

FIFTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
THIRD REGULAR SESSION)

12 SEP 10 2013

SENATE

S.B. NO. 3278

Introduced by Senator FRANKLIN M. DRILON

EXPLANATORY NOTE

This bill is being filed as a piece to the larger national policy measure of providing the Filipino people with health care services that are truly responsive to the needs of our constituents, particularly the senior citizens of our nation.

Pursuant to Section 15, Article II of the 1987 Constitution, we are mandated to adopt an integrated and comprehensive approach to health development, with special focus to the needs of the underprivileged, sick, elderly, disabled, women and children. The proposed measure addresses the special health care requirements of the senior citizens by means of enhancing the operational capabilities of the present National Centre for Geriatric Health (NCGH). When this measure is approved, the NCGH will be corporatized into the National Geriatric Health Centre and Gerontology Research Institute" (NGHCGRI), which shall be an integrated medical institution that specializes in geriatric health services and gerontology research. As a Government-Owned and Controlled Corporation (GOCC), the NGHCGRI shall be administered, taking into consideration the rationalization of GOCC governance and operations as enshrined by this Congress through Republic Act No. 10149, otherwise known as the "GOCC Governance Act of 2011".

Foregoing considered, the passage of this Bill is earnestly requested.

FRANKLIN M. DRILON

12 SEP 19 2003

SENATE

SENATE BILL NO. 3278

Introduced by Senator FRANKLIN M. DRILON

AN ACT
CONVERTING THE NATIONAL CENTER FOR GERIATRIC HEALTH INTO A
CORPORATE BODY TO BE KNOWN AS THE 'NATIONAL GERIATRIC HEALTH
CENTER AND GERONTOLOGY RESEARCH INSTITUTE', APPROPRIATING FUNDS
THEREFOR AND FOR OTHER PURPOSES

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

1 **SECTION 1. Short Title.** – This Act shall be known as the “National Geriatric Health
2 Centre and Gerontology Research Institute Act of 2012.”

3
4 **SEC. 2. Declaration of Policy.** - Section 15, Article II of the 1987 Constitution provides
5 that:

6 “The State shall adopt an integrated and comprehensive approach to health
7 development which shall endeavour to make essential goods, health and other
8 social services available to all the people at affordable cost. There shall be
9 priority for the needs of the underprivileged, sick, elderly, disabled, women and
10 children. The State shall endeavour to provide free medical care to paupers”

11
12 **SEC. 3. Definition of Terms.** – For purposes of this Act, the following terms are defined as
13 follows:

- 14
15 (a) “Senior citizen” or “elderly” shall refer to any resident citizen of the Philippines
16 who is at least sixty (60) years old or older as defined in Republic Act No.
17 9257, otherwise known as the “Expanded Senior Citizens Act of 2003.”
18 (b) “Geriatrics” shall refer to the branch of medical science devoted to the study of
19 the biological and physical changes and diseases of older adults. It aims to
20 promote health and prevent and treat diseases and disabilities of older adults;
21 (c) “Geriatrician” shall refer to a medical doctor who has passed the necessary
22 training and examination and specializes in the field of Geriatrics;

- 1 (d) "Geriatric Health Service" shall refer to medical services or intervention
2 provided by a Geriatrician;
3 (e) "Integrated Delivery of Geriatric Health Services" shall refer to a hospital and
4 community-based medical and psycho-social services provided to senior
5 citizens by a multi-disciplinary team;
6 (f) "Palliative Services" shall refer to a specialized care for people who are living
7 with an advanced disease
8 (g) "Palliative Care" shall refer to any form of medical care or treatment that
9 concentrates on reducing the severity of the symptoms of disease. The goal is
10 to prevent and relieve suffering and improve the quality of life for people facing
11 serious or complex illness;
12 (h) "Tertiary level hospital" shall refer to a hospital that has a full complement of
13 services including general medicine, surgery and psychiatry.
14

15 **SEC. 4.** *Conversion of the National Centre for Geriatric Health.* – The National Centre for
16 Geriatric Health (NCGH), located in San Miguel, Manila, is hereby converted into a
17 corporate body to be known as the "National Geriatric Health Centre and Gerontology
18 Research Institute" (NGHCGRI), herein after referred to as the Corporation, for the
19 primary benefit of senior citizens or the elderly, which is hereby categorized as a
20 government owned and controlled corporation attached to the Department of Health. The
21 bed capacity of the hospital shall be at least fifty (50).
22

