such notice shall be sent within 30 days after the
 17 judgment has been paid or the agreement has been entered into by the parties involved in
 18 the claim."

19 SECTION 9.

20 Title 43 of the Official Code of Georgia Annotated, relating to professions and businesses,
 21 is amended by striking subsection (i) of Code Section 43-34-37, relating to disciplinary
 22 actions involving physicians, and inserting in its place new subsections (i) and (j) to read as
 23 follows:

24 "(i) The board shall investigate a licensee's or permit holder's fitness to practice medicine
 25 if the board has received ~~regarding that licensee~~ a notification, pursuant to Code Section
 26 33-3-27, regarding that licensee or permit holder of a medical malpractice judgment or
 27 settlement in excess of \$100,000.00 or a notification pursuant to Code Section 33-3-27 that
 28 there have been two or more previous judgments against or settlements with the licensee
 29 or permit holder relating to the practice of medicine involving an action for medical
 30 malpractice. Every licensee or permit holder shall notify the board of any settlement or
 31 judgment involving the licensee or permit holder ~~and relating to the practice of medicine~~
 32 ~~in excess of \$20,000.00~~ involving an action for medical malpractice.

33 (j) The board shall conduct an assessment of a licensee's fitness to practice medicine if it
 34 has disciplined the licensee three times in the last ten years as a result of an action for
 35 medical malpractice. The assessment shall include an examination of the licensee's entire

1 history with respect to the practice of medicine and a one day on-site visit to the licensee's
 2 current practice location. The assessment shall be completed within six months of the third
 3 disciplinary action. As a result of its findings the board may take any action it deems
 4 necessary to reduce medical errors and promote patient safety, including revocation,
 5 suspension, or limiting the licensee's license or requiring additional clinical training,
 6 additional continuing medical education, proctoring, or referral to appropriate rehabilitation
 7 facilities. As used in this subsection, the term 'action for medical malpractice' shall have
 8 the same meaning as provided in Code Section 9-3-70. The board shall implement this
 9 subsection upon the effective date of a specific appropriation of funds for purposes of this
 10 subsection as expressed in a line item making specific reference to the full funding of this
 11 subsection in an appropriations Act enacted by the General Assembly."

12 SECTION 10.

13 Title 51 of the Official Code of Georgia Annotated, relating to torts, is amended by adding
 14 a new Code section immediately following Code Section 51-1-29.4, to be designated Code
 15 Section 51-1-29.5 to read as follows:

16 "51-1-29.5.

17 (a) As used in this Code section, the term:

18 (1) 'Affiliate' means a person who, directly or indirectly through one or more
 19 intermediaries, controls, is controlled by, or is under common control with a specified
 20 person, including any direct or indirect parent or subsidiary.

21 (2) 'Claimant' means a person, including a decedent's estate, who seeks or has sought
 22 recovery of damages in a health care liability claim. All persons claiming to have
 23 sustained damages as the result of the bodily injury or death of a single person are
 24 considered a single claimant.

25 (3) 'Control' means the possession, directly or indirectly, of the power to direct or cause
 26 the direction of the management and policies of the person, whether through ownership
 27 of equity or securities, by contract, or otherwise.

28 (4) 'Court' means any federal or state court.

29 (5) 'Emergency medical care' means bona fide emergency services provided after the
 30 onset of a medical or traumatic condition manifesting itself by acute symptoms of
 31 sufficient severity, including severe pain, such that the absence of immediate medical
 32 attention could reasonably be expected to result in placing the patient's health in serious
 33 jeopardy, serious impairment to bodily functions, or serious dysfunction of any bodily
 34 organ or part. The term does not include medical care or treatment that occurs after the
 35 patient is stabilized and is capable of receiving medical treatment as a nonemergency
 36 patient or care that is unrelated to the original medical emergency.

