

PROFESSIONAL SERVICES, INC., PETITIONER, VS. THE COURT OF APPEALS AND NATIVIDAD AND ENRIQUE AGANA, RESPONDENTS.

G.R. No. 126297. February 02, 2010

Ponente: CORONA, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-126297/>

CORONA, J.:

With prior leave of court,[1] petitioner Professional Services, Inc. (PSI) filed a second motion for reconsideration[2] urging referral thereof to the Court en banc and seeking modification of the decision dated January 31, 2007 and resolution dated February 11, 2008 which affirmed its vicarious and direct liability for damages to respondents Enrique Agana and the heirs of Natividad Agana (Aganas).

Manila Medical Services, Inc. (MMSI),[3] Asian Hospital, Inc. (AHI),[4] and Private Hospital Association of the Philippines (PHAP)[5] all sought to intervene in these cases invoking the common ground that, unless modified, the assailed decision and resolution will jeopardize the financial viability of private hospitals and jack up the cost of health care.

The Special First Division of the Court granted the motions for intervention of MMSI, AHI and PHAP (hereafter intervenors),[6] and referred en consulta to the Court en banc the motion for prior leave of court and the second motion for reconsideration of PSI.[7]

Due to paramount public interest, the Court en banc accepted the referral[8] and heard the parties on oral arguments on one particular issue: whether a hospital may be held liable for the negligence of physicians-consultants allowed to practice in its premises.[9]

To recall the salient facts, PSI, together with Dr. Miguel Ampil (Dr. Ampil) and Dr. Juan Fuentes (Dr. Fuentes), was impleaded by Enrique Agana and Natividad Agana (later substituted by her heirs), in a complaint[10] for damages filed in the Regional Trial Court (RTC) of Quezon City, Branch 96, for the injuries suffered by Natividad when Dr. Ampil and Dr. Fuentes neglected to remove from her body two gauzes[11] which were used in the surgery they performed on her on April 11, 1984 at the Medical City General Hospital. PSI was impleaded as owner, operator and manager of the hospital.

In a decision[12] dated March 17, 1993, the RTC held PSI solidarily liable with Dr. Ampil and Dr. Fuentes for damages.[13] On appeal, the Court of Appeals (CA), absolved Dr. Fuentes but affirmed the liability of Dr. Ampil and PSI, subject to the right of PSI to claim reimbursement from Dr. Ampil.[14]

On petition for review, this Court, in its January 31, 2007 decision, affirmed the CA decision.[15] PSI filed a motion for reconsideration[16] but the Court denied it in a resolution dated February 11, 2008.[17]

The Court premised the direct liability of PSI to the Aganas on the following facts and law:

First, there existed between PSI and Dr. Ampil an employer-employee relationship as contemplated in the December 29, 1999 decision in *Ramos v. Court of Appeals*[18] that "for purposes of allocating responsibility in

medical negligence cases, an employer-employee relationship exists between hospitals and their consultants." [19] Although the Court in *Ramos* later issued a Resolution dated April 11, 2002 [20] reversing its earlier finding on the existence of an employment relationship between hospital and doctor, a similar reversal was not warranted in the present case because the defense raised by PSI consisted of a mere general denial of control or responsibility over the actions of Dr. Ampil. [21]

Second, by accrediting Dr. Ampil and advertising his qualifications, PSI created the public impression that he was its agent. [22] Enrique testified that it was on account of Dr. Ampil's accreditation with PSI that he conferred with said doctor about his wife's (Natividad's) condition. [23] After his meeting with Dr. Ampil, Enrique asked Natividad to personally consult Dr. Ampil. [24] In effect, when Enrique and Natividad engaged the services of Dr. Ampil, at the back of their minds was that the latter was a staff member of a prestigious hospital. Thus, under the doctrine of apparent authority applied in *Nogales, et al. v. Capitol Medical Center, et al.*, [25] PSI was liable for the negligence of Dr. Ampil.