23 **SEC. 5.** *Purposes and Objectives.* – The Corporation shall have the following purposes
24 and objectives:
25

- 26 (a) Equip, maintain, administer, and operate an integrated medical institution
27 which shall specialize in geriatric health services and gerontology research;
28 (b) Promote medical and scientific research relative to the prevention, diagnosis,
29 treatment, care, rehabilitation and relief of disease of the senior citizen or
30 elderly;
31 (c) Finance, sponsor, hold or participate in congresses, conventions,
32 conferences, seminars, workshops and training programs on geriatric health
33 services or related fields in the Philippines or abroad;
34 (d) Encourage and assist in the education and training of physicians, nurses,
35 health officers, social workers and other medical and technical personnel in
36 the practical and scientific implementation of health services to the senior
37 citizen or elderly; and
38 (e) Coordinate the various efforts and activities of other government agencies
39 and local government units for the purpose of achieving a more effective
40 approach to the delivery of geriatric health services.
41

42 **SEC.6.** *Scope of Services.* – Consistent with its purposes and objectives, the Corporation
43 shall provide the following services:
44

- 45 (a) Hospital-based services – to provide medical facilities and equipment
46 necessary for chronic, long term and palliative services with wards categorized

1 into the following: Dementia, Long Term Care, Palliative Care, Respite Care
2 and other units as may be deemed necessary;

- 3 (b) Community-based services – to develop and implement community-based
4 program in partnership with local government units; conduct research and
5 external resource outsourcing to implement community based integrated
6 geriatric health services and conduct training necessary for the social
7 functioning of the senior citizens and their families, utilizing the multi-
8 disciplinary team approaches;
- 9 (c) Program Education – to pursue excellence and the highest level of practice in
10 the specialized field of geriatrics and other related fields, conduct post-
11 graduate training and short-term courses for medical doctors and allied
12 medical professionals;
- 13 (d) Program Development Research, Medical/ Technical Assistance and Quality
14 Assurance – to develop cutting edge research and program to combat
15 diseases of old age in promoting active and healthy care, provide necessary
16 consultancy advice, technical assistance and standard setting/registration to
17 geriatric ward in every tertiary level hospital, nursing homes, and residential
18 center catering to the health and social functioning needs of senior citizens,
19 subject to the joint guidelines mentioned in the immediately preceding
20 paragraph.

21
22 **SEC. 7. Powers and Functions.** –The Corporation, acting through its Board of Trustees,
23 shall have the following powers and functions:

- 24
25 a. To acquire, hold and own in any manner, property of whatever nature of
26 description, and to dispose of such property, under any mode of encumbrance
27 or conveyance;
- 28 b. To enter into contracts with any person, firm, association or corporation,
29 whether public, private, domestic or foreign;
- 30 c. To mortgage, lease, sell, transfer, convey or otherwise dispose of its
31 properties;
- 32 d. To solicit and receive in trust legacies, gifts and donations, endowments and
33 funds in the form of contributions, whether in cash or in kind, from both public
34 and private sectors and from domestic and foreign sources;
- 35 e. To maintain accounts in banks and in other financial institutions, and to
36 disburse such funds or invest the same as the Board of Trustees may direct or
37 authorize to accomplish or advance the interests of the Corporation;
- 38 f. To invite foreign or local specialists and similar experts in various medical
39 fields to train the personnel and residents of the Corporation;
- 40 g. To organize the structure and staffing pattern and modify the same as it
41 deems necessary;
- 42 h. To send the personnel of the Corporation to conduct research on medical
43 institutes for advance training or observation, and to attend international or
44 regional conventions, conferences or seminars as the Board of Trustees may
45 deem necessary;

- 1 i. To enter into agreements with other medical or similar institutions, domestic or
2 foreign, as may be deemed desirable by the Board of Trustees toward
3 promoting the purposes and objectives of the Corporation;
4 j. To adopt a set of by-laws and regulations, policies, guidelines and procedures
5 consistent with law and the provisions of this Act to govern the administration
6 and operation of the Corporation; and
7 k. To do all such other acts as may be necessary for the accomplishment of the
8 purposes and objectives of the Corporation.

