

(S.B. 985)

**(No. 136)**

(Approved July 27, 2006)

## **AN ACT**

To create the “Regional Academic Medical Centers of Puerto Rico,” in order to guarantee the workshops for the education of health professionals, especially for medical education, and as a consequence stimulate the development of teaching and clinical, epidemiological and socio-medical research and health sciences services; and for other purposes, in the Commonwealth of Puerto Rico.

### **STATEMENT OF MOTIVES**

The present situation of the Health System and of the educational workshops for health professionals, especially those for medical education on the Island, is worrisome. After the implementation of the Health Reform, by virtue of Act No. 72 of September 7, 1993, the educational workshops for health professionals, especially those for medical education, were neglected, as were those for the nursing profession and for other health professionals. The situation must be corrected taking into consideration the reality under which all health professionals of the Island presently live regarding their education.

As a consequence of not having given proper attention to those places that served as learning workshops for students of the various health professions, especially medicine and nursing students, to mention the two groups most affected by this problem, many of them were closed down and lost their accreditation. At the same time this matter consequently seriously affected the accredited internship and residence programs on the Island, with

no workshops or patients to allow the interns and residents to acquire clinical experience, the necessary outpatient service hours and other clinical contacts with patients so as to maintain the present accreditation. This situation also affects the training of students of other health professions. As a last extreme we may foresee a shortage of health professionals in the future to care for the health of the Puerto Rican people due to all these circumstances.

We must point out that the accreditation of graduate medical training programs is granted by the Accreditation Council for Graduate Medical Education (ACGME). From now on ACGME accreditations are essential if the medical students of accredited Medical Schools are to be on rotation through these as is necessary. Should this not be, the Medical Schools of Puerto Rico would lose their accreditation, as possibly would others for professions related to the field of health.

In order to develop and strengthen educational programs for health professionals and clinical, epidemiological and socio-medical research programs in Puerto Rico, the Regional Medical Centers of Puerto Rico are hereby created through this Bill. These shall be public or non profit private corporations that shall provide support to the accredited Medical Schools of the Island that offer accredited internship and residence programs for health professionals, as well as scientific research centers. Said schools and their affiliates need hospital and outpatient clinical workshops and patients who attend these as indispensable requirements to be able to continue pursuing their educational activities in Puerto Rico. The concentration of medical facilities and a Medical School is a unique concept that shall unite said Schools and their affiliated health institutions as authorized by the Government of Puerto Rico. This special conglomerate, called a Regional

Academic Medical Center, shall offer high quality medical services and foster the development of health education, research and services on the Island.

Throughout history the Academic Medical Centers in the United States have performed an indispensable social function by offering not only highly complex medical services not available at other centers, but also by providing services to the uninsured and medically indigent population with little or no access to quality medical care. Thus, the Academic Medical Centers ensure a better position for the continued accreditation of the training programs therein conducted. In this environment the educational process and the hospital and outpatient services for patients are kept current and are conducted in a simultaneous and comprehensive manner. All the major cities of the United States of America have at least one Academic Medical Center and there is at least one in every State of the American nation. This provides a guaranteed medical education and the accreditation of training programs for physicians, nurses and many other health professionals. In fact, so much so, that part of the function of Medicare is to finance graduate medical education (residences) at these centers.

Certain Academic Medical Centers in the United States include Columbia and Cornell Universities, Mount Sinai Hospital, New York University, Albert Einstein College in New York City, and others such as the Yale-New Haven Hospital, the Massachusetts General Hospital, the Brigham & Women's Hospital and Beth Israel in Boston, among many others. All Academic Medical Centers are affiliated to accredited Medical Schools. The evidence of multiple studies published in periodicals such as the Journal of the American Medical Association and the New England Journal of Medicine, two of the world's most prestigious medical

publications, consistently show that those patients who attend Academic Medical Centers receive the best care for the best results. Puerto Rico cannot be left behind and must provide its citizens with Academic Medical Centers of the stature of those in the United States.