Finally, as owner and operator of Medical City General Hospital, PSI was bound by its duty to provide comprehensive medical services to Natividad Agana, to exercise reasonable care to protect her from harm, [26] to oversee or supervise all persons who practiced medicine within its walls, and to take active steps in fixing any form of negligence committed within its premises. [27] PSI committed a serious breach of its corporate duty when it failed to conduct an immediate investigation into the reported missing gauzes. [28]

PSI is now asking this Court to reconsider the foregoing rulings for these reasons:

I

The declaration in the 31 January 2007 Decision vis-a-vis the 11 February 2009 Resolution that the ruling in *Ramos vs. Court of Appeals* (G.R. No. 134354, December 29, 1999) that "an employer-employee relationship exists between hospital and their consultants" stays should be set aside for being inconsistent with or contrary to the import of the resolution granting the hospital's motion for reconsideration in *Ramos vs. Court of Appeals* (G.R. No. 134354, April 11, 2002), which is applicable to PSI since the Aganas failed to prove an employer-employee relationship between PSI and Dr. Ampil and PSI proved that it has no control over Dr. Ampil. In fact, the trial court has found that there is no employer-employee relationship in this case and that the doctor's are independent contractors.

II

Respondents Aganas engaged Dr. Miguel Ampil as their doctor and did not primarily and specifically look to the Medical City Hospital (PSI) for medical care and support; otherwise stated, respondents Aganas did not select Medical City Hospital (PSI) to provide medical care because of any apparent authority of Dr. Miguel Ampil as its agent since the latter was chosen primarily and specifically based on his qualifications and being friend and neighbor.

III

PSI cannot be liable under doctrine of corporate negligence since the proximate cause of Mrs. Agana's injury was the negligence of Dr. Ampil, which is an element of the principle of corporate negligence. [29]

In their respective memoranda, intervenors raise parallel arguments that the Court's ruling on the existence of an employer-employee relationship between private hospitals and consultants will force a drastic and complex alteration in the long-established and currently prevailing relationships among patient, physician and hospital, with burdensome operational and financial consequences and adverse effects on all three parties. [30]

The Aganas comment that the arguments of PSI need no longer be entertained for they have all been traversed in

the assailed decision and resolution.[31]

After gathering its thoughts on the issues, this Court holds that PSI is liable to the Aganas, not under the principle of respondeat superior for lack of evidence of an employment relationship with Dr. Ampil but under the principle of ostensible agency for the negligence of Dr. Ampil and, pro hac vice, under the principle of corporate negligence for its failure to perform its duties as a hospital.

While in theory a hospital as a juridical entity cannot practice medicine,[32] in reality it utilizes doctors, surgeons and medical practitioners in the conduct of its business of facilitating medical and surgical treatment.[33] Within that reality, three legal relationships crisscross: (1) between the hospital and the doctor practicing within its premises; (2) between the hospital and the patient being treated or examined within its premises and (3) between the patient and the doctor. The exact nature of each relationship determines the basis and extent of the liability of the hospital for the negligence of the doctor.

Where an employment relationship exists, the hospital may be held vicariously liable under Article 2176[34] in relation to Article 2180[35] of the Civil Code or the principle of respondeat superior. Even when no employment relationship exists but it is shown that the hospital holds out to the patient that the doctor is its agent, the hospital may still be vicariously liable under Article 2176 in relation to Article 1431[36] and Article 1869[37] of the Civil Code or the principle of apparent authority.[38] Moreover, regardless of its relationship with the doctor, the hospital may be held directly liable to the patient for its own negligence or failure to follow established standard of conduct to which it should conform as a corporation.[39]

This Court still employs the "control test" to determine the existence of an employer-employee relationship between hospital and doctor. In *Calamba Medical Center, Inc. v. National Labor Relations Commission, et al.*[40] it held:

Under the "control test", an employment relationship exists between a physician and a hospital if the hospital controls both the means and the details of the process by which the physician is to accomplish his task.

xx xx xx

As priorly stated, private respondents maintained specific work-schedules, as determined by petitioner through its medical director, which consisted of 24-hour shifts totaling forty-eight hours each week and which were strictly to be observed under pain of administrative sanctions.