9 **SEC. 8. Board of Trustees.** – The Corporation shall be administered by a Board of
10 Trustees, herein after referred to as the Board, composed of the following:

- 11
12 a) Secretary of the Department of Health (DOH) as Chairman of the Board;
13 b) Secretary of the Department of Social Welfare and Development (DSWD) as
14 Vice Chairman of the Board;
15 c) Chairperson of the Senate Committee on Health and Demography;
16 d) Chairperson of the House of Representatives Committee on Health;
17 e) Three representatives from the Federation of Senior Citizens Association of
18 the Philippines;
19 f) President of the Philippine College of Geriatric Medicine;
20 g) Three representatives from the Philippine Medical Association with expertise
21 in the field of geriatrics or gerontology;
22 h) Two representatives from the academe with expertise in the field of geriatrics
23 or gerontology; and
24 i) Two representatives from non-government organizations which provide
25 services for senior citizens, duly registered with the Securities and Exchange
26 Commission (SEC), Cooperative Development Authority (CDA), or any
27 appropriate government regulatory body, and with programs accredited by the
28 Department of Social Welfare and Development (DSWD), as members.
29

30 The members of the Board enumerated in subparagraphs (a), (b), (c), and (d) shall
31 serve as *ex-officio* members. The *ex officio* members of the Corporation may designate
32 their respective alternates who shall be the officials next-in-rank to them and whose acts
33 shall be considered the acts of their principals.
34

35 The members of the Board under subparagraph (e), (f), (g), (h) and (i) shall be
36 appointed by the President of the Philippines from a shortlist prepared by the Governance
37 Commission for Government-Owned and Controlled Corporations (GCG), taking into
38 consideration the recommendation from the Secretary of the DOH for the first initial
39 appointees, and then by the Board for subsequent appointees.
40

41 The appointive members of the Board shall serve for one (1) year, unless sooner
42 removed for cause: *Provided, however,* That such appointive members of the Board shall
43 continue to hold office until the successor is appointed. An Appointive Director may be
44 nominated by the GCG for reappointment by the President only if one obtains a
45 performance score of above average or its equivalent or higher in the immediately
46 preceding year of tenure as such trustee based on the performance criteria set by the

1 GCG. The ex-officio members shall serve as members of the Board for the duration of
2 their incumbency.

3
4 No person shall be appointed member of the Board unless a citizen and a resident
5 of the Philippines, of good moral character and has attained proficiency, expertise and
6 recognized competence in one or more of the following fields: hospital finance and
7 administration, medical care, public health care, government rules and regulations, law,
8 business management and marketing. The members of the Board should have at least
9 five (5) years experience in their fields of expertise.

10
11 To maintain the quality of management, the GCG, in coordination with the DOH
12 and the DSWD, subject to the approval of the President, shall prescribe, pass upon and
13 review the qualifications and disqualifications of individuals appointed as members of the
14 Board and shall disqualify those found unfit.

15
16 All members of the Board shall serve without compensation other than actual and
17 necessary expenses, in accordance with Republic Act No. 10149, otherwise known as
18 the "GOCC Governance Act of 2011", and other existing laws, policies, and rules and
19 regulations on the matter, incurred either for attendance in meetings of the board or upon
20 official business authorized by a resolution of the Board.

21 The Board shall be governed by a set of by-laws which shall contain, but not
22 limited to, their responsibilities, accountabilities and cause of termination. The members
23 of the Board must not exceed fifteen (15).

24
25 **SEC. 9. Corporate Officers.** – The Board shall appoint a Secretary and such other officers
26 as may be deemed necessary to help the Board carry out its functions. Selection of the
27 corporate officers must be based on the fundamental and specific qualifications
28 prescribed by existing laws.

29
30 **SEC. 10. Chief Executive Officer.** – The present Chief and Director of the NCGH shall
31 assume the position of Chief Executive Officer (CEO) of the Corporation. *Provided,* That
32 in case of vacancy of the office previously occupied by the Director of the NCGH, the
33 selection process and the term of office shall be governed by the pertinent provisions of
34 Republic Act No. 10149.