- 1 (6) 'Emergency medical services provider' means any person providing emergency
2 medical care.
- 3 (7) 'Health care' means any act or treatment performed or furnished, or that should have
4 been performed or furnished, by any health care provider for, to, or on behalf of a patient
5 during the patient's medical care, treatment, or confinement.
- 6 (8) 'Health care institution' means:
- 7 (A) An ambulatory surgical center;
- 8 (B) A personal care home licensed under Chapter 7 of Title 31;
- 9 (C) An institution providing emergency medical services;
- 10 (D) A hospice;
- 11 (E) A hospital;
- 12 (F) A hospital system;
- 13 (G) An intermediate care facility for the mentally retarded; or
- 14 (H) A nursing home.
- 15 (9) 'Health care liability claim' means a cause of action against a health care provider or
16 physician for treatment, lack of treatment, or other claimed departure from accepted
17 standards of medical care, health care, or safety or professional or administrative services
18 directly related to health care, which departure from standards proximately results in
19 injury to or death of a claimant.
- 20 (10) 'Health care provider' means:
- 21 (A) Any person, partnership, professional association, corporation, facility, or
22 institution duly licensed, certified, registered, or chartered by the State of Georgia to
23 provide health care, including but not limited to:
- 24 (i) A registered nurse;
- 25 (ii) A dentist;
- 26 (iii) A podiatrist;
- 27 (iv) A pharmacist;
- 28 (v) A chiropractor;
- 29 (vi) An optometrist; or
- 30 (vii) A health care institution; and
- 31 (B) Any person who is:
- 32 (i) An officer, director, shareholder, member, partner, manager, owner, or affiliate
33 of a health care provider or physician; or
- 34 (ii) An employee, independent contractor, or agent of a health care provider or
35 physician acting in the course and scope of the employment or contractual
36 relationship.

1 (11) 'Hospice' means a facility licensed as such under the 'Georgia Hospice Law,' Article
2 9 of Chapter 7 of Title 31.

3 (12) 'Hospital' means a facility licensed as such under Chapter 7 of Title 31.

4 (13) 'Hospital system' means a system of hospitals located in this state that are under the
5 common governance or control of a corporate parent.

6 (14) 'Medical care' means any act defined as the practice of medicine under Code Section
7 43-34-20.

8 (15) 'Nursing home' means a facility licensed as such under Chapter 7 of Title 31.

9 (16) 'Pharmacist' means a person licensed as such under Chapter 4 of Title 26.

10 (17) 'Physician' means an individual licensed to practice medicine in this state, a
11 professional association organized by an individual physician or group of physicians, or
12 a partnership or limited liability partnership formed by a group of physicians.

13 (18) 'Professional or administrative services' means those duties or services that a
14 physician or health care provider is required to provide as a condition of maintaining the
15 physician's or health care provider's license, accreditation status, or certification to
16 participate in state or federal health care programs.

17 (b) Any legal term or word of art used in this chapter, not otherwise defined in this
18 chapter, shall have such meaning as is consistent with the common law.

19 (c) In an action involving a health care liability claim arising out of the provision of
20 emergency medical care in a hospital emergency department or obstetrical unit or in a
21 surgical suite immediately following the evaluation or treatment of a patient in a hospital
22 emergency department, no physician or health care provider shall be held liable unless it
23 is proven by clear and convincing evidence that the physician or health care provider's
24 actions showed gross negligence.

25 (d) In an action involving a health liability claim arising out of the provision of emergency
26 medical care in a hospital emergency department or obstetrical unit or in a surgical suite
27 immediately following the evaluation or treatment of a patient in a hospital emergency
28 department, the court shall instruct the jury to consider, together with all other relevant
29 matters:

30 (1) Whether the person providing care did or did not have the patient's medical history
31 or was able or unable to obtain a full medical history, including the knowledge of
32 preexisting medical conditions, allergies, and medications;

33 (2) The presence or lack of a preexisting physician-patient relationship or health care
34 provider-patient relationship;

35 (3) The circumstances constituting the emergency; and

36 (4) The circumstances surrounding the delivery of the emergency medical care."

SECTION 11.

Title 51 of the Official Code of Georgia Annotated, relating to torts, is amended by adding immediately following Code Section 51-2-5, a new Code Section 51-2-5.1 to read as follows:

"51-2-5.1.

(a) As used in this Code section, the term:

(1) 'Health care professional' means a professional licensed as an audiologist, chiropractor, clinical social worker, dentist, dietitian, medical doctor, marriage and family therapist, registered professional or licensed practical nurse, occupational therapist, optometrist, osteopathic physician, pharmacist, physical therapist, physician's assistant, professional counselor, podiatrist, psychologist, radiological technician, respiratory therapist, or speech-language pathologist.