That petitioner exercised control over respondents gains light from the undisputed fact that in the emergency room, the operating room, or any department or ward for that matter, respondents' work is monitored through its nursing supervisors, charge nurses and orderlies. Without the approval or consent of petitioner or its medical director, no operations can be undertaken in those areas. For control test to apply, it is not essential for the employer to actually supervise the performance of duties of the employee, it being enough that it has the right to wield the power. (emphasis supplied)

Even in its December 29, 1999 decision[41] and April 11, 2002 resolution[42] in *Ramos*, the Court found the control test decisive.

In the present case, it appears to have escaped the Court's attention that both the RTC and the CA found no employment relationship between PSI and Dr. Ampil, and that the Aganas did not question such finding. In its March 17, 1993 decision, the RTC found "that defendant doctors were not employees of PSI in its hospital, they being merely consultants without any employer-employee relationship and in the capacity of independent contractors." [43] The Aganas never questioned such finding.

PSI, Dr. Ampil and Dr. Fuentes appealed[44] from the RTC decision but only on the issues of negligence, agency

and corporate liability. In its September 6, 1996 decision, the CA mistakenly referred to PSI and Dr. Ampil as employer-employee, but it was clear in its discussion on the matter that it viewed their relationship as one of mere apparent agency.[45]

The Aganas appealed from the CA decision, but only to question the exoneration of Dr. Fuentes.[46] PSI also appealed from the CA decision, and it was then that the issue of employment, though long settled, was unwittingly resurrected.

In fine, as there was no dispute over the RTC finding that PSI and Dr. Ampil had no employer-employee relationship, such finding became final and conclusive even to this Court.[47] There was no reason for PSI to have raised it as an issue in its petition. Thus, whatever discussion on the matter that may have ensued was purely academic.

Nonetheless, to allay the anxiety of the intervenors, the Court holds that, in this particular instance, the concurrent finding of the RTC and the CA that PSI was not the employer of Dr. Ampil is correct. Control as a determinative factor in testing the employer-employee relationship between doctor and hospital under which the hospital could be held vicariously liable to a patient in medical negligence cases is a requisite fact to be established by preponderance of evidence. Here, there was insufficient evidence that PSI exercised the power of control or wielded such power over the means and the details of the specific process by which Dr. Ampil applied his skills in the treatment of Natividad. Consequently, PSI cannot be held vicariously liable for the negligence of Dr. Ampil under the principle of respondeat superior.

There is, however, ample evidence that the hospital (PSI) held out to the patient (Natividad)[48] that the doctor (Dr. Ampil) was its agent. Present are the two factors that determine apparent authority: first, the hospital's implied manifestation to the patient which led the latter to conclude that the doctor was the hospital's agent; and second, the patient's reliance upon the conduct of the hospital and the doctor, consistent with ordinary care and prudence.[49]

Enrique testified that on April 2, 1984, he consulted Dr. Ampil regarding the condition of his wife; that after the meeting and as advised by Dr. Ampil, he "asked [his] wife to go to Medical City to be examined by [Dr. Ampil]"; and that the next day, April 3, he told his daughter to take her mother to Dr. Ampil.[50] This timeline indicates that it was Enrique who actually made the decision on whom Natividad should consult and where, and that the latter merely acceded to it. It explains the testimony of Natividad that she consulted Dr. Ampil at the instigation of her daughter.[51]

Moreover, when asked what impelled him to choose Dr. Ampil, Enrique testified:

Atty. Agcaoili

On that particular occasion, April 2, 1984, what was your reason for choosing Dr. Ampil to contact with in connection with your wife's illness?

A. First, before that, I have known him to be a specialist on that part of the body as a surgeon, second, I have known him to be a staff member of the Medical City which is a prominent and known hospital. And third, because he is a neighbor, I expect more than the usual medical service to be given to us, than his ordinary patients.[52] (emphasis supplied)

Clearly, the decision made by Enrique for Natividad to consult Dr. Ampil was significantly influenced by the impression that Dr. Ampil was a staff member of Medical City General Hospital, and that said hospital was well known and prominent. Enrique looked upon Dr. Ampil not as independent of but as integrally related to Medical City.

