

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



Senate
Office of the Secretary

73 JUL 30 P 3 01

SENATE

S. No. 1168

RECEIVED

BY: 

Introduced by Senator Antonio "SONNY" F. Trillanes IV

Explanatory Note

The Veterans Memorial Medical Center (VMMC) was constructed as a gift of the American people to the Philippines as token of gratitude to the Filipino soldiers who stood by them during World War II. The 80th Congress of the United States of America passed Public Law 865 in July 8, 1948 which provided \$9.4 million for the construction of a hospital facility with the land to be donated by the Filipino people. The law was implemented in the country by an agreement between the U.S. and the Philippines signed by then Pres. Elpidio Quirino and the U.S. Ambassador to the Philippines Myron Cowen.

The provision of the best possible medical care and treatment to eligible veterans and their dependents is one of the mandated goal of the Veteran Memorial Medical Center. The provision of the best possible care to our veterans recognizes the patriotic services they have rendered in times of war and peace.

This bill seeks to provide juridical entity by transforming it into a corporate body in order to strengthen the hospital's financial operations, reinforce its existence and perpetuation as a first-rate and prestigious medical institution.

The Salient provisions of this measure are as follows: a) creation of the VMMC as a corporate body with juridical entity; b) constitutes the Board of Trustees composed of the Secretary of National Defense as the Chairperson and the Director of the Hospital as the Vice-Chairperson, and; c) the appointment of three (3) veterans as members of the Board.

It is hoped that with the approval of this measure, we will be able to provide our veterans, who require frequent hospitalization for medical attention due to their age, excellent and continued free medical care.

In view of the foregoing, early passage of this bill is earnestly sought.

ANTONIO "SONNY" F. TRILLANES IV
Senator

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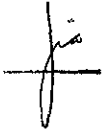


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AN ACT
TO GIVE JURIDICAL PERSONALITY TO THE PRESENT VETERANS MEMORIAL
MEDICAL CENTER (VMMC) AND FOR OTHER PURPOSES

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

ARTICLE I

TITLE, POLICY, OBJECTIVES, TERMS AND PRACTICE

SECTION 1. *Short Title.* – This Act shall be known as “The Veterans Memorial
Medical Center Charter of 2013”.

SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to help
foster the socioeconomic security and general well-being of the country’s veterans and retired
military personnel in recognition of their patriotic services in times of war and peace for the
cause of freedom and democracy; for the attainment of national unity, independence and
socioeconomic advancement; and for the maintenance of peace and order in keeping with the
goals of the government and the aspirations of the people.

SEC. 3. *Veterans Memorial Medical Center (VMMC) as a Corporate Entity.* – There is
hereby created a body corporate, for the benefit primarily of the Filipino veterans, under the
name of the Veterans Memorial Medical Center, hereinafter referred to as the VMMC.

To provide greater flexibility in its operations, the VMMC shall be treated in a manner
consistent with its institutional mission to serve the veterans and shall be autonomous in the
exercise of its jurisdiction.

SEC. 4. *Purposes and Objectives of the Hospital.* – The VMMC shall
have the following objectives:

(a) Construct, establish, operate and maintain veterans’ hospital primarily for the
veterans’ welfare;

1 (b) Stimulate and/or undertake scientific researches on the biological, demographic,
2 social, economic, eugenic, physiological aspects of health disorders and abnormalities and their
3 control; and gather, compile, present and publish the findings of such researches for public
4 dissemination;

5 (c) Facilitate and encourage the dissemination and exchange of ideas and information on
6 the prevention, treatment and control of diseases; to arouse, enhance and develop public interest
7 and awareness on general health and physical fitness;

8 (d) Encourage and/or undertake the training of physicians, nurses, medical technologists,
9 health officers and social workers on the practical and scientific conduct and implementation and
10 delivery of health services, and related activities;

11 (e) Assist universities, hospitals and research institutions in their studies of health
12 problems, to encourage advanced training on matters of, or affecting the physical and mental
13 well-being of the people;

14 (f) Encourage the formation of other organizations on the national, provincial, city,
15 municipal or barangay level and to coordinate their various efforts and activities for the purpose
16 of achieving a more effective and pragmatic approach on the common problems relative to the
17 objectives herein enumerated, and;

18 (g) Extend medical outreach programs to the general public to help prevent, relieve or
19 alleviate the innumerable afflictions and maladies of the people especially the poor and the less
20 fortunate in life, without regard to race, creed, color or political belief.

21
22 **SEC. 5. Social Responsibility.** – The VMMC is primarily committed to serve the Filipino
23 veterans as defined in Republic Act No. 6948, as amended by Republic Act No. 7696 and
24 Republic Act No. 9396.

