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SENATE

S. NO. 2870

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**Introduced by Senator Antonio "Sonny" F. Trillanes IV**

**EXPLANATORY NOTE**

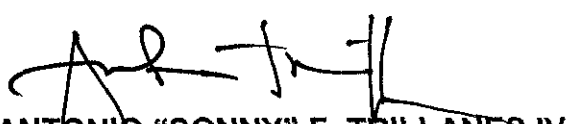
The Constitution mandates that the State shall adopt an integrated and comprehensive approach to health development which would enable all the citizens to afford basic social services such as health. Even with the passage of the Quality Affordable Medicine Law however, other costs of commodities continue to increase, thus fewer people have access to medical care.

The devolution of the health services to the local government units via the Local Government Code of 1991 was a welcome development to the LGUs. However, the function of delivering health care services to their people met several setbacks such as financial and budgetary constraints.

This bill seeks to introduce a cost sharing scheme between LGUs, their residents, and the Department of Health to institutionalize local health delivery system and solve the problem with regard to access to medical services. The bill also seeks to establish a Board of Trustees that shall manage the proposed system.

With this proposed measure, no Filipino will be then denied access to medical and hospital services


In view of the foregoing, immediate passage of this bill is earnestly requested.

  
**ANTONIO "SONNY" F. TRILLANES IV**  
Senator

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

8 NOV 12 AM 10:30

SENATE  
S. NO. 2870

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Introduced by Senator Antonio "Sonny" F. Trillanes IV

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**AN ACT  
ESTABLISHING A COST SHARING SCHEME TO PROVIDE FOR A  
HOSPITAL CARE PROGRAM IN LOCAL GOVERNMENT UNITS AND FOR  
OTHER PURPOSES**

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

1           **SECTION 1. Declaration of Policy.** – It is the policy of the State to  
2 provide for adequate health services for all its citizens as mandated by the  
3 Constitution. As a basic service, this function is now a responsibility of Local  
4 Government Units (LGUs). As such, all local government units as mandated in  
5 the Local Government Code of 1991 or Republic Act No. 7160 is required to  
6 render health services to their constituents through the establishment and  
7 maintenance of health facilities and to provide access to proper medical care  
8 possible. Local government units shall utilize the powers and authority given to  
9 them to fulfill this mandate including consolidating or coordinating their efforts,  
10 services and resources for purposes commonly beneficial among them and the  
11 provision of budgetary allocations for health programs and services.

12  
13           **SEC. 2. Establishment of a Cost Sharing Scheme for Hospital Care**  
14 **Program.** - Every province or city, in cooperation with the municipalities and  
15 barangays, shall establish a Cost Sharing Scheme for a Hospital Care Program.  
16 This scheme shall ensure the access of their residents to affordable quality and  
17 accessible medical care from health facilities and hospitals. The Hospital Care  
18 program will cover all residents of the local government units under their  
19 respective jurisdictions.

20

1           **SEC. 3. The Cost Sharing Scheme.** – Every province or city, municipality  
 2 and barangay shall appropriate funds for the Hospital Care Program, which shall  
 3 be placed in Trust Fund for this purpose. The contribution of each local  
 4 government shall be as follows

5           City Dwellers		6           Municipal Residents	
7           (per person)		8           (per person)	
9           Resident	10          P 30.00	9           Resident	10          P 30.00
11          Barangay	12          15.00	11          Barangay	12          15.00
13          City Government	14          120.00	13          Municipal Government	14          70.00
15          Dept. of Health	16 <u>75.00</u>	15          Provincial Government	16          50.00
		17          Dept. of Health	18 <u>75.00</u>
19          Total	20          P240.00	19          Total	20          P240.00

21           The contributions to the Cost Sharing Scheme may be adjusted by the  
 22 Board of Trustees who will manage the program according to the needs of its  
 23 beneficiaries and to improve the quality of health care services. Provided,  
 24 however, that any adjustment in the National Government contribution shall be  
 25 decided by the Department of Health according to the needs of the respective  
 26 local government units and the availability of funds.

27           The trust fund shall be used solely for the purposes of the Hospital Care  
 28 Program and the improvement of the health facilities. The fund shall be deposited  
 29 into a bank account and managed by the Board of Trustees. Provided, however,  
 30 that the fund shall not be invested in any financial instrument or undertaking that  
 31 may jeopardize the feasibility and viability of the Hospital Care Program.

32           **SEC. 4. Identification Card System.** – There is hereby established an ID  
 33 System which shall require the issuance of an identification card to every citizen  
 34 as proof of their qualification to the program, and which shall contain the  
 35 following information: (a) residence address; (b) date of birth; (c) blood type; (d)  
 thumb mark; (e) civil status; and (f) picture. The identification card shall be signed  
 by the barangay treasurer, municipal/ city treasurer and municipal/ city health  
 officer. Every citizen seeking medical attention shall present said ID upon  
 admission to any hospital. Said ID shall be accepted as proof of identity in all  
 government sectors including the COMELEC.

1           **SEC. 5. Creation of the Board of Trustees.** – There shall be a Board of  
2 Trustees in every province to manage the Hospital Care Program and the Trust  
3 Fund.