PSI's acts tended to confirm and reinforce, rather than negate, Enrique's view. It is of record that PSI required a "consent for hospital care"[53] to be signed preparatory to the surgery of Natividad. The form reads:

Permission is hereby given to the medical, nursing and laboratory staff of the Medical City General Hospital to perform such diagnostic procedures and to administer such medications and treatments as may be deemed necessary or advisable by the physicians of this hospital for and during the confinement of xxx. (emphasis supplied)

By such statement, PSI virtually reinforced the public impression that Dr. Ampil was a physician of its hospital, rather than one independently practicing in it; that the medications and treatments he prescribed were necessary and desirable; and that the hospital staff was prepared to carry them out.

PSI pointed out in its memorandum that Dr. Ampil's hospital affiliation was not the exclusive basis of the Aganas' decision to have Natividad treated in Medical City General Hospital, meaning that, had Dr. Ampil been affiliated with another hospital, he would still have been chosen by the Aganas as Natividad's surgeon.[54]

The Court cannot speculate on what could have been behind the Aganas' decision but would rather adhere strictly to the fact that, under the circumstances at that time, Enrique decided to consult Dr. Ampil for he believed him to be a staff member of a prominent and known hospital. After his meeting with Dr. Ampil, Enrique advised his wife Natividad to go to the Medical City General Hospital to be examined by said doctor, and the hospital acted in a way that fortified Enrique's belief.

This Court must therefore maintain the ruling that PSI is vicariously liable for the negligence of Dr. Ampil as its ostensible agent.

Moving on to the next issue, the Court notes that PSI made the following admission in its Motion for Reconsideration:

51. Clearly, not being an agent or employee of petitioner PSI, PSI [sic] is not liable for Dr. Ampil's acts during the operation. Considering further that Dr. Ampil was personally engaged as a doctor by Mrs. Agana, it is incumbent upon Dr. Ampil, as "Captain of the Ship", and as the Agana's doctor to advise her on what to do with her situation vis-a-vis the two missing gauzes. In addition to noting the missing gauzes, regular check-ups were made and no signs of complications were exhibited during her stay at the hospital, which could have alerted petitioner PSI's hospital to render and provide post-operation services to and tread on Dr. Ampil's role as the doctor of Mrs. Agana. The absence of negligence of PSI from the patient's admission up to her discharge is borne by the finding of facts in this case. Likewise evident therefrom is the absence of any complaint from Mrs. Agana after her discharge from the hospital which had she brought to the hospital's attention, could have alerted petitioner PSI to act accordingly and bring the matter to Dr. Ampil's attention. But this was not the case. Ms. Agana complained ONLY to Drs. Ampil and Fuentes, not the hospital. How then could PSI possibly do something to fix the negligence committed by Dr. Ampil when it was not informed about it at all.[55](emphasis supplied)

PSI reiterated its admission when it stated that had Natividad Agana "informed the hospital of her discomfort and pain, the hospital would have been obliged to act on it." [56]

The significance of the foregoing statements is critical.

First, they constitute judicial admission by PSI that while it had no power to control the means or method by which Dr. Ampil conducted the surgery on Natividad Agana, it had the power to review or cause the review of what may have irregularly transpired within its walls strictly for the purpose of determining whether some form of negligence may have attended any procedure done inside its premises, with the ultimate end of protecting its patients.

Second, it is a judicial admission that, by virtue of the nature of its business as well as its prominence^[57] in the hospital industry, it assumed a duty to "tread on" the "captain of the ship" role of any doctor rendering services within its premises for the purpose of ensuring the safety of the patients availing themselves of its services and facilities.

Third, by such admission, PSI defined the standards of its corporate conduct under the circumstances of this case, specifically: (a) that it had a corporate duty to Natividad even after her operation to ensure her safety as a patient; (b) that its corporate duty was not limited to having its nursing staff note or record the two missing gauzes and (c) that its corporate duty extended to determining Dr. Ampil's role in it, bringing the matter to his attention, and correcting his negligence.

And finally, by such admission, PSI barred itself from arguing in its second motion for reconsideration that the concept of corporate responsibility was not yet in existence at the time Natividad underwent treatment;^[58] and that if it had any corporate responsibility, the same was limited to reporting the missing gauzes and did not include "taking an active step in fixing the negligence committed."^[59] An admission made in the pleading cannot be controverted by the party making such admission and is conclusive as to him, and all proofs submitted by him contrary thereto or inconsistent therewith should be ignored, whether or not objection is interposed by a party.^[60]

Given the standard of conduct that PSI defined for itself, the next relevant inquiry is whether the hospital measured up to it.