25
26 **SEC. 6. Powers.** – For the attainment of the above purposes and objectives, the VMMC,
27 as a body corporate, acting through its Board of Trustees, shall have all powers pertaining to a
28 juridical person, and is therefore authorized to:

29 (a) Acquire and hold in any manner property of whatever nature or description;

30 (b) Enter into contracts;

31 (c) Solicit and receive donations, endowments and funds in the form of contributions,
32 whether in cash or in kind, from both the public and private sectors;

33 (d) Open such accounts in banks and other financial institutions, and to disburse such
34 funds or invest the same as the Board may direct to accomplish or advance the purpose or
35 interest of the VMMC;

36 (e) Invite foreign health specialists and other similar experts in the various medical fields
37 to train the personnel or trainees or residents of the VMMC;

1 (f) Send the VMMC personnel to research institutes, medical institutes or universities for
2 advance training or observation and to attend international or regional conventions, conferences,
3 congresses and seminars, as the Board may deem necessary, to accomplish the purposes and
4 objectives of the VMMC;

5 (g) Enter into such agreements and arrangements with other medical or other institutions,
6 domestic or foreign, as may deemed desirable by the Board, for the purpose of promoting its
7 purposes and objectives;

8 (h) Adopt a set of bylaws, rules and regulations not inconsistent with the law and the
9 provision hereof to govern the administration and operation of the affairs of the VMMC;

10 (i) Establish branches of the VMMC in other provinces or cities of the Philippines as may
11 be deemed necessary for greater service coverage to veterans and their dependents that are living
12 in almost all parts of the country, and;

13 (j) Perform all such other acts and things as are or may be necessary or incidental for the
14 accomplishment of the purposes and objectives of the VMMC.

15
16 **SEC. 7. Board of Trustees.** – The VMMC shall be governed by a Board of Trustees,
17 composed of the following:

18 (a) Secretary of the National Defense as Chairperson;

19 (b) Medical Director of the VMMC as Vice Chairperson;

20 (c) Chairperson of the Senate Committee on Defense and Security;

21 (d) Chairperson of the House Committee on Veterans Affairs and Welfare;

22 (e) Secretary of Health;

23 (f) Administrator, Philippine Veterans Affairs Office;

24 (g) Chairman of the Philippine Veterans Bank;

25 (h) President of the Veterans Federation of the Philippines; and

26 (i) Three (3) appointive members who are veterans and who have distinguished
27 themselves in their professions or areas of specialization and have exerted conspicuous efforts
28 towards the promotion of veterans' welfare and well-being. They shall be appointed by the
29 President of the Philippines and shall serve for a term of three (3) years. In case of vacancy, such
30 vacancy shall be filled in the same manner as provided for the predecessor, and such appointee
31 shall hold office for the unexpired term.

32
33 **SEC. 8. Meeting and Quorum.** – The Board of Trustees shall convene at least once a
34 month. The Chairman of the Board may call a special meeting whenever necessary: Provided,
35 That the members are notified in writing at least three (3) days prior to the said meeting. A
36 majority of all the members of the Board holding office at the time the meeting is called shall
37 constitute a quorum for Board meetings. In no case shall any and all members of the Board
38 appoint a representative to act on their behalf.

1 **SEC. 9. Medical Director.** – The Medical Director shall be appointed by the President of
2 the Philippines upon the recommendation of the Board and shall serve for a term of six (6) years.
3 The Medical Director shall act as the Chief Executive Officer of the VMMC and shall perform
4 the following functions:

5 (a) Organize the VMMC into a streamlined medical institution with admirable facilities
6 and competent staffs to ensure quality service;

7 (b) Appoint members of the professional and administrative staffs and other employees or
8 personnel of the VMMC through a screening process based strictly on academic qualifications,
9 experiences and other selection standards; determine the terms and conditions of their
10 employment, and remove them for cause in accordance with law and due process;

11 (c) Determine a position qualifications and compensation plan and adjust salaries and
12 benefits for all personnel of the VMMC, subject to the Compensation and Position Classification
13 System of Governance Commission for Government-Owned and -Controlled Corporations
14 (GOCCs), and;

15 (d) Carry out necessary managerial and administrative functions that may be deemed
16 necessary or as directed by the Board of Trustees in furtherance of the objectives of the VMMC
17 set in this Act.

18
19 **SEC. 10. Secretary.** – There shall be a Secretary of the VMMC as appointed by the
20 Board of Trustees, who shall be the Secretary of the Board and who shall keep such records of
21 the hospital as may be designated by the Board.

22
23 **SEC. 11. Hospital Executive Committee.** – There shall be an Executive Committee
24 consisting of the Medical Director as the presiding officer and the Heads of the Administrative,
25 Medical, Surgical, Rehabilitative, Dental, Psychiatric, Diagnostic and other critical medical
26 departments. The Committee shall exercise the following functions:

27 (a) Fix the requirement for admission to the hospital;

28 (b) Prescribe the rules and regulations as to the discharge of patients;

29 (c) Adopt internal rules of procedures consistent with the provision of the Charter in
30 order to promote administrative efficiency in the treatment, rehabilitation and discharge of
31 patients of the hospital, and;

32 (d) Carry out administrative and managerial task to assist the Medical Director in the
33 efficient operations and management of the hospital.

