

1360

2011-2012 Regular Sessions

I N A S S E M B L Y

(PREFILED)

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Introduced by M. of A. HAWLEY, CALHOUN, McDONOUGH, OAKS, CROUCH,  
J. MILLER, TOBACCO, KOLB, FINCH -- Multi-Sponsored by -- M. of A.  
CORWIN, GIGLIO -- read once and referred to the Committee on Codes

AN ACT to amend the civil practice law and rules and the judiciary law,  
in relation to dental, medical and podiatric malpractice actions and  
to establishing a limitation on noneconomic damages in personal injury  
actions

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-  
BLY, DO ENACT AS FOLLOWS:

1 Section 1. Section 3012-a of the civil practice law and rules, as  
2 amended by chapter 507 of the laws of 1987, is amended to read as  
3 follows:  
4 S 3012-a. Certificate of merit in medical, dental and podiatric malp-  
5 ractice actions AND ACTIONS AGAINST ALL OTHER PROFESSIONALS. (a) In any  
6 action for medical, dental or podiatric malpractice, OR IN ANY ACTION  
7 FOR DAMAGES, CONTRIBUTION OR INDEMNITY ARISING OUT OF ALLEGED NEGLIGENCE  
8 OF A PROFESSIONAL SUBJECT TO THE PROVISIONS OF TITLE VIII OF THE EDUCA-  
9 TION LAW, the complaint shall be accompanied by a certificate, executed  
10 by the attorney for the plaintiff, OR OTHER PARTY ASSERTING THE CAUSE  
11 OF ACTION, declaring that:  
12 (1) the attorney has reviewed the facts of the case and has consulted  
13 with at least one physician in medical malpractice actions, at least one  
14 dentist in dental malpractice actions [or], at least one podiatrist in  
15 podiatric malpractice actions, OR AT LEAST ONE PROFESSIONAL IN THE SAME  
16 PROFESSION AS THE PERSON OR PERSONS DEFENDANT IN THE SUBJECT SUIT IN  
17 OTHER PROFESSIONAL MALPRACTICE OR NEGLIGENCE ACTIONS AND who is licensed  
18 to practice in this state or any other state and who the attorney  
19 reasonably believes is knowledgeable in the relevant issues involved in  
20 the particular action, AND WHO HAS SIGNED AN AFFIDAVIT CONCLUDING THAT  
21 THERE IS A REASONABLE BASIS FOR THE COMMENCEMENT OF AN ACTION, SUCH

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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1 AFFIDAVIT SHALL ACCOMPANY THE CERTIFICATE REQUIRED BY THIS SECTION, and  
2 that the attorney has concluded on the basis of such review [and],  
3 consultation AND AFFIDAVIT that there is a reasonable basis for the  
4 commencement of such action; or

5 (2) the attorney was unable to obtain the consultation AND AFFIDA-  
6 VIT required by paragraph one of this subdivision because a limitation  
7 of time, established by article two of this chapter, would bar the  
8 action and that the certificate required by paragraph one of this  
9 subdivision could not reasonably be obtained before such time expired.  
10 If a certificate is executed pursuant to this subdivision, the  
11 certificate required by this section shall be filed within ninety  
12 days after service of the complaint; or

13 (3) the attorney was unable to obtain the consultation AND AFFIDAVIT  
14 required by paragraph one of this subdivision because the attorney had  
15 made three separate good faith attempts with three separate physicians,  
16 dentists [or], podiatrists OR SUBJECT PROFESSIONALS, in accordance with  
17 the provisions of paragraph one of this subdivision to obtain such  
18 consultation AND AFFIDAVIT and none of those contacted would agree to  
19 such a consultation AND AFFIDAVIT.

20 (b) Where a certificate is required pursuant to this section, a single  
21 certificate shall be filed for each action, even if more than one  
22 defendant has been named in the complaint or is subsequently named.

23 (c) Where the attorney intends to rely solely on the doctrine of "res  
24 ipsa loquitur", this section shall be inapplicable. In such cases, the  
25 complaint shall be accompanied by a certificate, executed by the attor-  
26 ney, declaring that the attorney is solely relying on such doctrine and,  
27 for that reason, is not filing a certificate required by this section.

