

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



Senate
Office of the Secretary

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SENATE
S. No. 1314

RECEIVED BY: *ji*

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

The Constitution, Article 2, Section 15 states:

SEC. 15. The State shall protect and promote the right to health of the people and instill health consciousness among them.

Health information is one of the most important elements in a robust health care program. Health care providers rely on the patients' medical histories in order to make sure that the best decisions are made in terms of treatment. In a country like ours, where many of our countrymen often have to go to different places to seek treatment, we often fall into a predicament wherein the patient's history from a previous institution is not readily accessible to the attending physician. In many cases, this results in fatal errors, which, in turn, opens up the physicians to malpractice cases.

We need to establish a health information database which can be accessed throughout the country to allow health care providers access to all the information necessary to provide the best treatment to patients. Such database not only provides convenience in terms of gathering patients' history but also provides consistency and stability in terms of recording and maintaining information.

Such database needs to be secure and well maintained in order to provide our patients peace of mind, knowing their information is readily accessible only to authorized persons.

This bill seeks to develop a national health care information program that will improve our health care services nationwide.*

over
Miriam Defensor Santiago
MIRIAM DEFENSOR SANTIAGO

* This bill was originally filed in the Fourteenth Congress, Second Regular Session.



'13 AUG 15 P3:15

SENATE
S. No. 1314

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Introduced by Senator Miriam Defensor Santiago

1 AN ACT
2 PROVIDING FOR THE ESTABLISHMENT OF A HEALTH INFORMATION
3 TECHNOLOGY AND PRIVACY SYSTEM

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

4 SECTION 1. *Short Title.* – This Act shall be known as the “National Health Information
5 Technology and Privacy Advancement Act.”

6 SECTION 2. *Declaration of Policy.* – it is the policy of the State to establish, as
7 expeditiously as practicable, a health information technology and privacy system, which should
8 be responsive to public needs and national objectives; serve the health care needs of the country;
9 and contribute to improved health care quality and lower costs.

10 SECTION 3. *Purposes.* – It is the purpose of this Act to—

11 A. Provide for the establishment of a health information technology and privacy
12 system through which new and expanded health care information services will be made available
13 as promptly as possible in a manner that provides national coverage at the earliest practicable
14 date;

15 B. In carrying out the system described in paragraph (A), provide technology
16 services to economically less developed areas as well as those more highly developed, and
17 provide for the efficient and economical use of health care information and protect the
18 confidentiality and security of information within this new technology;

1 C. In order to facilitate the development of the system and provide for the widest
2 possible participation by private enterprise in the system, establish a private nonprofit
3 corporation, subject to appropriate government regulation, to administer the system; and

4 D. Ensure that—

5 1. all authorized users of the system have nondiscriminatory access to the
6 system;

7 2. effective competition be maintained in the provision of equipment and
8 services utilized by the system;

9 3. the corporation established under this Act is organized and operated so as to
10 maintain and strengthen competition in the provision of health information
11 services to the public; and

12 4. the activities of the corporation and of the persons or companies participating
13 in the ownership of the corporation is consistent with the existing antitrust
14 laws.

15 SECTION 4. *Definition of Terms.* – As used in this Act, the term –

16 A. AUTHORIZED HEALTH INSURERS - means health insurance issuers duly
17 authorized by the Insurance Commission.

18 B. AUTHORIZED PROVIDERS - means duly licensed or certified health care
19 providers.

20 C. CORPORATION - means the corporation authorized under this Act.

21 D. SECRETARY - means the Secretary of Health.

22 E. SYSTEM - means the system of health information and technology established
23 under this Act, with secure retention and sharing among authorized providers, who have access
24 to analytic support to identify and enhance areas where improved quality of care may lower cost,
25 and result in reimbursement rates that can better reflect optimal health care delivery.

26 SECTION 5. *National Coordination, Planning, and Regulation.* –

1 A. Actions by the Secretary - In order to achieve the policy and carry out the
2 purposes of this Act, the Secretary shall—

- 3 1. provide national governmental assistance in the planning and development,
4 and provide for the implementation of, a national program for the
5 establishment and operation, as expeditiously as possible, of a national health
6 information technology and privacy system;
- 7 2. provide for the continuous review of all phases of the development and
8 operation of the system, including the activities of the corporation;
- 9 3. provide for the coordination of the activities of national government agencies
10 with responsibilities relating to health care information technology, so as to
11 ensure that there is a full and effective compliance at all times with the
12 policies and procedures established under this Act;
- 13 4. exercise such supervision over the relationship of the corporation with local
14 entities or other entities as may be appropriate to ensure that such
15 relationships shall be consistent with the national interest and policy expressed
16 in this Act;
- 17 5. ensure that timely arrangements are made under which there can be national
18 participation in the establishment and use of the system; and
- 19 6. provide for incentives for physicians to engage in electronic patient-provider
20 interactions.