The Regional Academic Medical Centers of Puerto Rico would be an additional link in the chain of health services providers to our citizens since they would become the leaders in basic as well as clinical, socio-medical and epidemiological research and in providing high quality health services for the treatment of more serious and complex diseases that require specialized professional teamwork. On the other hand, health professionals would be trained to conform to the changes that are taking place and that shall continue to take place as to the way health services are provided. The Regional Academic Medical Centers shall be in a privileged position for developing new opportunities in all matters that encompass the field of health. This novel concept in Puerto Rico shall promote throughout the Island a high quality, accessible and cost effective integrated health system of mutual and strategic assistance among the Regional Academic Medical Centers and their affiliated institutions. These Regional Academic Medical Centers shall reinforce the hospitals that have been privatized by providing certain specialized services in the communities they serve and at present, in view of the problems of territorial and national threats.

The Regional Academic Medical Centers shall cover the following regions with their corresponding Hospitals or Medical Centers: Metro and Northeastern Region – School of Medicine of the University of Puerto Rico; Central Region – (Caguas) San Juan Bautista Medical School; Northwestern Region – School of Medicine, Central University of the Caribbean; Southwestern Region – Mayagüez – Ponce, Ponce Medical School. The

corresponding Hospitals shall be: University Hospital for Adults, University Pediatric Hospital and the components of ASEM needed for teaching and research (UPR), Caguas San Juan Bautista Hospital, San Juan Bautista Medical School, Ramón Ruiz Arnau University Hospital, Central University of the Caribbean and Ramón Emeterio Betances Hospital, Ponce School of Medicine. This listing does not limit the rise of new academic medical centers which shall come to reinforce the work of those already in existence.

It is imperative to point out that accreditation by the Government of Puerto Rico of the facilities that use the Regional Academic Medical Centers is compulsory since this stimulates excellence in the practice of those professions related to the field of health in benefit of the population to be served. Furthermore, it shall be an indispensable requirement to obtain the accreditation of the Internship and Residence programs from ACGME (Accreditation Council for Graduate Medical Education) and of the Medical Schools from the Liaison Committee on Medical Education or LCME.

It is also indispensable for each of the Regional Academic Medical Centers to have its own identity and be able to create its own regulations to establish relationships with the hospitals and other complementary health facilities at which the Internship and Residence programs of the accredited Medical Schools shall take place. Cooperation as to education and research between the Regional Academic Medical Centers of Puerto Rico shall be stimulated.

The goal of this effort is to return to the public health system the educational and service oriented excellence it had in the past and thus contribute positively to improving the health of the Puerto Rican people. The Regional Academic Medical Centers shall also offer training courses so that graduates from foreign Medical Schools may meet the requirements for

taking licensing examinations, begin their accredited Internships and/or Residences and obtain their license for the practice of medicine.

**BE IT ENACTED BY THE LEGISLATURE OF PUERTO RICO:**

Section 1.-Title.

This Act shall be known as the “Regional Academic Medical Centers of Puerto Rico Act.”

Section 2.-Public Policy.

Section 19 of Article II of the Constitution of the Commonwealth of Puerto Rico establishes the right to health as one of the most highly ranked in our country. The Legislature of the Commonwealth of Puerto Rico, in the discharge of its constitutional obligation towards the health of our citizens, provides through this Act that it shall be the policy of the Commonwealth of Puerto Rico to acknowledge our responsibility for professional health education, especially for medical education, and for stimulating the development of teaching and of clinical, epidemiological and socio-medical research and health sciences services.

Section 3.-Terms and Definitions.

For the purposes of this Act the following terms and phrases shall have the meaning expressed below:

(a) Department: The Department of Health of the Commonwealth of Puerto Rico.

(b) Regional Academic Medical Center: A group of one or more hospitals, health facilities, medical groups and health professionals education and training programs related to an accredited School of Medicine whose mission is to educate, conduct research and provide health services.

(c) Entity: Any organization with its own juridical personality organized or authorized to engage in business, pursuant to the laws of Puerto Rico.

(d) Board of Directors: The Board of Directors of each of the Regional Academic Medical Centers of Puerto Rico.

(e) Act: the Regional Academic Medical Centers of Puerto Rico Act.