28 (d) If a request by the plaintiff for the records of the plaintiff's  
29 medical or dental treatment by the defendants has been made and such  
30 records have not been produced, the plaintiff shall not be required to  
31 serve the certificate required by this section until ninety days after  
32 such records have been produced.

33 (e) For purposes of this section, and subject to the provisions of  
34 section thirty-one hundred one of this chapter, an attorney who submits  
35 a certificate as required by paragraph one or two of subdivision (a) of  
36 this section and the physician, dentist [or], podiatrist OR SUBJECT  
37 PROFESSIONALS with whom the attorney consulted shall not be required to  
38 disclose the identity of the physician, dentist [or], podiatrist OR  
39 SUBJECT PROFESSIONALS consulted and the contents of such consultation  
40 AND AFFIDAVIT; provided, however, that when the attorney makes a claim  
41 under paragraph three of subdivision (a) of this section that he was  
42 unable to obtain the required consultation AND AFFIDAVIT with the physi-  
43 cian, dentist [or], podiatrist OR SUBJECT PROFESSIONALS, the court may,  
44 upon the request of a defendant made prior to compliance by the plain-  
45 tiff with the provisions of section thirty-one hundred ONE of this chap-  
46 ter, require the attorney to divulge to the court the names of physi-  
47 cians, dentists [or], podiatrists OR SUBJECT PROFESSIONALS refusing such  
48 consultation AND AFFIDAVIT.

49 (f) The provisions of this section shall not be applicable to a plain-  
50 tiff who is not represented by an attorney.

51 (g) The plaintiff may, in lieu of serving the certificate required by  
52 this section, provide the defendant or defendants with the information  
53 required by paragraph one of subdivision (d) of section thirty-one  
54 hundred one of this chapter within the period of time prescribed by this  
55 section.

1 (H) THE SUBJECT PROFESSIONAL OR PROFESSIONALS CONSULTED MAY NOT BE A  
2 PARTY TO THE LITIGATION.

3 (I) FOR PURPOSES OF THIS SECTION, A COMPLAINT SHALL INCLUDE A  
4 COMPLAINT, THIRD PARTY COMPLAINT, AN ANSWER CONTAINING A COUNTERCLAIM OR  
5 A CROSS CLAIM.

6 S 2. Paragraph 1 of subdivision (d) of section 3101 of the civil prac-  
7 tice law and rules, as amended by chapter 184 of the laws of 1988,  
8 subparagraph (ii) as amended by chapter 165 of the laws of 1991, is  
9 amended to read as follows:

10 1. Experts. (i) Upon request, each party shall identify each person  
11 whom the party expects to call as an expert witness at trial and shall  
12 disclose in reasonable detail the subject matter on which each expert is  
13 expected to testify, the substance of the facts and opinions on which  
14 each expert is expected to testify, the qualifications of each expert  
15 witness and a summary of the grounds for each expert's opinion. However,  
16 where a party for good cause shown retains an expert an insufficient  
17 period of time before the commencement of trial to give appropriate  
18 notice thereof, the party shall not thereupon be precluded from intro-  
19 ducing the expert's testimony at the trial solely on grounds of noncom-  
20 pliance with this paragraph. In that instance, upon motion of any party,  
21 made before or at trial, or on its own initiative, the court may make  
22 whatever order may be just. [In an action for medical, dental or podia-  
23 tric malpractice, a party, in responding to a request, may omit the  
24 names of medical, dental or podiatric experts but shall be required to  
25 disclose all other information concerning such experts otherwise  
26 required by this paragraph.]

27 (ii) In an action for medical, dental or podiatric malpractice, any  
28 party may, by written offer made to and served upon all other parties  
29 and filed with the court, [offer to disclose the name of, and to] make  
30 available for examination upon oral deposition, any person the party  
31 making the offer expects to call as an expert witness at trial. Within  
32 twenty days of service of the offer, a party shall accept or reject the  
33 offer by serving a written reply upon all parties and filing a copy  
34 thereof with the court. Failure to serve a reply within twenty days of  
35 service of the offer shall be deemed a rejection of the offer. If all  
36 parties accept the offer, each party shall be required to produce his or  
37 her expert witness for examination upon oral deposition upon receipt of  
38 a notice to take oral deposition in accordance with rule thirty-one  
39 hundred seven of this [chapter] ARTICLE. If any party, having made or  
40 accepted the offer, fails to make that party's expert available for oral  
41 deposition, that party shall be precluded from offering expert testimony  
42 at the trial of the action.

43 (iii) Further disclosure concerning the expected testimony of any  
44 expert may be obtained only by court order upon a showing of special  
45 circumstances and subject to restrictions as to scope and provisions  
46 concerning fees and expenses as the court may deem appropriate. However,  
47 a party, without court order, may take the testimony of a person author-  
48 ized to practice medicine, dentistry or podiatry who is the party's  
49 treating or retained expert, as described in paragraph three of subdivi-  
50 sion (a) of this section, in which event any other party shall be enti-  
51 tled to the full disclosure authorized by this article with respect to  
52 that expert without court order.

53 S 3. Subdivisions (b) and (c) of section 5031 of the civil practice  
54 law and rules, as added by chapter 86 of the laws of 2003, are amended  
55 to read as follows:

1 (b) Awards for all past damages, all damages for future loss of  
2 services, all damages for future loss of consortium, all damages in  
3 wrongful death actions, and damages for future pain and suffering of  
4 [five hundred] FIFTY thousand dollars or less shall be paid in a lump  
5 sum. In any case in which all damages are to be paid in lump sums, the  
6 judgment shall be entered on the total of the lump sums, without further  
7 regard to this section.

8 (c) As to any award of damages for future pain and suffering in excess  
9 of [five hundred] FIFTY thousand dollars, the court shall determine the  
10 greater of thirty-five percent of such damages or [five hundred] FIFTY  
11 thousand dollars and such amount shall be paid in a lump sum. The  
12 remaining amount of the award for damages for future pain and suffering  
13 shall be paid in a stream of payments over the period of time determined  
14 by the trier of fact or eight years, whichever is less. The stream of  
15 payments for future pain and suffering shall be calculated by dividing  
16 the remaining amount of damages for future pain and suffering by the  
17 number of years over which such payments shall be made to determine the  
18 first year's payment and the payment due in each succeeding year shall  
19 be computed by adding four percent to the previous year's payment. The  
20 court shall determine the present value of the stream of payments by  
21 applying a discount rate to the stream of payments.

22 S 4. Subdivisions (b) and (e) of section 5041 of the civil practice  
23 law and rules, as added by chapter 682 of the laws of 1986, are amended  
24 to read as follows:

25 (b) The court shall enter judgment in lump sum for past damages, for  
26 future damages not in excess of [two hundred] fifty thousand dollars,  
27 and for any damages, fees or costs payable in lump sum or otherwise  
28 under subdivisions (c) and (d) of this section. For the purposes of this  
29 section, any lump sum payment of a portion of future damages shall be  
30 deemed to include the elements of future damages in the same proportion  
31 as such elements comprise of the total award for future damages as  
32 determined by the trier of fact.

33 (e) With respect to awards of future damages in excess of [two  
34 hundred] fifty thousand dollars in an action to recover damages for  
35 personal injury, injury to property or wrongful death, the court shall  
36 enter judgment as follows:

37 After making any adjustment prescribed by subdivisions (b), (c) and  
38 (d) of this section, the court shall enter a judgment for the amount of  
39 the present value of an annuity contract that will provide for the  
40 payment of the remaining amounts of future damages in periodic install-  
41 ments. The present value of such contract shall be determined in accord-  
42 ance with generally accepted actuarial practices by applying the  
43 discount rate in effect at the time of the award to the full amount of  
44 the remaining future damages, as calculated pursuant to this subdivi-  
45 sion. The period of time over which such periodic payments shall be made  
46 and the period of time used to calculate the present value of the annui-  
47 ty contract shall be the period of years determined by the trier of fact  
48 in arriving at the itemized verdict; provided, however, that the period  
49 of time over which such periodic payments shall be made and the period  
50 of time used to calculate the present value for damages attributable to  
51 pain and suffering shall be ten years or the period of time determined  
52 by the trier of fact, whichever is less. The court, as part of its judg-  
53 ment, shall direct that the defendants and their insurance carriers  
54 shall be required to offer and to guarantee the purchase and payment of  
55 such an annuity contract. Such annuity contract shall provide for the  
56 payment of the annual payments of such remaining future damages over the

