

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

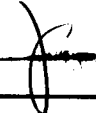


Senate  
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SENATE

S. No. 621

RECEIVED BY: 

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Introduced by Senator Antonio "Sonny" F. Trillanes IV

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

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 Veterans 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) establishment of the VMMC as a corporate body with juridical entity; b) creation of 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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**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 the 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 2016*".

**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:

- 1 (a) Construct, establish, operate and maintain veterans' hospital primarily for the veterans'  
2 welfare;
- 3 (b) Stimulate and/or undertake scientific researches on the biological, demographic,  
4 social, economic, eugenic, physiological aspects of health disorders and abnormalities  
5 and their control; and gather, compile, present and publish the findings of such  
6 researches for public dissemination;
- 7 (c) Facilitate and encourage the dissemination and exchange of ideas and information on  
8 the prevention, treatment and control of diseases; to arouse, enhance and develop  
9 public interest and awareness on general health and physical fitness;
- 10 (d) Encourage and/or undertake the training of physicians, nurses, medical technologists,  
11 health officers and social workers on the practical and scientific conduct and  
12 implementation and delivery of health services, and related activities;
- 13 (e) Assist universities, hospitals and research institutions in their studies of health  
14 problems, to encourage advanced training on matters of, or affecting the physical and  
15 mental well-being of the people;
- 16 (f) Encourage the formation of other organizations on the national, provincial, city,  
17 municipal or barangay level and to coordinate their various efforts and activities for  
18 the purpose of achieving a more effective and pragmatic approach on the common  
19 problems relative to the objectives herein enumerated, and;
- 20 (g) Extend medical outreach programs to the general public to help prevent, relieve or  
21 alleviate the innumerable afflictions and maladies of the people especially the poor  
22 and the less fortunate in life, without regard to race, creed, color or political belief.

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

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

- 31 (a) Acquire and hold in any manner property of whatever nature or description;  
32 (b) Enter into contracts;  
33 (c) Solicit and receive donations, endowments and funds in the form of contributions  
34 whether in cash or in kind, from both the public and private sectors;

- 1 (d) Open such accounts in banks and other financial institutions, and to disburse such  
2 funds or invest the same as the Board may direct to accomplish or advance the  
3 purpose or interest of the VMMC;
- 4 (e) Invite foreign health specialists and other similar experts in the various medical fields  
5 to train the personnel or trainees or residents of the VMMC;
- 6 (f) Send the VMMC personnel to research institutes, medical institutes or universities for  
7 advance training or observation and to attend international or regional conventions,  
8 conferences, congresses and seminars, as the Board may deem necessary, to  
9 accomplish the purposes and objectives of the VMMC;
- 10 (g) Enter into such agreements and arrangements with other medical or other institutions,  
11 domestic or foreign, as may be deemed desirable by the Board, for the purpose of  
12 promoting its purposes and objectives;
- 13 (h) Adopt a set of bylaws, rules and regulations not inconsistent with the law and the  
14 provision hereof to govern the administration and operation of the affairs of the  
15 VMMC;
- 16 (i) Establish branches of the VMMC in other provinces or cities of the Philippines as  
17 may be deemed necessary for greater service coverage to veterans and their  
18 dependents that are living in almost all parts of the country; and,
- 19 (j) Perform all such other acts and things as are or may be necessary or incidental for the  
20 accomplishment of the purposes and objectives of the VMMC.
- 21

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

- 24 (a) Secretary of the National Defense as Chairperson;
- 25 (b) Medical Director of the VMMC as Vice Chairperson;
- 26 (c) Chairperson of the Senate Committee on Defense and Security;
- 27 (d) Chairperson of the House Committee on Veterans Affairs and Welfare;
- 28 (e) Secretary of Health;
- 29 (f) Administrator, Philippine Veterans Affairs Office;
- 30 (g) Chairman of the Philippine Veterans Bank;
- 31 (h) President of the Veterans Federation of the Philippines; and
- 32 (i) Three (3) appointive members who are veterans and who have distinguished  
33 themselves in their professions or areas of specialization and have exerted  
34 conspicuous efforts towards the promotion of veterans' welfare and well-being. They

1 shall be appointed by the President of the Philippines and shall serve for a term of  
2 three (3) years. In case of vacancy, such vacancy shall be filled in the same manner  
3 as provided for the predecessor, and such appointee shall hold office for the  
4 unexpired term.

5  
6 **SEC. 8. Meeting and Quorum.** – The Board of Trustees shall convene at least once a  
7 month. The Chairman of the Board may call a special meeting whenever necessary:  
8 *Provided*, That the members are notified in writing at least three (3) days prior to the said  
9 meeting. A majority of all the members of the Board holding office at the time the meeting is  
10 called shall constitute a quorum for Board meetings. In no case shall any and all members of  
11 the Board appoint a representative to act on their behalf.

