STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 0 7 2019

RE: S.B. No. 825 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health, to which was referred S.B. No. 825 entitled:

"A BILL FOR AN ACT RELATING TO MEDICAL MALPRACTICE,"

begs leave to report as follows:

The purpose and intent of this measure is to limit medical malpractice liability for residents and fellows in accredited residency and fellowship programs acting under the supervision of a licensed physician.

Your Committee received testimony in support of this measure from the Department of Health, Hawaii Health Systems Corporation Board of Directors, University of Hawaii System, Hawaii Medical Association, Hawaii State Rural Health Association, Hilo Medical Center Foundation, and three individuals. Your Committee received testimony in opposition to this measure from the Hawaii Association for Justice and one individual. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that the State is experiencing a critical physician shortage, which can be attributed to many factors. Your Committee further finds that in recent years, the number of instances in which medical residents and fellows have been named in medical malpractice lawsuits has increased significantly. This has negatively impacted the recruitment and

retention of physicians and discouraged hospital partners from increasing the funding needed to expand the number of resident and fellow positions necessary to address the State's physician shortage.

Your Committee notes that post-medical school training programs are nationally accredited and are necessary for physicians to obtain full licensure and specialty board certification. Medical residents and fellows are closely monitored by faculty and receive continual review and evaluation. Furthermore, data has shown that patient safety is generally enhanced where there is participation in medical education programs.

This measure limits medical malpractice liability for residents and fellows in an accredited residency or fellowship program in certain circumstances, which will help create an environment that is more conducive to recruiting and retaining medical residents and fellows. Your Committee notes that the limited liability established by this measure does not shield medical residents, fellows, or supervising physicians from liability associated with any gross negligence or wanton acts or omissions.

Your Committee has amended this measure by:

- (1) Clarifying that limited liability applies to any resident or fellow participating in a graduate medical education program and practicing while under supervision of a duly licensed physician;
- (2) Removing language that would have specified that a resident or fellow shall not owe an independent duty of care to a patient;
- (3) Clarifying that the supervising physician shall not be liable for any damages that may result from the resident's or fellow's gross negligence or wanton acts or omissions;
- (4) Inserting a definition for "under supervision";

- (5) Changing its effective date to July 1, 2050, to encourage further discussion; and
- Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 825, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 825, S.D. 1, and be referred to your Committee on Judiciary.

> Respectfully submitted on behalf of the members of the Committee on Commerce, Consumer Protection, and Health,

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Commerce, Consumer Protection, and Health CPH

Bill / Resolution No.:*	Committee Referral:		D	Date:	
SB 825	CPH JDC 1/31/19				
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)		/			
CHANG, Stanley (VC)		V			
KEOHOKALOLE, Jarrett		V			
NISHIHARA, Clarence K.		V			
RUDERMAN, Russell E.		V			
THIELEN, Laura H.		V			
FEVELLA, Kurt		/			_
					_
		_			
TOTAL		7			
Recommendation:					
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original File with Committee Re	Yellow Pink Goldenrod eport Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes