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Introduced by Senator Miriam Defensor Santiago

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EXPLANATORY NOTE

The Constitution, Article 2, Section 15, provides:

The State shall protect and promote the right to health  
of the people and instill health consciousness among them.

Today, seeking medical care in one's lifetime is almost to be expected. According to the latest figures culled by the Department of Health, the five leading causes of mortality in the year 2000 were: (1) Diseases of the heart; (2) 2. Diseases of the vascular system; (3) Malignant Neoplasms; (4) Pneumonia; (5) Accidents.

Treatment of such diseases or conditions would not be possible with home remedies, but would necessitate professional medical care. If there are several medical centers that provide such health care, the choice of which one to go to should belong to the patient. However, in order for such patients to make rational decisions, access to reliable and adequate information is key. Such information should include the financial costs involved in the treatment of these conditions.

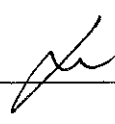
Given the rising costs of medical care, a more comprehensive estimate of the financial cost of such treatment would help prepare patients or family members for the financial burden. This information is not readily available at present. Hence, this bill seeks to provide the public with a full disclosure of prices for hospital and ambulatory surgical center procedures and drugs. This information should include rates of both private and public hospitals; otherwise it would not give the patient a complete list of options available in the country.

As the government agency mandated to ensure the protection of the public's health, it is only appropriate that the Department of Health be tasked with the responsibility of relaying this information to the public. The DOH is the principal health agency in the Philippines. It is responsible for ensuring access to basic health services to all Filipinos through the provision of quality health care and regulation of providers of health goods and services. It is therefore, incumbent upon this agency to make certain that all hospitals and clinics that offer their medical services to the public make full disclosure of information vital for health care planning.

*Miriam Defensor Santiago*  
MIRIAM DEFENSOR SANTIAGO

1955  
JAN 11 1955

SENATE  
S. B. No. 3324



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1 AN ACT  
2 TO PROVIDE FOR THE PUBLIC DISCLOSURE OF PRICES FOR HOSPITAL AND  
3 AMBULATORY SURGICAL CENTER PROCEDURES AND DRUGS  
4

5 *Be it enacted by the Senate and the House of Representatives of the Philippines in*  
6 *Congress assembled:*

7 SECTION 1. *Short Title.* – This Act shall be known as the “Hospital Price  
8 Disclosure Act.”

9 SECTION 2. *Declaration of Policy* - It is the policy of the State to protect and promote  
10 the right to health of the people and instill health consciousness among them.

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12 SECTION 3. *Definitions.* – For purposes of this Act, the term:

13 A. HOSPITAL – shall refer to a facility licensed to provide care and treatment for  
14 sick or injured patients, primarily while they are acutely ill or chronically ill. It  
15 must have facilities for diagnostic treatment and major surgery and maintains  
16 permanent and full-time facilities for the care of overnight resident bed  
17 patients under the supervision of one or more licensed physicians.

18 B. AMBULATORY SURGICAL CENTER – shall refer to a public or private  
19 medical-surgery establishment with an on-site organized medical staff of  
20 physicians and a permanent facility with operating room equipment which does  
21 not provide services or accommodations for patients to stay overnight.

22 C. DOH – shall refer to the Department of Health.

23 D. SECRETARY – shall refer to the Department of Health (DOH) Secretary.

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SECTION 4. *Data Reporting by Hospitals and Ambulatory Surgical Centers and Public Posting-*

A. *Quarterly Reporting Requirement* - Not later than 45 days after the end of each calendar quarter (beginning more than one year after the date of the enactment of this subsection), a hospital shall report to the Secretary, for each procedure or drug selected under Section 4 par. B, and an ambulatory surgical center shall report to the Secretary, for each procedure selected under Section 5, the following data:

1. The frequency with which the hospital performed the procedure, or administered the drug in an inpatient setting, or the center performed the procedure during such quarter.
2. If the procedure was performed or the drug was so administered during such quarter, the average and the median of the price charged by the hospital or center for such procedure or drug during such quarter.

B. *Selection of Procedures and Drugs* – Based on national data, the Secretary shall select the following:

1. The twenty-five (25) most frequently performed hospital inpatient procedures;
2. The twenty-five (25) most frequently performed hospital outpatient procedures;
3. The fifty (50) most frequently administered drugs in a hospital inpatient setting.

The Secretary shall periodically update the procedures and drugs selected.

SECTION 5. *Administrative Provisions-*

A. *Classification Of Procedures-* For the purposes of Section 4, the Secretary shall establish rules for the classification of different medical procedures and for the assignment of items and services to those procedures.

1           B. *Computation Of Average And Median Prices*- For purposes of Section 4, the  
2           computation of an average and median price for a procedure or drug shall be in  
3           accordance with a methodology prescribed by the Secretary. Such methodology  
4           may provide for reporting by the hospital or ambulatory surgical center of unit  
5           prices for specific items and services included in a procedure, including  
6           appropriate per diem prices, and a method of converting such unit prices for a  
7           procedure to an average and median price for such procedure.

8           C. *Form Of Report And Notice*- The Secretary shall specify the electronic form  
9           and manner by which a hospital or ambulatory surgical center shall report data  
10          under Section 4 and the form for posting of notices under Section 5 (B).

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12          SECTION 6. *Public Availability Of Data*-

13          A. *Public Posting Of Data* - The Secretary shall promptly post, on the official  
14          public Internet site of the Department of Health the data reported under Section 4.  
15          Such data shall be set forth in a manner that promotes price comparison among  
16          hospitals and ambulatory surgical centers.

17          B. *Notice Of Availability*- A hospital and ambulatory surgical center shall  
18          prominently post at each admission site of the hospital or center a notice of the  
19          availability of the data reported under Section 4 on the official public web site of  
20          the Department of Health.

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22          SECTION 7. *Penalty*- The Secretary may impose a fine of not more than Ten thousand  
23          Pesos (P10,000.00) for each knowing violation of the provisions of Section 4 by a hospital or  
24          ambulatory surgical center.

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26          SECTION 8. *Appropriation*. — To carry out the provisions of this Act, such amount as  
27          may be necessary is hereby authorized to be appropriated from the National Treasury.  
28          Thereafter, the amount necessary for the continuous operation of this Public Disclosure Program  
29          shall be included in the annual appropriation of the DOH.

1           SECTION 9. *Separability Clause.* – If any provision or part hereof, is held invalid or  
2 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain  
3 valid and subsisting.

4           SECTION 10. *Repealing Clause.* – Any law, presidential decree or issuance, executive  
5 order, letter of instruction, administrative order, rule or regulation contrary to or is inconsistent  
6 with the provision of this Act is hereby repealed, modified, or amended accordingly.

7           SECTION 11. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its  
8 publication in at least two (2) newspapers of general circulation.

9           Approved,

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