34
35 **SEC. 12. Personnel and Medical Staff.** – The VMMC shall have the autonomy to
36 employ such employees and medical personnel, or otherwise enter such arrangements with
37 medical specialists and other consultants as its Board of Trustees shall determine. The personnel
38 and medical staff of the present VMMC shall automatically be transferred to and absorbed by the

1 VMMC as herein created. The incumbent Medical Director shall continue to serve as such for a
2 period of three (3) years or until his successor shall have been appointed by the President of the
3 Philippines.

4
5 **SEC. 13. Assistance from Government Offices.** – The VMMC may call upon any
6 department, bureau, office, agency or instrumentality of the government, including GOCCs, for
7 such assistance as it may need in the pursuit of its purposes and objectives.

8 All individuals, entities and institutions are hereby enjoined to render full assistance and
9 cooperation to VMMC in the accomplishment of its objectives and activities.

10
11 **SEC. 14. Property of the Medical Center.** – All existing assets of the VMMC including,
12 but not limited to, the parcel of land belonging to the private domain of the government situated
13 in the District, Quezon City and more particularly described in the Bureau of Lands as Lot R.P.-
14 3-B-4-A, BSD-10352, all its buildings and other properties shall remain with the VMMC as a
15 corporate entity, including those that may hereafter be given, donated, acquired, transferred or
16 conveyed to the Medical Center or its branches and instrumentalities by any foreign government,
17 as well as those given by trust, foundations, corporations or persons (alien or citizen). The
18 absolute ownership of the Medical Center over these landholdings including those covered by
19 original and transfer certificates of title in the name of the VMMC is hereby confirmed. Where
20 the issuance of proper certificates of title is still pending for these landholdings the proper
21 government office shall expedite issuance thereof within six (6) months from the date of
22 effectivity of this Act: *Provided*, That all registration requirements necessary for the issuance of
23 the said titles have been submitted and complied with.

24
25 **SEC. 15. Land Grants and Other Real Properties.** – The use of properties and proceeds
26 of such properties shall be governed by the following:

27 (a) The State shall support the VMMC in the sum or lump sum amount, through general
28 appropriations and other financial benefits, and in kind, through land grants and donations and
29 use of other real properties. To carry out the intent of these grants, income derived from the
30 development of all land grants and real properties shall be used to further the ends of the
31 hospital, as may be decided by the Board of Trustees in furtherance of the declared hospital
32 objectives under this Act;

33 (b) Such parcels of land ceded by law, decree or presidential issuance to the hospital are
34 hereby declared to be reserved for the purposes intended;

35 (c) The Board of Trustees shall plan, design and approve and/or cause the implementation
36 of contracts, mechanisms and financial instruments, such as joint ventures, long-term leases,
37 fully-owned subsidiaries and securitization to give the hospital the flexibility to generate
38 revenues and other resources from land grants and other properties: *Provided*, That such

1 mechanism and arrangements shall sustain and protect the environment in accordance with law,
2 and be exclusive of the medical core zone of the hospital: Provided, finally, That such
3 mechanism and arrangements shall not conflict with the medical or health services and academic
4 mission of the hospital, and;

5 (d) Any plan to generate revenues and other sources from land grants and other real
6 properties entrusted to the hospital shall be consistent with the hospital mission and orientation
7 as a vehicle to extend health services to veterans and their dependents.

8
9 **SEC. 16. *Safeguards on Asset Disposition.*** – The preservation of the value of the assets
10 of the hospital shall be of primordial consideration. The exclusive core zone of the VMMC as
11 defined in Section 14 shall not be sold, transferred, ceded, conveyed, assigned and encumbered.

12
13 **SEC. 17. *Annual Report.*** – The VMMC shall render to the President of the Philippines
14 an annual report of its activities and recommendations.

15
16 **SEC. 18. *Effect of the Dissolution.*** – If, for any reason, the VMMC is dissolved, its
17 property remaining at the time of such dissolution shall revert to the Republic for disposition in
18 accordance with law.

19
20 **SEC. 19. *Implementing Rules.*** – The implementing rules and regulations shall be
21 formulated within ninety (90) days from the approval of this Act.

22
23 **SEC. 20. *Separability Clause.*** – If any provision of this Act is declared unconstitutional,
24 all the other provisions not affected shall remain in force and effect.

25
26 **SEC. 21. *Repealing Clause.*** – All laws, decrees, executive orders, rules and regulations
27 or other issuances or parts thereof contrary to or inconsistent with the provisions of this Act are
28 hereby repealed, amended or modified accordingly.

29
30 **SEC. 22. *Effectivity.*** – This Act shall take effect fifteen (15) days after its publication in
31 the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,