PSI excuses itself from fulfilling its corporate duty on the ground that Dr. Ampil assumed the personal responsibility of informing Natividad about the two missing gauzes.^[61] Dr. Ricardo Jocson, who was part of the group of doctors that attended to Natividad, testified that toward the end of the surgery, their group talked about the missing gauzes but Dr. Ampil assured them that he would personally notify the patient about it.^[62] Furthermore, PSI claimed that there was no reason for it to act on the report on the two missing gauzes because Natividad Agana showed no signs of complications. She did not even inform the hospital about her discomfort.^[63]

The excuses proffered by PSI are totally unacceptable.

To begin with, PSI could not simply wave off the problem and nonchalantly delegate to Dr. Ampil the duty to review what transpired during the operation. The purpose of such review would have been to pinpoint when, how and by whom two surgical gauzes were mislaid so that necessary remedial measures could be taken to avert any jeopardy to Natividad's recovery. Certainly, PSI could not have expected that purpose to be achieved by merely hoping that the person likely to have mislaid the gauzes might be able to retrace his own steps. By its own standard of corporate conduct, PSI's duty to initiate the review was non-delegable.

While Dr. Ampil may have had the primary responsibility of notifying Natividad about the missing gauzes, PSI imposed upon itself the separate and independent responsibility of initiating the inquiry into the missing gauzes. The purpose of the first would have been to apprise Natividad of what transpired during her surgery, while the purpose of the second would have been to pinpoint any lapse in procedure that led to the gauze count discrepancy, so as to prevent a recurrence thereof and to determine corrective measures that would ensure the safety of Natividad. That Dr. Ampil negligently failed to notify Natividad did not release PSI from its self-imposed separate responsibility.

Corollary to its non-delegable undertaking to review potential incidents of negligence committed within its premises, PSI had the duty to take notice of medical records prepared by its own staff and submitted to its custody, especially when these bear earmarks of a surgery gone awry. Thus, the record taken during the operation

of Natividad which reported a gauze count discrepancy should have given PSI sufficient reason to initiate a review. It should not have waited for Natividad to complain.

As it happened, PSI took no heed of the record of operation and consequently did not initiate a review of what transpired during Natividad's operation. Rather, it shirked its responsibility and passed it on to others - to Dr. Ampil whom it expected to inform Natividad, and to Natividad herself to complain before it took any meaningful step. By its inaction, therefore, PSI failed its own standard of hospital care. It committed corporate negligence.

It should be borne in mind that the corporate negligence ascribed to PSI is different from the medical negligence attributed to Dr. Ampil. The duties of the hospital are distinct from those of the doctor-consultant practicing within its premises in relation to the patient; hence, the failure of PSI to fulfill its duties as a hospital corporation gave rise to a direct liability to the Aganas distinct from that of Dr. Ampil.

All this notwithstanding, we make it clear that PSI's hospital liability based on ostensible agency and corporate negligence applies only to this case, *pro hac vice*. It is not intended to set a precedent and should not serve as a basis to hold hospitals liable for every form of negligence of their doctors-consultants under any and all circumstances. The ruling is unique to this case, for the liability of PSI arose from an implied agency with Dr. Ampil and an admitted corporate duty to Natividad.[64]

Other circumstances peculiar to this case warrant this ruling,[65] not the least of which being that the agony wrought upon the Aganas has gone on for 26 long years, with Natividad coming to the end of her days racked in pain and agony. Such wretchedness could have been avoided had PSI simply done what was logical: heed the report of a gauze count discrepancy, initiate a review of what went wrong and take corrective measures to ensure the safety of Natividad. Rather, for 26 years, PSI hemmed and hawed at every turn, disowning any such responsibility to its patient. Meanwhile, the options left to the Aganas have all but dwindled, for the status of Dr. Ampil can no longer be ascertained.[66]

Therefore, taking all the equities of this case into consideration, this Court believes P15 million would be a fair and reasonable liability of PSI, subject to 12% p.a. interest from the finality of this resolution to full satisfaction.