21 B. Other Agencies - The heads of other relevant government agencies, shall, upon
22 request of the corporation—

- 23 1. provide advice to the corporation concerning the technical characteristics of
24 the system;
- 25 2. provide assistance to the corporation in the conduct of research and
26 development activities relating to the system, including by furnishing to the
27 corporation, upon request, on a reimbursable basis, such services as
28 determined necessary for the most expeditious and economical development
29 of the system; and

1 3. to the extent feasible, furnish other services, on a reimbursable basis, to the
2 corporation in connection with the establishment and operation of the system.

3 C. Actions by the Corporation - The corporation shall—

- 4 1. develop plans for the technical specifications of all elements of the system;
- 5 2. ensure effective competition, including the use of competitive bidding where
6 appropriate, in the procurement by the corporation of apparatus, equipment,
7 and services required for the establishment and operation of the system;
- 8 3. ensure that eligible health care providers have equitable and
9 nondiscriminatory access to—
- 10 a. the system in a manner that provides for the payment of reasonable
11 assessment for such use consistent with the ability to pay and the
12 savings and benefits to be anticipated;
- 13 b. relevant classifications, practices, regulations, and other terms and
14 conditions relating to the use of the system; and
- 15 c. available facilities of the system pursuant to regulations relating to
16 the allocation of such facilities among the users thereof;
- 17 4. ensure that the facilities of the system are technically compatible and
18 operationally interconnected with each other and facilitate interoperability
19 among health information systems;
- 20 5. prescribe such accounting regulations and systems and, after public hearing
21 and deliberation, engage in such ratemaking procedures as will ensure that any
22 savings made possible by the system are appropriately reflected in rates for
23 access to system services, by license or otherwise for those who utilize or
24 benefit from the system, including the health insurance industry;
- 25 6. obtain the approval of the Secretary for the implementation of technical and
26 privacy protection characteristics relating to the operation of the system;
- 27 7. authorize, construct, and operate such system facilities, networks, and
28 programs as will best serve the public interest, convenience, and necessity, as
29 determined after consultation with the Secretary; and

1 8. to the extent feasible, ensure that the system is compatible and interoperable
2 with pre-existing health information technology equipment and systems.

3 SECTION 6. *Office of the National Coordinator for Health Information Technology.* –

4 There is established within the Department of Health the Office of the National Coordinator for
5 Health Information Technology. The Office shall be headed by a National Coordinator appointed
6 by the President, in consultation with the Secretary of Health. The National Coordinator shall
7 report directly to the Secretary.

8 Nothing in this section shall be construed as requiring the duplication of government
9 efforts with respect to the establishment of the Office of the National Coordinator for Health
10 Information Technology, regardless of whether such efforts are carried out before or after the
11 date of the enactment of this Act.

12 SECTION 7. *National Corporation for Health Information Technology and Privacy.* –

13 There is authorized to be established a nonprofit National Corporation for Health Information
14 Technology and Privacy. The corporation shall be subject to the provisions of this Act.

15 SECTION 8. *Incorporation.* – Not later than one hundred eighty (180) days after the date

16 of enactment of this Act, the President shall appoint nine (9) incorporators of the corporation
17 who shall serve as the initial board of trustees until their successors are elected in accordance
18 with this Act. Such incorporators shall take whatever actions are necessary to establish the
19 corporation, including the filing of articles of incorporation, as approved by the President.

20 SECTION 9. *Board of Trustees.* – The corporation shall have a board of trustees chaired

21 by the Secretary that shall consist of nine (9) individuals who shall be Filipino citizens. The
22 Secretary may provide for additional qualifications for trustees in the implementing rules of this
23 Act.