(2) 'Hospital' means a facility that has a valid permit or provisional permit issued by the Department of Human Resources under Chapter 7 of Title 31.

(b) Notwithstanding the provisions of Code Section 51-2-5, no hospital which complies with the notice provisions of either subsection (c) or subsection (d) of this Code section shall be liable in a tort action for the acts or omissions of a health care professional unless there exists an actual agency or employment relationship between the hospital and the health care professional.

(c) The hospital shall post a notice in the form and manner described herein. Such notice shall:

(1) Be posted conspicuously in the hospital lobby or a public area of the hospital;

(2) Contain print at least one inch high; and

(3) Provide language substantially similar to the following:

'Some or all of the health care professionals performing services in this hospital are independent contractors and are not hospital agents or employees. Independent contractors are responsible for their own actions and the hospital shall not be liable for the acts or omissions of any such independent contractors.'

(d) The hospital shall have the patient or the patient's personal representative sign a written acknowledgment that contains language substantially similar to that set forth in paragraph (3) of subsection (c) of this Code section.

(e) The notice required in this Code section shall be sufficient if it meets the requirements of either subsection (c) or subsection (d) of this Code section even if the patient or the patient's personal representative did not see or read such notice for any reason, including but not limited to medical condition or language proficiency.

(f) Whether a health care professional is an actual agent, an employee, or an independent contractor shall be determined by the language of the contract between the health care professional and the hospital. In the absence of such a contract, or if the contract is unclear

1 or ambiguous, a health care professional shall only be considered the hospital's employee
 2 or actual agent if it can be shown by a preponderance of the evidence that the hospital
 3 reserves the right to control the time, manner, or method in which the health care
 4 professional performs the services for which licensed, as distinguished from the right to
 5 merely require certain definite results.

6 (g) If the court finds that there is no contract or that the contract is unclear or ambiguous
 7 as to the relationship between the hospital and health care professional, the court shall
 8 apply the following:

9 (1) Factors that may be considered as evidence the hospital exercises a right of control
 10 over the time, manner, or method of the health care professional's services include: the
 11 parties believed they were creating an actual agency or employment relationship; the
 12 health care professional receives substantially all the employee benefits received by
 13 actual employees of the hospital; the hospital directs the details of the health care
 14 professional's work step-by-step; the health care professional's services are terminable
 15 at the will of the hospital without cause and without notice; the hospital withholds, or is
 16 required to withhold, federal and state taxes from the remuneration paid to the health care
 17 professional for services to the patients of the hospital; and factors not specifically
 18 excluded in paragraph (2) of this subsection; and

19 (2) Factors that shall not be considered as evidence a hospital exercises a right of control
 20 over the time, manner, or method of the health care professional's services include: a
 21 requirement by the hospital that such health care professional treat all patients or that any
 22 health care professional or group is obligated to staff a hospital department continuously
 23 or from time to time; the hospital's payment to the health care professional on an hourly
 24 basis; the provision of facilities or equipment by the hospital; the fact a health care
 25 professional does not maintain a separate practice outside the hospital; the source of the
 26 payment for the professional liability insurance premium for that health care professional;
 27 the fact that the professional fees for services are billed by the hospital; or any
 28 requirement by the hospital that such health care professional engage in conduct required
 29 to satisfy any state or federal statute or regulation, any standard of care, any standard or
 30 guideline set by an association of hospitals or health care professionals, or any
 31 accreditation standard adopted by a national accreditation organization."

32 SECTION 12.

33 Title 51 of the Official Code of Georgia Annotated, relating to torts, is amended by striking
 34 Code Section 51-12-31, relating to recovery against joint trespassers, and Code Section
 35 51-12-33, relating to apportionment of damages, and inserting in their respective places new
 36 Code sections to read as follows:

S. B. 3 (SUB)

1 "51-12-31.