WHEREFORE, the second motion for reconsideration is DENIED and the motions for intervention are NOTED.

Professional Services, Inc. is ORDERED *pro hac vice* to pay Natividad (substituted by her children Marcelino Agana III, Enrique Agana, Jr., Emma Agana-Andaya, Jesus Agana and Raymund Agana) and Enrique Agana the total amount of P15 million, subject to 12% p.a. interest from the finality of this resolution to full satisfaction.

No further pleadings by any party shall be entertained in this case.

Let the long-delayed entry of judgment be made in this case upon receipt by all concerned parties of this resolution.

SO ORDERED.

Puno, C.J., Carpio, Carpio Morales, Velasco, Jr., Nachura, Leonardo-De Castro, Brion, Peralta, Del Castillo, Villarama, Jr., and Perez, JJ., concur.

Bersamin, J., no part.

Abad, J., on official leave.

Mendoza, J., on leave.

[1] Rollo (G.R. No. 126297), p. 468.

- [2] Id., p. 489.
- [3] Filed a motion for leave of court to intervene (by way of attached memorandum), id., p. 512.
- [4] Filed a motion to intervene and for leave to file memorandum-in-intervention, id., p. 534. AHI did not file any memorandum.
- [5] Filed a motion for intervention (by way of attached brief/memorandum), id., p. 602.
- [6] Resolution dated June 16, 2008, id., p. 647.
- [7] Resolution dated June 12, 2008, id., p. 645.
- [8] Resolution dated August 12, 2008, id., p. 649.
- [9] As per Advisory dated March 4, 2009. It should be borne in mind that the issues in G.R. No. 126467 on the exculpation of Dr. Juan Fuentes from liability, and in G.R. No. 127590 on the culpability of Dr. Miguel Ampil for negligence and medical malpractice, are deemed finally decided, no motion for reconsideration having been filed by the Heirs of Agana in G.R. No. 126467 nor by Dr. Miguel Ampil in G.R. No. 127467 from the January 31, 2007 Decision of the First Division of the Court.
- [10] Docketed as Civil Case No. Q-43322, record, p. 6.
- [11] Also referred to in the records as "sponges."
- [12] Penned by then Presiding Judge and now Associate Justice of the Supreme Court Lucas Bersamin.
- [13] RTC Decision, record, p. 133.
- [14] CA decision dated September 6, 1996, penned by then Court of Appeals Associate Justice and later Supreme Court Associate Justice Cancio Garcia (Ret.); CA rollo, pp. 136-137.
- [15] G.R. Nos. 126297/126467/127590, 31 January 2007, 513 SCRA 478.
- [16] Rollo, p. 403.
- [17] G.R. Nos. 126297/126467/127590, 11 February 2008, 544 SCRA 170.
- [18] G.R. No. 124354, 29 December 1999, 321 SCRA 548.
- [19] Supra at 15, p. 499.
- [20] G.R. No. 124354, 11 April 2002, 380 SCRA 467.
- [21] Supra at 17, p. 179.
- [22] Supra at 15, p. 502.
- [23] Supra at 17, p. 181, citing TSN, April 12, 1985, pp. 25-26.
- [24] Id.
- [25] G.R. No. 142625, 19 December 2006, 511 SCRA 204.
- [26] Supra at 15, p. 505.
- [27] Supra at 17, p. 182.
- [28] Id.

[29] Rollo (G.R. No. 126297), pp. 489-490.

[30] *Id.*, pp. 518-527, 605-613.

[31] *Id.*, p. 659.

[32] Section 8, Republic Act No. 2382 (RA 2382) or The Medical Act of 1959.

[33] See *Acebedo Optical Co. Inc. v. CA*, G.R. No. 100152, 31 March 2000, 314 SCRA 315.

[34] Article 2176. Whoever by act or omission causes damage to another, there being fault or negligence, is obliged to pay for the damage done. Such fault or negligence, if there is no pre-existing contractual relation between the parties is called a quasi-delict and is governed by the provisions of this Chapter.

[35] Art. 2180. The obligation imposed by article 2176 is demandable not only for one's own acts or omissions, but also for those of persons for whom one is responsible.