(f) Secretary: Secretary of the Department of Health.

#### Section 4.-Creation.

The Regional Academic Medical Centers of Puerto Rico are hereby created to operate as independent non profit entities separate from any other agency or instrumentality of the Government of the Commonwealth of Puerto Rico, and to function in coordination with the Department of Health of the Commonwealth of Puerto Rico in relation to its health services. They shall have perpetual existence and shall be independent and separate from any other consortium, administration or body created or to be created in the future in the Government of the Commonwealth of Puerto Rico. The Regional Academic Medical Centers shall have juridical personality, separate from any official of the Government of the Commonwealth of Puerto Rico and its agencies, instrumentalities, public corporations and subdivisions; each shall be governed by a Board of Directors. The Department of Health and the Health Services Administration are hereby empowered to enter into agreements with the Academic Medical Centers for rendering health services to the medically indigent population.

#### Section 5.-Purpose.

The purpose of the Regional Academic Medical Centers is to develop and strengthen a comprehensive public health system at the primary, the

secondary and the tertiary levels. The Regional Academic Medical Centers shall provide an optimum environment which shall bring together the purposes, priorities, objectives and reforming mission of the government as well as of the Schools of Medicine for offering and providing cost-effective, accessible and quality health services to all persons equally without taking into consideration their race, gender or religious or political beliefs. They shall, at the same time, develop and strengthen educational programs for health professionals, stimulate the development of clinical, epidemiological and socio-medical research and offer health and other services and under no circumstances shall operate for profit.

Section 6.-Functions and Powers.

The Regional Academic Medical Centers shall be the entities in each region established by law in charge of implementing the provisions of this Act. To those ends they shall have the following powers and functions that shall rest with their Board of Directors:

(a) Establish the directives for dealing with relevant matters and situations so that the Regional Academic Medical Centers may operate as a comprehensive public health system.

(b) Define and periodically evaluate the public policy as well as the purposes and objectives of the Regional Academic Medical Centers as a comprehensive public health system.

(c) Negotiate and execute contracts with health institutions that meet the minimum requirements for belonging to a Regional Academic Medical Center through Affiliation Agreements. These include hospitals and other medical facilities as for example outpatient clinics, private medical offices, treatment centers and others.

(d) Adopt, modify and use an official seal.

(e) Ensure that the Regional Academic Medical Center establishes an administrative and financial structure that will allow the latter to manage its funds and collections, administer cash and make disbursements.

The Regional Academic Medical Centers shall have the following powers and functions:

- 1) Sue and be sued.
- 2) Solicit, accept and receive Federal, Commonwealth and Municipal donations and those of any other kind.
- 3) Establish the standards for appointing, contracting and compensating their personnel.
- 4) Negotiate and execute all types of contracts, documents and other public instruments with juridical persons and entities.
- 5) Acquire, for their corporate ends, goods by purchase, donation, concession or legacy; possess and exercise all property rights over these and provide agreements with the terms and conditions their Board of Directors may determine.
- 6) Carry out all acts necessary and convenient to achieve the purposes of this Act, except that the Regional Academic Medical Centers shall have no power to pledge the credit of the Commonwealth of Puerto Rico or of any of its political subdivisions.
- 7) Approve, amend and repeal regulations to govern the affairs and activities of the Regional Academic Medical Centers and to prescribe the rules and norms needed to comply with its functions and duties, pursuant to what is established in Act No. 170 of August 12, 1988, as amended, known as the “Commonwealth of Puerto Rico Uniform Administrative Procedures Act,” regarding those functions that are directly relevant to the

relationship of the Regional Academic Medical Centers and the Government of the Commonwealth of Puerto Rico.

8) Order all those studies needed to comply with the mandate of this Act.

#### Section 7.-Immunity.

The limitations imposed in Act No. 104 of June 29, 1955, as amended, shall be extended to the Regional Academic Medical Centers, the students, doctors in graduate training and the faculty members of the latter, for the medical procedures practiced in said Centers in the exercise of their functions. Said limitation establishes a maximum of \$75,000 for damages suffered by a person and up to \$150,000 when the damages were suffered by more than one person or when there are several causes for action to which a single prejudiced party is entitled. The stipulations in the third paragraph of Section 41.050 of the Insurance Code of Puerto Rico shall also be extended to the consortium.