1 SECTION 10. *Terms.* – The terms of service of the members of the board of trustees shall
2 be three (3) years or until such time as their successors have been appointed. Any member of the
3 board appointed to fill a vacancy shall be appointed only for the unexpired term of the member
4 which he or she is succeeding. A member may not serve consecutive terms.

5 SECTION 11. *Chairperson.* – The members of the board of directors of the corporation
6 shall at its first meeting and annually thereafter elect a member to serve as the chairperson of the
7 board.

8 SECTION 12. *Chief Privacy Officer.* – The president of the Corporation, in consultation
9 with the board of trustees, shall appoint a chief privacy officer of the corporation to ensure the
10 confidentiality and security of patient medical records. The chief privacy officer of the
11 corporation shall--

12 A. ensure that the use of technologies by the corporation sustains, and does not
13 erode, privacy protections relating to the use, collection, and disclosure of personal information;

14 B. ensure that personal information contained in any records maintained as part of
15 the technology and privacy system is maintained in full compliance with any applicable privacy
16 laws;

17 C. evaluate legislative and regulatory proposals involving the collection, use, and
18 disclosure of personal information by the national government;

19 D. conduct a privacy impact assessment of proposed rules and procedures of the
20 corporation on the privacy of personal information, including the type of personal information
21 collected and the number of individuals affected; and

22 E. submit annually to Congress a report on activities of the corporation that affect
23 privacy.

24 SECTION 13. *Other Officers.* – The corporation shall have a president, and such other
25 officers as may be appointed by the board of trustees, who shall be compensated at rates fixed by
26 the board and serve at the pleasure of the board. No officer of the corporation shall receive any

1 salary from any source other than the corporation during the period of employment by the
2 corporation.

3 SECTION 14. *Authorized Activities.* – In order to achieve the objectives and to carry out
4 the purposes of this Act, the corporation is authorized to—

5 A. plan, initiate, construct, own, manage, and operate itself or in conjunction with the
6 national government, local governments, or business entities, a national health information
7 technology and privacy system;

8 B. furnish, for fees where appropriate and subject to licenses and confidentiality and
9 security requirements, access to individuals, and to authorized providers and payers of health
10 care services;

11 C. specify rules for allowing access (in accordance with applicable privacy laws) to
12 nonidentifiable health care data for public health and research purposes; and

13 D. own and operate such facilities as may be required to achieve the purposes of this
14 Act.

15 SECTION 15. *Other Activities.* – In addition to the activities authorized under Section 14,
16 the corporation, to accomplish the purposes of this Act, may—

17 A. conduct, or enter into contracts for the conduct of, research and development
18 activities related to the mission of the corporation;

19 B. acquire the physical facilities, equipment, and devices necessary for the
20 operations of the corporation, including health information technologies and associated
21 equipment and facilities, whether by construction, purchase, or gift;

22 C. purchase or otherwise acquire health information and related services from the
23 government; and

24 D. enter into contracts with authorized users of health information, including the
25 national government, for the use of the services of the system.

1 SECTION 16. *Business Plan.* --Not later than six (6) months after the date on which the
2 corporation is incorporated under this Act, the corporation shall file with the President and
3 Congress its initial business plan.

4 SECTION 17. *Annual Report.* -- Not later than one (1) year after the date on which the
5 corporation is incorporated under this Act, and each January 1 thereafter, the corporation shall
6 prepare and submit to Congress a report that shall include a comprehensive description of the
7 activities and accomplishments during the year for which the report is prepared under this Act,
8 together with an evaluation of such activities and accomplishments in terms of the attainment of
9 the purposes of this Act. Each such report shall include any recommendations of the corporation
10 for additional legislative or other action which the corporation may consider necessary or
11 desirable for the attainment of such objectives.

12 SECTION 18. *Appropriation.* -- To carry out the provisions of this Act, such amount as
13 is necessary is hereby authorized to be appropriated from the National Treasury.

14 SECTION 19. *Separability Clause.* -- If any provision or part hereof is held invalid or
15 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain
16 valid and subsisting.

17 SECTION 20. *Repealing Clause.* -- Any law, presidential decree or issuance, executive
18 order, letter of instruction, administrative order, rule, or regulation contrary to or inconsistent
19 with the provision of this Act is hereby repealed, modified, or amended accordingly.

20 SECTION 23. *Effectivity Clause.* -- This Act shall take effect fifteen (15) days after its
21 publication in at least two (2) newspapers of general circulation.

Approved,