The father and, in case of his death or incapacity, the mother, are responsible for the damages caused by the minor children who live in their company.

Guardians are liable for damages caused by the minors or incapacitated persons who are under their authority and live in their company.

The owners and managers of an establishment or enterprise are likewise responsible for damages caused by their employees in the service of the branches in which the latter are employed or on the occasion of their functions.

Employers shall be liable for the damages caused by their employees and household helpers acting within the scope of their assigned tasks, even though the former are not engaged in any business or industry.

The State is responsible in like manner when it acts through a special agent; but not when the damage has been caused by the official to whom the task done properly pertains, in which case what is provided in article 2176 shall be applicable.

Lastly, teachers or heads of establishments of arts and trades shall be liable for damages caused by their pupils and students or apprentices, so long as they remain in their custody.

The responsibility treated of in this article shall cease when the persons herein mentioned prove that they observed all the diligence of a good father of a family to prevent damage.

[36] Article 1431. Through estoppel an admission or representation is rendered conclusive upon the person making it, and cannot be denied or disproved as against the person relying thereon.

[37] Art. 1869. Agency may be express, or implied from the acts of the principal, from his silence or lack of action, or his failure to repudiate the agency, knowing that another person is acting on his behalf without authority.

[38] *Nogales v. Capitol Medical Center, et al.*, *supra* at 25.

[39] *Pedro Solis, Medical Jurisprudence (The Practice of Medicine and the Law)*, Quezon City: R.P. Garcia Publishing Co., 1988, p. 321, citing U.S. district and appellate cases. See also *Darling v. Charleston Community Memorial Hospital*, 14 A.L.R. 3D 860 (Ill. September 29, 1965).

[40] G.R. No. 176484, 25 November 2008, 571 SCRA 585.

[41] *Supra* at 18.

[42] Supra at 20.

[43] Supra at 13, p. 126.

[44] Dr. Fuentes filed with the CA a petition for certiorari docketed as CA-G.R. SP No. 32198 (CA rollo, p. 1) while Dr. Ampil and PSI jointly filed an appeal docketed as CA-G.R. CV No. 42062 (CA rollo, pp. 40 and 152).

[45] Supra at 14, p. 135.

[46] Rollo (G.R. No. 126467), p. 8.

[47] Elsie Ang v. Dr. Erniefel Grageda, G.R. No. 166239, 8 June 2006, 490 SCRA 424.

[48] Through the patient's husband Enrique.

[49] Nogales v. Capitol Medical Center, et al., supra at 25.

[50] TSN, April 12, 1985, pp. 26-27.

[51] Second Motion for Reconsideration, rollo, pp. 495-496.

[52] Supra at 50, pp. 25-26.

[53] Exh. "D-1," Exhibit Folder for Plaintiffs, p. 92.

[54] Petitioner's Memorandum with Compliance, pp. 57-58.

[55] Motion for Reconsideration, rollo, pp. 429-430.

[56] Id., p. 434.

[57] PSI has not denied its prominent place in the hospital industry but has in fact asserted such role in its 1967 brochure (Annex "K" to its Manifestation filed on May 14, 2009).

[58] Rollo, p. 505-506.

[59] Id., pp. 506-507.

[60] Luciano Tan v. Rodil Enterprises, G. R. No. 168071, 18 December 2006, 511 SCRA 162; Heirs of Pedro Clemena Y Zurbano v. Heirs of Irene B. Bien, G.R. No. 155508, 11 September 2006, 501 SCRA 405.

[61] Second Motion for Reconsideration, rollo, pp. 502-503.

[62] Id., p. 503, citing TSN, February 26, 1987, p. 36.

[63] Supra at 55.

[64] In Partido ng Manggagawa (PM) and Butil Farmers Party (Butil) v. Comelec (G.R. No. 164702, March 15, 2006, 484 SCRA 671), a ruling expressly qualified as pro hac vice is limited in application to one particular case only; it cannot be relied upon as a precedent to govern other cases.

[65] See Sps. Chua v. Hon. Jacinto Ang, et al., G.R. No. 156164, 4 September 2009.

[66] His last pleading was filed on May 13, 2001, rollo (G.R. No. 127590), p. 217.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.