4           a). For provinces, the Board of Trustees shall be composed of the  
5 Provincial Governor as Chairman, Provincial Health Officer as President and  
6 Chief Executive Officer, and the following as members:

7           President of the Provincial Mayor’s League

8           Chairman of the Provincial Councilor’s League

9           Chairman of the Provincial Barangay’s League

10          Vice Governor of the Province

11          Chairman of the Provincial Health Board

12          Four (4) Representatives from four Non-Government Organizations

13          b) For Highly Urbanized Cities, the Board of Trustees shall be composed  
14 of the City Mayor as Chairman, City Health Officer as President and Chief  
15 Executive Officer, and the following as members:

16          President of Mayors’ League

17          Chairman of the Councilors’ League

18          Chairman of the Barangays’ League

19          Vice Mayor of the City

20          Chairman of the City Health Board

21          Four (4) Representatives from four Non-Government Organizations

22          The Non-Government Organization representatives shall be selected by  
23 the Provincial Governor or City Mayor, as the case may be, from NGOs involved  
24 in providing health and social services operating in the province or city.

25          The members of the Board shall have a term of three (3) years and shall  
26 receive reasonable allowances as determined by the Board.

27  
28           **SEC. 6. Powers and Functions of the Board of Trustees.** – The Board  
29 of Trustees shall have the following powers and functions:

30          a) To administer the Hospital Care Program and manage the Trust Fund;

31          b) To formulate and promulgate policies for the sound administration of  
32 the program;

33          c) To set standards necessary to ensure the quality of hospital service,  
34 the proper utilization of services, viability of the Trust fund and other rules that  
35 may be needed for the successful implementation of the Hospital Care Program;

1 d) To formulate the rules and guidelines for the proper availment of the  
2 services of the Hospital Care Program including limits to the amount of service  
3 and medicine that can be availed, amendments to the coverage and other  
4 relevant aspects of the program;

5 e) To amend the contributions to the cost sharing scheme to make it  
6 more responsive to the needs of the Hospital Care Program and other external  
7 factors;

8 f) To set the guidelines for the accreditation of the health facilities;

9 g) To negotiate and enter into contracts with health care institutions,  
10 health professionals and other juridical or natural persons regarding the  
11 financing, payments, pricing design and administrative systems and procedures  
12 necessary for the delivery of the services of the Hospital Care Program;

13 h) To collect, deposit, administer and disburse the Trust fund in  
14 accordance with the provisions of this Act;

15 i) To monitor and inspect the delivery of services to ensure the  
16 appropriate delivery of quality hospital service and make certain the satisfaction  
17 of the beneficiaries;

18 j) To solicit, receive and manage grants, donations and other forms of  
19 assistance;

20 k) To organize its office, fix the compensation of and appoint personnel  
21 as may be deemed necessary for the successful implementation of the Hospital  
22 Care Program; and

23 l) To submit a report on the financial condition and status of operations  
24 for the Hospital Care Program to the Sangguniang Panlalawigan or Sangguniang  
25 Bayan of all municipalities. The reports shall likewise be posted in every  
26 municipality and made available to the beneficiaries.

27  
28 **SEC. 7. *The Hospital Care Program.*** – There shall be created a Hospital  
29 Care Program in every province or city which shall provide the following services  
30 to their residents:

31 a) In-patient Hospital Care

32 1. room and board;

33 2. services of health care professionals;

34 3. diagnostic, laboratory and other medical examinations;

35 4. use of surgical or medical equipment and facilities; and

- 1 5. prescription drugs and biologicals, subject to limitations set forth.
- 2 b) Outpatient Care
- 3 1. services of health care professionals;
- 4 2. diagnostic, laboratory, and other medical examination services;
- 5 3. personal preventive services; and
- 6 4. prescription drugs and biologicals, subject to limitations set forth.

7 The following treatments shall be excluded from the coverage of the  
8 Hospital Care Program:

- 9 a) eyeglasses and optometric services;
- 10 b) dental examinations and dentures;
- 11 c) expensive and sophisticated procedures such as CT scans and the  
12 like;
- 13 d) cosmetic procedures and surgery;
- 14 e) non-prescription drug and devices;
- 15 f) drug and alcohol abuse and dependency;
- 16 g) other ailments as may be declared by the Board of Trustees.

17

18 **SEC. 8. Accreditation of Health Facilities.** – The Board of Trustees shall  
19 ensure that health facilities shall be available for the Hospital Care Program. All  
20 government health facilities shall participate in the program and in addition,  
21 private health facilities shall be accredited to provide services for the program.

22

23 **Sec. 9. Enrolment Beneficiaries.** – Every barangay shall enroll their  
24 residents in the Hospital Care Program. The barangay captain shall certify that  
25 the person to be enrolled is a resident of the barangay based on official records  
26 such as the municipal civil registry, community tax certificates and others.

27 The municipal local treasurers in coordination with the barangay  
28 treasurers shall collect the contributions of the residents and remit them to the  
29 provincial or city treasurer.

30

31 **SEC. 10. The Department of Health.** – The DOH shall maintain its  
32 subsidy for indigent patients who are for confinement in specialty hospitals as  
33 well as the other hospitals under its jurisdiction. Said hospitals shall be covered  
34 by the cost-sharing scheme.

35

1           **SEC. 11. Separability Cause.** – If any section or provision of this Act is  
2 declared unconstitutional, the rest of the provisions not affected thereby shall  
3 continue to be valid.

4

5           **SEC. 12. Repealing Clause.** – All laws, as well as pertinent rules and  
6 regulations thereof, which are inconsistent with the provisions of this Code, are  
7 hereby repealed or amended accordingly.

8

9           **SEC. 13. Effectivity.** – This Act shall take effect fifteen (15) days after its  
10 complete publication in two (2) newspapers of general circulation.

Approved,