2 Except as provided in Code Section 51-12-33, where an action is brought jointly against
3 several trespassers persons, the plaintiff may recover damages for ~~the greatest injury done~~
4 an injury caused by any of the defendants against ~~all of them~~ only the defendant or
5 defendants liable for the injury. In its verdict, the jury may specify the particular damages
6 to be recovered of each defendant. Judgment in such a case must be entered severally."

7 "51-12-33.

8 (a) ~~Where an action is brought against more than one person for injury to person or~~
9 ~~property and the plaintiff is himself to some degree responsible for the injury or damages~~
10 ~~claimed, the trier of fact, in its determination of the total amount of damages to be awarded,~~
11 ~~if any, may apportion its award of damages among the persons who are liable and whose~~
12 ~~degree of fault is greater than that of the injured party according to the degree of fault of~~
13 ~~each person. Damages, if apportioned by the trier of fact as provided in this Code section,~~
14 ~~shall be the liability of each person against whom they are awarded, shall not be a joint~~
15 ~~liability among the persons liable, and shall not be subject to any right of contribution.~~

16 Where an action is brought against one or more persons for injury to person or property and
17 the plaintiff is to some degree responsible for the injury or damages claimed, the trier of
18 fact, in its determination of the total amount of damages to be awarded, if any, shall
19 determine the percentage of fault of the plaintiff and the judge shall reduce the amount of
20 damages otherwise awarded to the plaintiff in proportion to his or her percentage of fault.

21 (b) ~~Subsection (a) of this Code section shall not affect venue provisions regarding joint~~
22 ~~actions. Where an action is brought against more than one person for injury to person or~~
23 ~~property, the trier of fact, in its determination of the total amount of damages to be~~
24 ~~awarded, if any, shall after a reduction of damages pursuant to subsection (a) of this Code~~
25 ~~section, if any, apportion its award of damages among the persons who are liable according~~
26 ~~to the percentage of fault of each person. Damages apportioned by the trier of fact as~~
27 ~~provided in this Code section shall be the liability of each person against whom they are~~
28 ~~awarded, shall not be a joint liability among the persons liable, and shall not be subject to~~
29 ~~any right of contribution.~~

30 (c) ~~This Code section shall apply only to causes of action arising on or after July 1, 1987.~~

31 (c) In assessing percentages of fault, the trier of fact shall consider the fault of all persons
32 or entities who contributed to the alleged injury or damages, regardless of whether the
33 person or entity was, or could have been, named as a party to the suit.

34 (d)(1) Negligence or fault of a nonparty shall be considered if the plaintiff entered into
35 a settlement agreement with the nonparty or if a defending party gives notice not later
36 than 120 days prior to the date of trial that a nonparty was wholly or partially at fault.

1 (2) The notice shall be given by filing a pleading in the action designating the nonparty
 2 and setting forth the nonparty's name and last known address, or the best identification
 3 of the nonparty which is possible under the circumstances, together with a brief statement
 4 of the basis for believing the nonparty to be at fault.

5 (e) Nothing in this Code section shall eliminate or diminish any defenses or immunities
 6 which currently exist, except as expressly stated in this Code section.

7 (f)(1) Assessments of percentages of fault of nonparties shall be used only in the
 8 determination of the percentage of fault of named parties.

9 (2) Where fault is assessed against nonparties pursuant to this Code section, findings of
 10 fault shall not subject any nonparty to liability in any action or be introduced as evidence
 11 of liability in any action.

12 (g) Notwithstanding the provisions of this Code section and any other provisions of law
 13 which might be construed to the contrary, the plaintiff shall not be entitled to receive any
 14 damages if the plaintiff is 50 percent or more responsible for the injury or damages
 15 claimed."

16 SECTION 13.

17 Title 51 of the Official Code of Georgia Annotated, relating to torts, is amended by adding
 18 a new Chapter 13 to read as follows:

19 "CHAPTER 13

20 51-13-1.

21 (a) As used in this Code section, the term:

22 (1) 'Claimant' means a person, including a decedent's estate, who seeks or has sought
 23 recovery of damages in a medical malpractice action. All persons claiming to have
 24 sustained damages as the result of the bodily injury or death of a single person are
 25 considered a single claimant.

