

SUPREME COURT OF TEXAS

Columbia Hospital Corporation of Houston v. Moore

92 S.W.3d 470 (Tex. 2002) · No. No. 01-0293 · Decided June 27, 2002

SUMMARY

The Supreme Court of Texas held that prejudgment interest awarded under subchapter P of the Medical Liability and Insurance Improvement Act is subject to the Act's subchapter K damages cap. The court concluded that prejudgment interest remains a form of compensatory damages and that subchapter P did not indicate legislative intent to unc ap previously capped damages. The court modified the court of appeals' judgment and remanded the case for further proceedings; a dissent argued that subchapter P mandated prejudgment interest on past damages outside the cap.

CASE DETAILS

COURT	Supreme Court of Texas
WRITING FOR THE COURT	Justice Enoch; Chief Justice Phillips; Justice Baker; Justice Hankinson; Justice Hecht; Justice Jefferson; Justice O'Neill; Justice Owen; Justice Rodriguez
JURISDICTION	Texas
DECIDED	June 27, 2002
DOCKET	No. 01-0293
DISPOSITION	remanded
PROCEDURAL POSTURE	The hospital sought review of a court of appeals judgment concerning the application of Texas's medical-liability damages cap to prejudgment interest. The Supreme Court of Texas modified the court of appeals' judgment and remanded the case to the trial court.
STANDARD OF REVIEW	De novo statutory construction
PRECEDENTIAL VALUE	Published, precedential opinion of the Supreme Court of Texas
PARTIES	Columbia Hospital Corporation of Houston d/b/a Columbia Bellaire Medical Center v. Jesse Moore, The Moores

TOPICS

- medical malpractice
- damages
- statutory interpretation
- legislative intent
- remedies

PRACTICE AREAS

health law

medical malpractice

remedies

statutory interpretation

QUESTIONS PRESENTED

1. Whether prejudgment interest awarded under subchapter P of the Medical Liability and Insurance Improvement Act is subject to the Act's subchapter K damages cap.
2. Whether subchapter P's mandatory prejudgment-interest provision demonstrates legislative intent to exclude or uncap prejudgment interest from the subchapter K cap.

HOLDINGS

1. Prejudgment interest awarded under subchapter P of the Medical Liability and Insurance Improvement Act is a form of compensatory damages subject to the Act's subchapter K damages cap.
2. Subchapter P does not exclude prejudgment interest from, or uncap damages otherwise subject to, the subchapter K damages cap.
3. Prejudgment interest on past damages excluded from the cap by section 11.02(b) remains fully available, but prejudgment interest on damages subject to the cap may be awarded only up to the subchapter K cap amount.

KEY QUOTATIONS

"For these reasons, we hold that prejudgment interest awarded under subchapter P of the Medical Liability and Insurance Improvement Act is subject to the Act's subchapter K damages cap." (474-475)

"Subchapter P prejudgment interest on past damages excluded from the cap by section 11.02(b) is fully available, but prejudgment interest on damages subject to the cap may be awarded only up to subchapter K's cap amount." (475)

FACTUAL BACKGROUND

Katherine Moore died after undergoing surgery at Columbia Bellaire Medical Center in 1996. Her husband, two daughters, and estate sued the hospital and her two treating physicians under Texas's wrongful-death and survival statutes. The jury found for the Moores, allocated causal negligence among Columbia and the physicians, and awarded \$3 million in actual damages; the trial court reduced Columbia's liability to \$1,305,691 under the medical-liability damages cap but added prejudgment interest above that amount.

PROCEDURAL HISTORY

The Moores obtained a jury verdict for \$3 million in actual damages against Columbia and two physicians arising from Katherine Moore's death following surgery. The trial court applied the statutory damages cap to Columbia's liability but added \$300,487.79 in subchapter P prejudgment interest above the capped amount. The court of appeals addressed several cap-related disputes and held that prejudgment interest was excluded from the cap; the Supreme Court limited its review to that issue, modified the judgment, and remanded.

DISPOSITION

remanded

REMAND INSTRUCTIONS

The trial court was directed to conduct further proceedings consistent with the opinion, applying the subchapter K damages cap to subchapter P prejudgment interest on damages subject to the cap.

CASES CITED

- Horizon/CMS Healthcare Corp. v. Auld, 34 S.W.3d 887, 897-901 (Tex. 2000)
- Cavnar v. Quality Control Parking, Inc., 696 S.W.2d 549, 552 (Tex. 1985)
- Johnson & Higgins, Inc. v. Kenneco Energy, Inc., 962 S.W.2d 507, 528 (Tex. 1998)
- Lufkin v. City of Galveston, 63 Tex. 437, 439 (1885)
- 43 S.W.3d 553, 561-562, 566