35
36 **SEC. 11. Powers and Functions of the CEO.** – The CEO shall exercise the following
37 powers and functions:

- 38
39 (a) Execute the policies, guidelines and programs approved by the Board;
40 (b) Submit for the consideration and approval of the board proposed measures,
41 policies, guidelines and programs as may be deemed necessary for the
42 effective implementation of the purposes and objectives of this Act;
43 (c) Direct and supervise the management, operation and administration of the
44 Corporation;

- 1 (d) Execute, on behalf of the Board, all contracts and agreements which the
2 latter may enter into, and to execute, accomplish and deliver any and all
3 documents relative to such contracts and agreements;
4 (e) Represent the Corporation in all dealings with other offices, agencies and
5 instrumentalities of the government, and all other persons or entities,
6 whether domestic or foreign and whether government or private;
7 (f) Recommend to the Board the appointment, promotion, transfer, suspension
8 and dismissal of the officers and employees of the Corporation; and
9 (g) Exercise such other powers and perform such duties as may be vested by
10 the Board.

11
12 The CEO shall be accountable to the Board who, after due process, has the power
13 of removal or replacement for reasons of fraud, incompetence, dishonesty and other just
14 cause.

15
16 **SEC. 12. Corporate Structure.** – The Corporation shall follow the standard corporate
17 structure to be jointly formulated by the DOH and the GCG in coordination with the
18 different concerned agencies.

19 **SEC. 13. Board's Meetings and Quorum.** – The Board shall hold a meeting at least once
20 a month. Special meetings may be convened at the call of the Chairman or by the
21 majority of the members of the Board. The Chairman or the designated representative
22 shall preside over the meetings of the Board. In the absence of the Chairman or the
23 representative, a temporary presiding officer shall be designated by the majority of the
24 members there being a quorum.

25
26 Eight (8) members of the Board shall constitute a quorum to transact business
27 and the vote of the majority of those present, there being a quorum, shall constitute valid
28 and binding act of the Board. *Provided, however,* That the affirmative vote of the majority
29 of the members of the Board is required on the following matters:

- 30
31 (a) Adoption or changes of policy;
32 (b) Investment of the Corporation's funds;
33 (c) Contracting loans, for specific amount as may be provided for in the Implementing
34 Rules and Regulations (IRR) where a vote of the majority of those present, there
35 being a quorum, shall suffice;
36 (d) Appointment, discipline and termination of the Hospital Chief or Director. The
37 appointment, discipline and termination of other officers and employees shall be by
38 a vote of a majority of those present, there being a quorum; and
39 (e) Authority to use corporate assets as collateral for loans and borrowings.

40
41 **SEC. 14. Property of the Corporation.** – The property of the Corporation shall consist of
42 real, personal, and other type of property previously owned by the NGHC or reserved for
43 or may hereafter be given, donated, acquired, transferred or conveyed to it by the
44 Philippine government, its branches and instrumentalities, or any foreign government, as
45 well as by trust, foundation, corporations or persons, alien or domestic, in order to carry
46 out its purposes and objectives as set forth herein.

1
2 **SEC. 15. Loans.** – The Corporation is hereby authorized to contract loans, credits and
3 other indebtedness in any convertible foreign currency, from time to time, from foreign
4 governments, or any international financial institutions or fund sources, or any other
5 entities, on such terms and conditions it shall deem appropriate for the accomplishment of
6 its purposes and to enter into and execute agreements specifying such terms and
7 conditions.

8
9 The property and assets of the Corporation may be used as collateral for its loans
10 and borrowings.

11
12 **SEC. 16. Program for Indigents.** – The Board shall ensure that the Corporation shall
13 adopt and enforce a program for indigents. The number of beds allocated for indigent
14 patients shall not be less than forty percent (40%) of the hospital's total bed capacity.

15
16 **SEC. 17. Organizational Structure and Staffing Pattern.** – The Board shall determine the
17 organizational structure and staffing pattern of the Corporation, subject to the evaluation
18 by GCG, the Civil Service Commission and the Department of Budget and Management.

19 **SEC. 18. Security of Tenure of Civil Service Officers and Employees of the Corporation.** –
20 The provisions of Republic Act No. 6656 entitled, "An Act to Protect the Security of
21 Tenure of Civil Service Officers and Employees in the Implementation of Government
22 Reorganization" and other existing laws shall apply to all officers and employees of the
23 Corporation except to the members of the Board of Trustees.