26 (2) 'Health care provider' means any person licensed under Chapter 9, 10A, 11, 11A, 26,
 27 28, 30, 33, 34, 35, 39, or 44 of Title 43. The term shall also include any corporation,
 28 professional corporation, partnership, limited liability company, limited liability
 29 partnership, authority, or other entity comprised of such health care providers.

30 (3) 'Medical facility' means any institution or medical facility licensed under Chapter 7
 31 of Title 31 or any combination thereof under common ownership, operation, or control.

32 (4) 'Noneconomic damages' means damages for physical and emotional pain, discomfort,
 33 anxiety, hardship, distress, suffering, inconvenience, physical impairment, mental
 34 anguish, disfigurement, loss of enjoyment of life, loss of society and companionship, loss

1 of consortium, injury to reputation, and all other nonpecuniary losses of any kind or
2 nature. This term does not include past or future:

3 (A) Medical expenses, including rehabilitation and therapy;

4 (B) Wages or earnings capacity;

5 (C) Income;

6 (D) Funeral and burial expenses;

7 (E) The value of services performed by the injured in the absence of the injury or death
8 including those domestic and other necessary services performed without
9 compensation; or

10 (F) Other monetary expenses.

11 (b) In any verdict returned or judgment entered in a medical malpractice action, including
12 an action for wrongful death, against one or more health care providers, the total amount
13 recoverable by a claimant for noneconomic damages in such action shall be limited to an
14 amount not to exceed \$350,000.00, regardless of the number of defendant health care
15 providers against whom the claim is asserted or the number of separate causes of action on
16 which the claim is based.

17 (c) In any verdict returned or judgment entered in a medical malpractice action, including
18 an action for wrongful death, against a single medical facility, inclusive of all persons and
19 entities for which vicarious liability theories may apply, the total amount recoverable by
20 a claimant for noneconomic damages in such action shall be limited to an amount not to
21 exceed \$350,000.00, regardless of the number of separate causes of action on which the
22 claim is based.

23 (d) In any verdict returned or judgment entered in a medical malpractice action, including
24 an action for wrongful death, against more than one medical facility, inclusive of all
25 persons and entities for which vicarious liability theories may apply, the total amount
26 recoverable by a claimant for noneconomic damages in such action shall be limited to an
27 amount not to exceed \$350,000.00 from any single medical facility and \$700,000.00 from
28 all medical facilities, regardless of the number of defendant medical facilities against whom
29 the claim is asserted or the number of separate causes of action on which the claim is
30 based.

31 (e) In applying subsections (b), (c), and (d) of this Code section, the aggregate amount of
32 noneconomic damages recoverable under such subsections shall in no event exceed
33 \$1,050,000.00.

34 (f) In any medical malpractice action, if an award of future damages equaling or exceeding
35 \$350,000.00 is made against any party in the action, the trial court shall, upon the request
36 of any party, issue an order providing that such damages be paid by periodic payments.

1 Such periodic payments shall be funded through an annuity policy with the premium for
2 such annuity equal to the amount of the award for future damages."

3 **SECTION 14.**

4 In the event any section, subsection, sentence, clause, or phrase of this Act shall be declared
5 or adjudged invalid or unconstitutional, such adjudication shall in no manner affect the other
6 sections, subsections, sentences, clauses, or phrases of this Act, which shall remain of full
7 force and effect as if the section, subsection, sentence, clause, or phrase so declared or
8 adjudged invalid or unconstitutional were not originally a part hereof. The General
9 Assembly declares that it would have passed the remaining parts of this Act if it had known
10 that such part or parts hereof would be declared or adjudged invalid or unconstitutional.

11 **SECTION 15.**

12 (a) This Act shall become effective upon its approval by the Governor or upon its becoming
13 law without such approval.

14 (b) Code Sections 51-12-31 and 51-12-33, as amended by this Act, and Code Sections
15 51-1-29.5, 51-2-5.1, and 51-13-1, as enacted by this Act, shall apply only with respect to
16 causes of action arising on or after the effective date of this Act, and any prior causes of
17 action shall continue to be governed by prior law. It is the intention of the General Assembly
18 that all other provisions of this Act shall apply to causes of action pending on its effective
19 date, unless such application would be unconstitutional.

20 **SECTION 16.**

21 All laws and parts of laws in conflict with this Act are repealed.