

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

SENATE

S.B. NO. 1833

Introduced by Senate President Villar

EXPLANATORY NOTE

Due to the high cost of healthcare and medical facilities in their countries, medical patients from other countries are seeking quality medical treatment in countries where they could spend their money at a higher value. The desire to seek medical treatment abroad not only benefit the patients but also the favored countries of their destination. Hence, medical tourism became a global business endeavor.

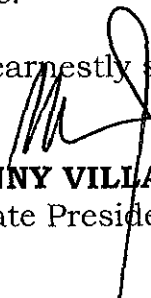
Responding to the growing needs of medical patients around the world, the Philippine government launched in 1994, through Executive Order No. 372 the Medical Tourism Program to attract medical tourists. Since then the country has proven to the world that it has the competence and skill to assure the well-being of foreign patients availing of our healthcare facilities and personnel. With the development of our facilities and the ease and affordability of travel for foreigners to our country, there is no reason for us not to capture a portion of this multi-billion dollar global industry. Medical tourism, therefore, offers very bright prospects for the country and our medical and other health practitioners.

Records show that medical tourism industry was successful in its initial stage. Hence, the Department of Health will hold the first Medical Tourism Congress and Exposition on November 20-21 to showcase the best providers of healthcare and wellness and our prime private medical institutions such as the Asian Hospital, Medical City, St. Luke's Medical Center, among others.

This bill, therefore, seeks to give emphasis on the development and promotion of the medical tourism in the country with the active participation of the people and the concerned government agencies. Linkages between or among vital institutions like the medical schools, hospitals, wellness centers, medical insurance companies, tourism enterprises, local government units, and other associations shall likewise be established. Incentives like reduced taxes, priority treatment to would-be investors with respect to their transactions with government entities shall also be provided.

Developing and promoting the industry may yet be the solution to the country's "brain drain" problem brought about by the exodus of medical professionals to foreign countries for greener pasture.

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


MANNY VILLAR
Senate President

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**AN ACT
TO DEVELOP AND PROMOTE MEDICAL TOURISM, PROVIDING FUNDS
THEREFOR AND FOR OTHER PURPOSES**

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

SEC. 1. Short Title. - This Act shall be known as the "The Medical Tourism Act of 2007".

SEC. 2. Declaration of Policy. - It is hereby declared the policy of the State to develop the country's potential and readiness actively promoting the country as a prime medical tourist destination and showcasing its globally competent medical and healthcare providers and professionals and tourist spots.

SEC. 3. Definition of Terms. - When used in this Act, the following terms shall mean:

1. Accreditation - the certification issued by the Department of Health recognizing the holder as having complied with the minimum standards and requirements prescribed by the Department for the operation and maintenance of prime medical private institutions;
2. Medical Tourism - the traveling of persons to other countries for the purpose of availing health care services, treatment of illnesses and other health problems in order or to maintain one's health and wellness;

3. Tertiary Hospital for Medical Tourism – an institution that provides clinical care and management, as well as specialized and sub-specialized forms of treatments, surgical procedure and intensive care.

SEC. 4. Information Regarding Medical Tourism Destinations. - The Department of Health, in coordination with the officials of all local government units nationwide, shall identify the hospitals, health and wellness clinics and other health-related service providers that have the capability to engage in medical tourism services.

The Department of Tourism shall, on the basis of the information furnished by the Department of Health, prepare an inventory of all prime medical institutions in the country as medical tourist destinations and shall adopt and implement on a continuing basis a system of information dissemination.

SEC. 5. Promotion of Medical Tourism. - The heads of offices of all health-related government and private agencies and institutions shall encourage the Philippine Medical Associations (PMA), the Philippine Dental Association, and other allied health service associations and their healthcare professionals and workers to promote and disseminate information on medical tourism industry in our country.

The consular officers and employees of the various Philippine embassies and consulates based in other countries shall likewise encourage the officers and members of the Overseas Filipino Workers (OFW) associations to promote and disseminate information regarding medical tourism in the country as their contribution towards a sustainable industrial growth.

SEC. 6. Accreditation of Prime Medical Institutions Involved in Medical Tourism. - To guarantee quality health services to potential foreign patients, the Department of Health (DOH) is hereby mandated to conduct a national accreditation and affiliation program to identified hospitals, health and wellness clinics and other health care services in the country.

SEC. 7. Assistance for International Accreditations. - The Department of Health (DOH), in coordination with the Department of Foreign Affairs (DOF) shall assist the various hospitals, health and wellness clinics and other health service facilities in seeking accreditation from foreign governments so that they may qualify to serve foreign patients. It shall likewise conduct consultations with foreign health accreditation agencies to facilitate the accreditation of our hospitals, medical practitioners and health service delivery facilities.

SEC. 8. Fiscal Incentives. - Accredited medical, health and wellness institutions and other health service providers actively participating in the medical tourism industry shall be exempt from payment of EVAT and customs duties for the importation of medical facilities and equipment necessary for their operation.

SEC. 9. Preferential Treatment on Government Transactions on Medical Tourism. - To ensure active promotion and full development of the medical tourism in the country, all government transactions concerning the business operation of health institutions involved in the medical tourism industry shall be given preferential treatment.

SEC. 10. Available Credit Facilities and Loan Package to Stakeholders of Medical Tourism. - The Land Bank of the Philippines (LBP) is hereby mandated to formulate a Medical Tourism Credit Facility and Loan Package Window which shall provide low-interest loans for medical institutions and health service providers seeking to improve and modernize their health facilities, equipment and services in order to participate in the medical tourism program implemented by the government.

Within six (6) months from the date of effectivity of this Act, the LBP is mandated to formulate the necessary guidelines, procedures and requirements

for the various stakeholders to avail of the Medical Tourism Credit Facility and Loan Package, as mandated under this Section.

SEC. 11. Implementing Rules and Regulations. – The Department of Tourism (DOT) shall promulgate the necessary implementing rules and regulations in the accreditation of medical, health and wellness facilities and other medical health providers within six (6) months from the effectivity of this Act.

The Department of Health (DOH) and the Department of Trade and Industry (DTI), in consultation with the Department of Foreign Affairs (DFA); shall promulgate the necessary implementing guidelines for medical institutions to seek accreditation to quality them to serve foreign patients within six (6) months from the effectivity of this Act.

SEC. 12. Appropriations. – The amount necessary to implement the provisions of this Act shall be included and incorporated in the annual general appropriations of the various agencies of the government involved in the implementation of this Act.

SEC. 13. Separability Clause. – If for any reason, any provision of this Act is declared invalid or unconstitutional, the remaining provisions not affected thereby shall continue to be in full force and effect.

SEC. 14. Repealing Clause. All executive issuances, rules and regulations or parts thereof which are inconsistent with the provisions of this act are hereby repealed, amended or modified accordingly.

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

Approved, for SPMBV