12  
13 **SEC. 9. Medical Director.** – The Medical Director shall be appointed by the President  
14 of the Philippines upon the recommendation of the Board and shall serve for a term of six (6)  
15 years. The Medical Director shall act as the Chief Executive Officer of the VMMC and shall  
16 perform the following functions:

- 17 (a) Organize the VMMC into a streamlined medical institution with admirable facilities  
18 and competent staffs to ensure quality service;
- 19 (b) Appoint members of the professional and administrative staffs and other employees or  
20 personnel of the VMMC through a screening process based strictly on academic  
21 qualifications, experiences and other selection standards; determine the terms and  
22 conditions of their employment, and remove them for cause in accordance with law  
23 and due process;
- 24 (c) Determine a position qualifications and compensation plan and adjust salaries and  
25 benefits for all personnel of the VMMC, subject to the Compensation and Position  
26 Classification System of Governance Commission for Government Owned and  
27 Controlled Corporations (GOCCs), and;
- 28 (d) Carry out necessary managerial and administrative functions that may be deemed  
29 necessary or as directed by the Board of Trustees in furtherance of the objectives of  
30 the VMMC set in this Act.

31  
32 **SEC. 10. Secretary.** – There shall be a Secretary of the VMMC as appointed by the  
33 Board of Trustees, who shall be the Secretary of the Board and who shall keep such records  
34 of the hospital as may be designated by the Board.

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

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

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

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

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

12  
13           **SEC. 12. *Personnel and Medical Staff.*** – The VMMC shall have the autonomy to  
14 employ such employees and medical personnel, or otherwise enter such arrangements with  
15 medical specialists and other consultants as its Board of Trustees shall determine. The  
16 personnel and medical staff of the present VMMC shall automatically be transferred to and  
17 absorbed by the VMMC as herein created. The incumbent Medical Director shall continue to  
18 serve as such for a period of three (3) years or until his successor shall have been appointed  
19 by the President of the Philippines.

20  
21           **SEC. 13. *Assistance from Government Offices.*** – The VMMC may call upon any  
22 department, bureau, office, agency or instrumentality of the government, including GOCCs,  
23 for such assistance as it may need in the pursuit of its purposes and objectives.

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

26  
27           **SEC. 14. *Property of the Medical Center.*** – All existing assets of the VMMC  
28 including, but not limited to, the parcel of land belonging to the private domain of the  
29 government situated in the District, Quezon City and more particularly described in the  
30 Bureau of Lands as Lot R.P.- 3-B-4-A, BSD-10352, all its buildings and other properties  
31 shall remain with the VMMC as a corporate entity, including those that may hereafter be  
32 given, donated, acquired, transferred or conveyed to the Medical Center or its branches and  
33 instrumentalities by any foreign government, as well as those given by trust, foundations,  
34 corporations or persons (alien or citizen). The absolute ownership of the Medical Center over

1 these landholdings including those covered by original and transfer certificates of title in the  
2 name of the VMMC is hereby confirmed. Where the issuance of proper certificates of title is  
3 still pending for these landholdings the proper government office shall expedite issuance  
4 thereof within six (6) months from the date of effectivity of this Act: *Provided*, That all  
5 registration requirements necessary for the issuance of the said titles have been submitted and  
6 complied with.

7  
8 **SEC. 15. *Land Grants and Other Real Properties.*** – The use of properties and  
9 proceeds of such properties shall be governed by the following:

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

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

18 (c) The Board of Trustees shall plan, design and approve and/or cause the  
19 implementation of contracts, mechanisms and financial instruments, such as joint  
20 ventures, long-term leases fully-owned subsidiaries and securitization to give the  
21 hospital the flexibility to generate revenues and other resources from land grants and  
22 other properties: *Provided*, That such mechanism and arrangements shall sustain and  
23 protect the environment in accordance with law, and be exclusive of the medical core  
24 zone of the hospital: *Provided, finally*, That such mechanism and arrangements shall  
25 not conflict with the medical or health services and academic mission of the hospital;  
26 and,

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

30  
31 **SEC. 16. *Safeguards on Asset Disposition.*** – The preservation of the value of the  
32 assets of the hospital shall be of primordial consideration. The exclusive core zone of the  
33 VMMC as defined in Section 14 shall not be sold, transferred, ceded, conveyed, assigned and  
34 encumbered.

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

3  
4           **SEC. 18. *Effect of the Dissolution.*** – If, for any reason, the VMMC is dissolved, its  
5 property remaining at the time of such dissolution shall revert to the Republic for disposition  
6 in accordance with law.

7  
8           **SEC. 19. *Implementing Rules.*** – The implementing rules and regulations shall be  
9 formulated within ninety (90) days from the approval of this Act.

10  
11           **SEC. 20. *Separability Clause.*** – If any provision of this Act is declared  
12 unconstitutional, all the other provisions not affected shall remain in force and effect.

13  
14           **SEC. 21. *Repealing Clause.*** – All laws, decrees, executive orders, rules and  
15 regulations or other issuances or parts thereof contrary to or inconsistent with the provisions  
16 of this Act are hereby repealed, amended or modified accordingly.

17  
18           **SEC. 22. *Effectivity.*** – This Act shall take effect fifteen (15) days after its publication  
19 in the Official Gazette or in at least two (2) newspapers of general circulation.

*Approved,*