#### Section 8.-Composition of the Board of Directors.

Every Medical Center shall determine the composition of its Board of Directors, which shall include the participation of a member in representation of the faculty doctors and another in representation of the students in training, as well as a representative of the Department of Health. The members shall have knowledge of ACGME and LCME accreditation procedures. This Board shall adopt regulations to be registered with the Department of State.

#### Section 9.-Central Board.

The Academic Medical Centers shall be attached to a Central Board of Regional Medical Centers to be constituted by the Secretary of Health or his/her representative, the President of the Council on Higher Education or

his/her representative, a representative of the Hospitals Association, a representative of the Board of Medical Examiners, a representative of the Puerto Rico College of Physicians and Surgeons and the Deans of the Schools of Medicine. The Board is hereby authorized to approve regulations to govern the functions herein delegated and once the same have been approved, all academic medical centers shall be bound to comply with the provisions thereof.

Said Board shall be responsible for revising and approving the work plans that every Academic Medical Center shall be bound to prepare annually. Said plan shall include the work to be done, the personnel available to carry out such work, the source of the funds to defray the activities and a report indicating whether the Academic Medical Center has been sued for alleged medical malpractice during the preceding year.

#### Section 10.-Exemptions.

The Regional Academic Medical Centers, as non profit corporations, shall be exempted from all types of taxes, duties, excise taxes or fees, including those for licenses levied or those that were levied by the government or any political subdivision thereof, including all their operations, their real or personal property, their capital, revenues and surplus. Said exemptions shall be nontransferable.

The Regional Academic Medical Centers are hereby exempted from the payment of any type of duties or taxes required by law for executing judicial proceedings, issuing certifications at the offices of government dependencies and political subdivisions, as well as for executing public documents and their registration in any Public Registry.

Section 11.-Donations.

The Regional Medical Centers are hereby empowered to receive donations and to enter into cooperative agreements with public and private entities to finance the activities related to the purposes of this Act.

Section 12.-Purchase of Equipment.

The Regional Medical Centers are hereby empowered to unite so as to purchase the equipment and materials needed to carry out the activities related to the purposes of this Act.

Section 13.-The Regional Medical Centers are hereby empowered to execute health services contracts subject to the authorization of the Insurance Commissioner.

Section 14.-Office of the Comptroller.

The Comptroller shall have full powers to audit the operations of the Regional Academic Medical Center in order to verify the legality of its transactions. The Comptroller may also require documents or the testimony from private persons or entities when indispensable, conduct an audit or intervention at the Regional Academic Medical Center or at enterprises that operate under contract with Regional Academic Medical Centers, regarding those matters related to the contract.

Section 15.-Powers of the Board of Medical Examiners.

None of the provisions of this Act shall impair the functions of investigating and accrediting the health facilities used as teaching centers and that by provision of other laws correspond to the Board of Medical Examiners.

Section 16.-Severability.

Should any of the Articles, Sections, paragraphs, sentences, phrases or provisions of this Act were to be declared unconstitutional by a court with

the authority to do so, the remaining provisions shall maintain their full force and effect.

Section 17.-Effectiveness.

This Act shall take effect immediately after its approval.

## CERTIFICATION

I hereby certify to the Secretary of State that the following Act No. 136 (S.B. 985) of the 3<sup>rd</sup> Session of the 15<sup>th</sup> Legislature of Puerto Rico:

**AN ACT** to create the “Regional Academic Medical Centers of Puerto Rico,” in order to guarantee the workshops for the education of health professionals, especially for medical education, and as a consequence stimulate the development of teaching and clinical, epidemiological and socio-medical education and research and health sciences services; and for other purposes, in the Commonwealth of Puerto Rico,

has been translated from Spanish to English and that the English version is correct.

In San Juan, Puerto Rico, today 31<sup>st</sup> of October of 2007.

Francisco J. Domenech  
Director