1 period of time determined pursuant to this subdivision. The annual  
2 payment for the first year shall be calculated by dividing the remaining  
3 amount of future damages by the number of years over which such payments  
4 shall be made and the payment due in each succeeding year shall be  
5 computed by adding four percent to the previous year's payment. THE  
6 ADDITION OF FOUR PERCENT TO EACH OF THE PREVIOUS YEAR'S PAYMENT SHALL BE  
7 THE EXCLUSIVE MEASURE OF INTEREST, INFLATION, FOREGONE INVESTMENT OPPOR-  
8 TUNITY AND ANY OTHER MEASURE OF DAMAGE. Where payment of a portion of  
9 the future damages terminates in accordance with the provisions of this  
10 article, the four percent added payment shall be based only upon that  
11 portion of the damages that remains subject to continued payment.  
12 Unless otherwise agreed, the annual sum so arrived at shall be paid in  
13 equal monthly installments and in advance.

14 S 5. The civil practice law and rules is amended by adding a new arti-  
15 cle 50-C to read as follows:

16 ARTICLE 50-C

17 LIMITATION ON NONECONOMIC DAMAGES

18 5051. DEFINITIONS.

19 5052. DAMAGE AWARDS.

20 S 5051. DEFINITIONS. AS USED IN THIS ARTICLE:

21 1. "NONECONOMIC DAMAGES" MEANS SUBJECTIVE, NONPECUNIARY DAMAGES ARIS-  
22 ING FROM PAIN, SUFFERING, INCONVENIENCE, PHYSICAL IMPAIRMENT OR DISFIG-  
23 UREMENT, MENTAL ANGUISH, EMOTIONAL DISTRESS, LOSS OF SOCIETY AND COMPAN-  
24 IONSHIP, LOSS OF CONSORTIUM, INJURY TO REPUTATION, HUMILIATION AND OTHER  
25 NONPECUNIARY DAMAGES.

26 2. "ACTUAL ECONOMIC DAMAGES" MEANS OBJECTIVELY VERIFIABLE PECUNIARY  
27 DAMAGES ARISING FROM MEDICAL EXPENSES AND MEDICAL CARE, LOSS OF EARNINGS  
28 AND EARNING CAPACITY, BURIAL COSTS, LOSS OF USE OF PROPERTY, COSTS OF  
29 REPAIR OR REPLACEMENT OF PROPERTY, COSTS OF OBTAINING SUBSTITUTE DOMES-  
30 TIC SERVICES, LOSS OF EMPLOYMENT, LOSS OF BUSINESS OR EMPLOYMENT OPPOR-  
31 TUNITIES, REHABILITATION SERVICES, CUSTODIAL CARE AND OTHER PECUNIARY  
32 DAMAGES.

33 3. "PERSONAL INJURY ACTION" MEANS ANY ACTION, INCLUDING BUT IN NO  
34 MANNER LIMITED TO MEDICAL, DENTAL AND PODIATRIC MALPRACTICE ACTIONS,  
35 WHETHER IN TORT, CONTRACT, OR OTHERWISE, IN WHICH THE PLAINTIFF SEEKS  
36 DAMAGES FOR INJURY TO THE PERSON OR WRONGFUL DEATH.

37 4. "COMPENSATION" MEANS MONETARY AWARDS.

38 S 5052. DAMAGE AWARDS. IN ANY PERSONAL INJURY ACTION, THE PREVAILING  
39 PLAINTIFF MAY BE AWARDED:

40 1. COMPENSATION FOR ACTUAL ECONOMIC DAMAGES SUFFERED BY THE INJURED  
41 PLAINTIFF; AND

42 2. COMPENSATION FOR NONECONOMIC DAMAGES SUFFERED BY THE INJURED PLAIN-  
43 TIFF, NOT TO EXCEED TWO HUNDRED FIFTY THOUSAND DOLLARS.

