

THIRTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Second Regular Session)

6 JAN 16 AM 58

SENATE
S.B. No. 2190

RECEIVED BY: 

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

The Constitution, Article 2, Section 15, provides:

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

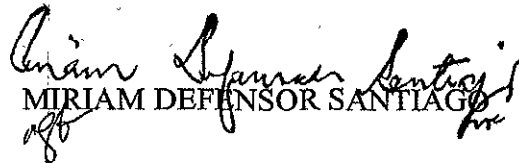
Today, seeking medical care in one's lifetime is almost to be expected. According to the latest figures culled by the Department of Health, the five leading causes of mortality in the year 2000 were: (1) Diseases of the heart; (2) Diseases of the vascular system; (3) Malignant Neoplasms; (4) Pneumonia; and (5) Accidents.

Treatment of such diseases or conditions would not be possible with home remedies, but would necessitate professional medical care. If there are several medical centers that provide such health care, the choice of which one to go to should belong to the patient. However, in order for patients to make rational decisions, access to reliable and adequate information is key. Such information should include the financial costs involved in the treatment of these conditions.

Given the rising costs of medical care, a more comprehensive estimate of the financial cost of such treatment would help prepare patients or family members for this financial burden. This information is not readily available at present. Hence, this bill seeks to provide the public with a full disclosure of prices for hospital and ambulatory surgical center procedures and drugs. This information should include rates of both private and public hospitals, otherwise it would not give the patient a complete list of options available in the country.

As the government agency mandated to ensure the protection of the public's health, it is only appropriate that the Department of Health be tasked with the responsibility of relaying this information to the public. The DOH is the principal health agency in the Philippines. It is

responsible for ensuring access to basic health services to all Filipinos through the provision of quality health care and regulation of providers of health goods and services. It is therefore, incumbent upon this agency to make certain that all hospitals and clinics that offer their medical services to the public make full disclosure of information vital for health care planning.


MIRIAM DEFENSOR SANTIAGO

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AN ACT
TO PROVIDE FOR THE PUBLIC DISCLOSURE OF PRICES FOR HOSPITAL AND
AMBULATORY SURGICAL CENTER PROCEDURES AND DRUGS

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

SECTION 1. *Short Title.* – This Act shall be known as the “Hospital Price Disclosure Act of 2005.”

SECTION 2. *Declaration of Policy.* – It is the policy of the State to protect and promote the right to health of the people and instill health consciousness among them.

SECTION 3. *Definition of Terms.* – For purposes of this Act, the following terms:

- (1) “Hospital” – shall refer to a facility licensed to provide care and treatment for sick or injured patients, primarily while they are acutely ill or chronically ill. It must have facilities for diagnostic treatment and major surgery and maintains permanent and full-time facilities for the care of overnight resident bed patients under the supervision of one or more licensed physicians.
- (2) “Ambulatory Surgical Center” – shall refer to a public or private medical-surgery establishment with an on-site organized medical staff of physicians and a permanent facility with operating room equipment which does not provide services or accommodations for patients to stay overnight.
- (3) “DOH” – shall refer to the Department of Health.
- (4) “Secretary” – shall refer to the Department of Health (DOH) Secretary.

SECTION 4. *Data Reporting by Hospitals and Ambulatory Surgical Centers and Public Posting.* –

A. QUARTERLY REPORTING REQUIREMENT - Not later than 45 days after the end of each calendar quarter (beginning more than one year after the date of the enactment of this subsection), a hospital shall report to the Secretary, for each procedure or drug selected under section 4, and an ambulatory surgical center shall report to the Secretary, for each procedure selected under Section 5, the following data:

- 1) The frequency with which the hospital performed the procedure, or administered the drug in an inpatient setting, or the center performed the procedure during such quarter.
- 2) If the procedure was performed or the drug was so administered during such quarter, the average and the median of the price charged by the hospital or center for such procedure or drug during such quarter.

SECTION 5. *Public Availability of Data.* –

(A) PUBLIC POSTING OF DATA - The Secretary shall promptly post, on the official public Internet site of the Department of Health, the data reported under Section 4. Such data shall be set forth in a manner that promotes price comparison among hospitals and ambulatory surgical centers.

(B) NOTICE OF AVAILABILITY - A hospital and ambulatory surgical center shall prominently post at each admission site of the hospital or center a notice of the availability of the data reported under Section 4 on the official public Internet site of the Department of Health.

SECTION 6. *Selection of Procedures And Drugs.* –

(A) INITIAL SELECTION - Based on national data, the Secretary shall select the following:

- (i) The 25 most frequently performed hospital inpatient procedures.
- (ii) The 25 most frequently performed hospital outpatient procedures.

(iii) The 50 most frequently administered drugs in a hospital inpatient setting.

(B) UPDATING SELECTION - The Secretary shall periodically update the procedures and drugs selected under Section 5 (B).

SECTION 7. *Penalty.* - The Secretary may impose a fine of not more than Ten thousand Pesos (P10,000.00) for each knowing violation of the provisions of Section 4 by a hospital or ambulatory surgical center.

SECTION 8. *Administrative Provisions.* -

(A) CLASSIFICATION OF PROCEDURES - For purposes of this subsection, the Secretary shall establish rules for the classification of different procedures and for the assignment of items and services to those procedures.

(B) COMPUTATION OF AVERAGE AND MEDIAN PRICES - For purposes of Section 4, the computation of an average and median price for a procedure or drug shall be in accordance with a methodology prescribed by the Secretary. Such methodology may provide for reporting by the hospital or ambulatory surgical center of unit prices for specific items and services included in a procedure, including appropriate per diem prices, and a method of converting such unit prices for a procedure to an average and median price for such procedure.

(C) FORM OF REPORT AND NOTICE - The Secretary shall specify the electronic form and manner by which a hospital or ambulatory surgical center shall report data under Section 4 and the form for posting of notices under Section 5 (B).

SECTION 9. *Appropriation.* - To carry out the provisions of this Act, such amount as may be necessary is hereby authorized to be appropriated from the National Treasury. Thereafter, the amount necessary for the continuous operation of this Public Disclosure Program shall be included in the annual appropriation of the DOH.

SECTION 11. *Separability Clause.* – If any provision or part thereof, is held invalid or unconstitutional, the remainder of the law of the provision not otherwise affected shall remain valid and subsisting.

SECTION 12. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with the provisions of this Act, is hereby repealed, modified or amended accordingly.

SECTION 13. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,

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