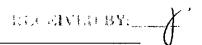




15 JUN -8 P4:20

SENATE S. No. **2814** 



Introduced by Senator Miriam Defensor Santiago

## AN ACT

PROVIDING FOR A FAIR AND EQUITABLE TERMS FOR THE RELEASE OF MEDICAL PRACTITIONERS' PROFESSIONAL FEES WITHHELD BY HOSPITALS OR MEDICAL CLINICS FOR FAILURE OF THE PATIENT TO PAY HOSPITAL BILLS AND PENALIZING VIOLATIONS THEREFOR

## **EXPLANATORY NOTE**

The Constitution, Article 2 provides:

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

Pursuant to this Constitutional mandate, the government has implemented various health policies to protect the right to health of the people and public health workers. Specifically, Republic Act No. 8344 penalizes any proprietor, officer, medical practitioner and employee of a hospital or medical clinic who solicits, demands or accepts any deposit or any other form of advance payment as a prerequisite for medical treatment or confinement. Likewise, Republic Act No. 7305, otherwise known as the Magna Carta for Public Health Workers, aims to promote and improve their living and working conditions and terms of employment in order that they will be more responsive and better equipped to deliver health projects and programs.

There are also several pending legislative measures in Congress, which seek to provide more rights to patients. Unfortunately, private medical practitioners - the indispensable partner of the government in the delivery of health services to the people -

have not been accorded the same legal rights and protection as their counterpart in the public sector.

Even in the absence of a law prohibiting hospitals from detaining a patient or withholding the release of a cadaver for failure to settle hospital bills, some hospitals release the patients or cadavers even before making full payment of hospital bills. However, these hospitals withhold the payment of professional fees of medical practitioners pending full settlement of patients' hospital bills. Hence, this bill seeks to afford protection to medical practitioners by curtailing this unjust practice of some hospitals and medical clinics to withhold the payment of professional fees. It is the foremost intention of this measure to institute a mechanism that will ensure fair and equitable terms acceptable to both the hospital and medical practitioners whenever patients make payments of hospital bills.

Moreover, since medical practitioners have no collection agent to demand payment of their professional fees and it would be grossly degrading for them to constantly make follow-ups or verify from hospitals whether their patients have already settled their unpaid hospital bills, hospital or medical clinic shall provide them with a statement of account containing the total professional fee charged, amount already received, balance receivable and update of patients payment.

This is a Senate counterpart bill to one filed in the House of Representatives by Rep. Emilio C. Macias.<sup>1</sup>

MIRIAM DEFENSOR SANTIAGO

<sup>&</sup>lt;sup>1</sup> This was originally filed during the Fourteenth Congress, First Regular Session, and refiled during the Fifteenth Congress, First Regular Session.

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Other of the Secretary

SIXTEENTH CONGRESS OF THE REPUBLIC

OF THE PHILIPPINES

Second Regular Session

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PROVIDING FOR A FAIR AND EQUITABLE TERMS FOR THE RELEASE OF MEDICAL PRACTITIONERS' PROFESSIONAL FEES WITHHELD BY HOSPITALS OR MEDICAL CLINICS FOR FAILURE OF THE PATIENT TO PAY HOSPITAL BILLS AND PENALIZING VIOLATIONS THEREFOR

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

- SECTION 1. Short Title. This Act shall be known as the "Medical Practitioners
- 2 Protection Act."
- 3 SECTION 2. Declaration of Policy. It is hereby declared the policy of the State
- 4 to protect and promote the right to health and enhance the right of all the people to human
- 5 dignity. Toward this end, this Act aims to protect the economic well-being of medical
- 6 practitioners to ensure a more responsive and efficient delivery of health services to all
- 7 the people.
- 8 SECTION 3. Definition of Terms. For purposes of this Act, the term:
- 9 (A) "Hospital" means a facility devoted primarily devoted to the diagnosis,
- treatment and care of individuals suffering from illness, disease, injury, or in need of
- obstetric or other medical and nursing care. It shall also be construed as any institution,
- building or place where there are facilities and personnel for the continued and prolonged
- 13 care of patients;
- 14 (B) "Medical Clinic" means a place in which patients can avail of medical
- 15 consultation or treatment on an out-patient basis; and

(C) "Medical Practitioner" means any person authorized by law to engage in giving diagnosis, treatment and care of persons suffering from illness, diseases or deformity, obstetrical and other medical care and other damage to the mind or body, which includes but not limited to persons practising general medicine, anesthesiology, obstetrics and gynecology, pediatrics, urology, psychiatry, and like medical professions.

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- SECTION 4, *Payment of Professional Fee.* Whenever a patient pays his hospital bill, the release of the professional fee collected by the hospital or medical clinic shall be subject to the following conditions:
  - (A) When full payment is made by the patient, the professional fee collected net of the withholding tax shall be released in full;
  - (B) When partial payment is made by the patient, the professional fee to be released shall be proportionate to the total cost of hospitalization and the withholding tax deducted by the hospital from the professional fee shall be proportionate to the partial payment made.
- Whenever payment is made by the patient, the professional fee shall be immediately deposited into the bank account of the medical practitioner.
- SECTION 5. Statement of Account. Hospital or medical clinic shall provide the medical practitioner a monthly update or statement of account containing the total amount of professional fee charged, amount already paid and balance receivable.
- SECTION 6. Prohibited Acts; Penalties. It shall be unlawful for any hospital or medical clinic to withhold, except for taxation purposes, the professional fee of medical practitioners due to the patients' failure to pay their hospital bills.
- Any hospital or medical clinic found in violation of this Act shall be penalized with a fine of not less than \$\mathbb{P}20,000\$ but not more than \$\mathbb{P}50,000\$.

In addition, a penalty of imprisonment of *prision correctional* may be imposed on

2 the hospital or medical clinic's responsible officers, including, but not limited to, the

3 president, vice-president, chief executive officer, general manager, managing director or

officer directly responsible therefore, if any of them are found to have known of, or

5 consented to, such unlawful withholding of professional fees.

In both cases, the court shall take into consideration all attending circumstances.

7 SECTION 7. Separability Clause. – If any provision of this Act is held invalid or

unconstitutional, the same shall not affect the validity and effectivity of the other

provisions hereof.

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SECTION 8. Repealing Clause. - All laws, decrees, orders, and issuances, or

portions thereof, which are inconsistent with the provisions of this Act, are hereby

repealed, amended or modified accordingly.

SECTION 9. Effectivity Clause. - This Act shall take effect fifteen (15) days after

its publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,

/tdp3June2015