24
25 **SEC. 19. Salaries, Benefits and Other Compensation.** - The salaries, benefits and other
26 compensation of the officers and employees of the Corporation shall be in accordance
27 with the present compensation and position classification system until the President shall
28 approve a revised position classification system for the Corporation prepared by the
29 GCG.

30
31 **SEC. 20. Early Retirement and Separation Benefits.** – The officials and employees of the
32 Corporation voluntarily opting for separation or retirement under a duly approved early
33 retirement and separation scheme shall be entitled to the benefits provided for under
34 existing laws.

35
36 **SEC. 21. Tax Exemptions and Other Privileges.** – Being a non-profit, non-stock
37 corporation organized primarily to provide delivery of integrated geriatric health services,
38 the Corporation shall be entitled to the following privileges:

- 39
40 (a) all donations, contributions, endowments and equipment and supplies
41 imported by the Corporation for its actual use and benefit shall be exempt
42 from tax of any nature or kind;
43 (b) the Corporation shall be exempt from payment of taxes, charges and fees
44 being imposed by the government, its political subdivisions or
45 instrumentalities, including local government units for equipment purchased
46 for its use; and

1 (c) the Corporation may request and receive assistance from the different
2 agencies, bureaus, offices or instrumentalities of the government, including
3 the Philippine Amusement and Gaming Corporation (PAGCOR) in the pursuit
4 of its purposes and objectives.
5

6 **SEC. 22. *Transfer of Personnel, Records and Assets and Liabilities.*** – All personnel,
7 records and assets and liabilities of the NCGH are hereby transferred to and shall
8 henceforth appertain to the Corporation.
9

10 **SEC. 23. *Annual Report.*** – The Corporation shall render an Annual Report of its activities,
11 accomplishments and recommendations to the President of the Philippines, the GCG, the
12 Committees on Health and Social Services of both Houses of Congress, Secretary of the
13 Department of Health and the Secretary of the Department of Social Welfare and
14 Development.
15

16 **SEC. 24. *Auditor.*** – The Commission on Audit shall appoint an auditor of the Corporation
17 and such personnel as may be necessary to assist said auditor.
18

19 **SEC. 25. *Effect of Dissolution*** – In the event that the Corporation is dissolved for any
20 reason, its property remaining at the time of such dissolution shall be placed under the
21 DOH.

22 **SEC. 26. *Appropriations.*** – The amount of Three hundred million pesos
23 (P300,000,000.00) is hereby appropriated as contribution of the National Government for
24 the initial operations and maintenance of the Corporation. Thereafter, the amount
25 necessary for the continued operation and maintenance of the Corporation shall be
26 included in the annual General Appropriations Act.
27

28 **SEC. 27. *Application of Republic Act No. 10149 and Suppletory Application of the***
29 ***Corporation Code.*** – The provisions of Republic Act No. 10149, also known as the
30 “GOCC Governance Act of 2011” shall have application on matters not provided for in this
31 Act. On other matters not provided for under this Act or Republic Act No. 10149, the
32 provisions of the Corporation Code shall have suppletory application.
33

34 **SEC. 28. *Implementing Rules and Regulations.*** – The Secretary of Health shall, within
35 sixty (60) days from the effectivity of this Act, issue the Implementing Rules and
36 Regulations for the effective implementation of the provisions of this Act in consultation
37 with the following agencies and offices:
38

- 39 (a) Department of Social Welfare and Development;
- 40 (b) Commission on Higher Education; and
- 41 (c) Department of Finance;
- 42

43 **SEC. 29. *Repealing Clause.*** - All laws, decrees, executive orders, rules and regulations
44 or parts thereof inconsistent with the provisions of this Act are hereby repealed, amended
45 or modified accordingly.

1 **SEC. 30. Separability Clause.** – If, for any reason, a provision or part hereof is declared
2 invalid or unconstitutional, the other provisions not affected thereby shall remain in full
3 force and effect.

4 **SEC. 31. Effectivity.** – This Act shall take effect fifteen (15) days after its publication in
5 any newspaper of general circulation.

6
7 **Approved,**