44 S 6. Section 474-a of the judiciary law, as amended by chapter 485 of  
45 the laws of 1986, is amended to read as follows:

46 S 474-a. Contingent fees for attorneys in claims or actions for  
47 medical, dental or podiatric malpractice, OR IN ANY CLAIM OR ACTION FOR  
48 PROPERTY DAMAGE OR PERSONAL INJURY, INCLUDING DEATH. 1. For the purpose  
49 of this section, the term "contingent fee" shall mean any attorney's fee  
50 in any claim or action for medical, dental or podiatric malpractice, OR  
51 IN ANY CLAIM OR ACTION FOR PROPERTY DAMAGE OR PERSONAL INJURY, INCLUDING  
52 DEATH, whether determined by judgment or settlement, which is dependent  
53 in whole or in part upon the success of the prosecution by the attorney  
54 of such claim or action, or which is to consist of a percentage of any  
55 recovery, or a sum equal to a percentage of any recovery, in such claim  
56 or action.

1 2. Notwithstanding any inconsistent judicial rule, a contingent fee in  
2 a medical, dental or podiatric malpractice action, OR IN ANY CLAIM OR  
3 ACTION FOR PROPERTY DAMAGE OR PERSONAL INJURY, INCLUDING DEATH, shall  
4 not exceed the amount of compensation provided for in the following  
5 schedule:

6 [30] 25 percent of the first \$250,000 of the sum recovered;

7 [25] 20 percent of the next \$250,000 of the sum recovered;

8 [20] 15 percent of the next \$500,000 of the sum recovered;

9 [15] 10 percent of the next \$250,000 of the sum recovered;

10 [10] 5 percent of any amount over \$1,250,000 of the sum recovered.

11 3. Such percentages shall be computed on the net sum recovered after  
12 deducting from the amount recovered expenses and disbursements for  
13 expert testimony and investigative or other services properly chargeable  
14 to the enforcement of the claim or prosecution of the action. In comput-  
15 ing the fee, the costs as taxed, including interest upon a judgment,  
16 shall be deemed part of the amount recovered. For the following or simi-  
17 lar items there shall be no deduction in computing such percentages:  
18 liens, assignments or claims in favor of hospitals, for medical care,  
19 dental care, podiatric care and treatment by doctors and nurses, or of  
20 self-insurers or insurance carriers.

21 4. In the event that claimant's or plaintiff's attorney believes in  
22 good faith that the fee schedule set forth in subdivision two of this  
23 section, because of extraordinary circumstances, will not give him  
24 adequate compensation, application for greater compensation may be made  
25 upon affidavit with written notice and an opportunity to be heard to the  
26 claimant or plaintiff and other persons holding liens or assignments on  
27 the recovery. Such application shall be made to the justice of the trial  
28 part to which the action had been sent for trial; or, if it had not been  
29 sent to a part for trial, then to the justice presiding at the trial  
30 term calendar part of the court in which the action had been instituted;  
31 or, if no action had been instituted, then to the justice presiding at  
32 the trial term calendar part of the Supreme Court for the county in the  
33 judicial department in which the attorney has an office. Upon such  
34 application, the justice, in his discretion, if extraordinary circum-  
35 stances are found to be present, and without regard to the claimant's or  
36 plaintiff's consent, may fix as reasonable compensation for legal  
37 services rendered an amount greater than that specified in the schedule  
38 set forth in subdivision two of this section, provided, however, that  
39 such greater amount shall not exceed the fee fixed pursuant to the  
40 contractual arrangement, if any, between the claimant or plaintiff and  
41 the attorney. If the application is granted, the justice shall make a  
42 written order accordingly, briefly stating the reasons for granting the  
43 greater compensation; and a copy of such order shall be served on all  
44 persons entitled to receive notice of the application.

45 5. Any contingent fee in a claim or action for medical, dental or  
46 podiatric malpractice, OR IN ANY CLAIM OR ACTION FOR PROPERTY DAMAGE OR  
47 PERSONAL INJURY, INCLUDING DEATH, brought on behalf of an infant shall  
48 continue to be subject to the provisions of section four hundred seven-  
49 ty-four of this [chapter] ARTICLE.

50 S 7. This act shall take effect immediately, provided, however, that:

51 (a) The amendments effected by the provisions of sections one and five  
52 of this act shall apply to subject actions commenced on and after such  
53 date; and

54 (b) The amendments effected by the provisions of section six of this  
55 act shall apply to retainer agreements executed on or after such date.