

## Hospital Liability

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In this Article, the Author tackles the concept of medical malpractice liability in the Philippines and seeks to propose a framework by which hospitals may be made liable for negligent acts of its physicians. With the advancement of medical technology and of society, hospitals have evolved from merely being centers of patient care to full-fledged businesses offering multi-faceted medical services, enlisting specialists in varying areas of medicine. Together with this development has come the rise of medical malpractice suits seeking relief not only from the erring physician, but also from the hospital itself.

Indeed, while negligent physicians have been held administratively, civilly and even criminally liable for malpractice in accordance with existing laws, the Author submits that the liability of hospitals arising from such negligence is of a distinct character.

The Supreme Court's pronouncements in *Ramos v. Court of Appeals*, *Nogales v. Capitol Medical Center*, and most notably, *Professional Services, Inc. v. Agana* have made hospitals liable under the principles of "agency by estoppel," *respondeat superior*, and the "doctrine of corporate negligence." However, the Author submits that such doctrines, arising from general principles of agency and torts, are insufficient in providing a stable framework for establishing hospital liability.

Despite the vigorous opposition of hospitals against the enactment of such a law, claiming that it would impose greater burdens on the health care industry, and ultimately increase the cost of health care, the Author submits that the lack of such a law would be more detrimental to the vitality of the health care industry. A law that clearly defines the grounds and the extent by which a hospital may be made liable for medical negligence could address such a problem.

The Article begins with a discussion of the concept of medical negligence, together with an overview of the current status of medical litigation in the country. The Author then discusses the absence of laws that clearly define hospital liability and the importance of guidelines for determining such liability. A discussion on the concepts of quasi-delict and vicarious liability follows. The application of the doctrines of ostensible agency and corporate negligence in Philippine jurisprudence on hospital

liability are tackled and are contrasted with pronouncements in common law jurisdictions.

The Article concludes with a proposed law, taking the following factors for consideration: (1) the distinction between the liability of a physician for negligent acts causing injury to a patient and the liability of a hospital arising from such injury; (2) the need to preserve the line between strict liability torts (liability upon mere occurrence of injury) and torts based on fault; (3) the importance of protecting not only the rights of patients but also that of hospitals themselves; and (4) the overall goal of improving the quality of health care in the country.