

SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)



Senate
Office of the Secretary

'13 JUL -1 P5:23

SENATE

P. S. Res. No. 8

RECEIVED BY: *Jia*

Introduced by Senator Ralph G. Recto

A RESOLUTION

URGING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE PROPOSAL TO CORPORATIZE PUBLIC HOSPITALS AND MEDICAL CENTERS WITH THE END IN VIEW OF ENSURING THE PROVISION OF AN EFFECTIVE AND AFFORDABLE HEALTH CARE SERVICE FOR ALL FILIPINOS

WHEREAS, Article II, Section 15 of the Constitution provides that: "The State shall protect and promote the right to health of the people and instill health consciousness among them;"

WHEREAS, the Department of Health's primary goal is the "provision to every Filipino of the highest possible quality of health care that is accessible, efficient, equitably distributed, adequately funded, fairly financed, and appropriately used by an informed and empowered public;"

WHEREAS, a primary vision of the current Administration is the promotion and implementation of public-private partnerships as an avenue for growth and development;

WHEREAS, there is an urgent need to address the growing inequity in the Philippine National Health Account where out of pocket (OOP) spending has consistently comprised the largest percentage of the health cost, with most recent studies showing it comprises about half of the total health expenditure;

WHEREAS, there is a current proposal to corporatize twenty-six government-funded hospitals and medical centers around the country;

WHEREAS, these hospitals and medical centers to be corporatized will be given fiscal autonomy and authority to conduct revenue generating practices;

WHEREAS, a number of local government units and stakeholders have expressed their explicit objection regarding the viability, similarities to privatization, and true nature of the proposal;

WHEREAS, there is a greater need for consultation among various stakeholders and groups involved in the proposal;

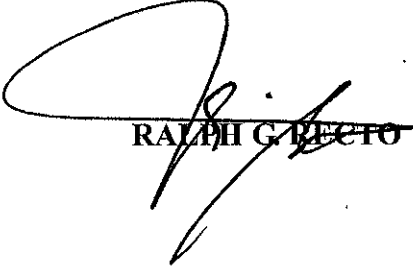
WHEREAS, the public hospitals and medical centers to be corporatized under the plan cater primarily to the indigent sector who will find it difficult to adapt to the hospitals' income generating practices should these result to higher health care costs;

WHEREAS, there are four existing government owned and controlled corporation hospitals in Metro Manila, which offer specialized but more expensive medical services than other public hospitals and, thus, may have catered more to richer, paying patients;

WHEREAS, credible studies conducted by institutions such as the World Bank have concluded that hospital corporatization is a multifaceted and complex undertaking that is successful only after careful research and consideration of all relevant factors and not just of organizational reform;

NOW THEREFORE, BE IT RESOLVED, by the Philippine Senate, to direct the appropriate Senate Committee to conduct an inquiry, in aid of legislation, into the proposal to corporatize public hospitals and medical centers with the end in view of ensuring the provision of an effective and affordable health care services for all Filipinos.

Adopted,



RALPH G. RECTO