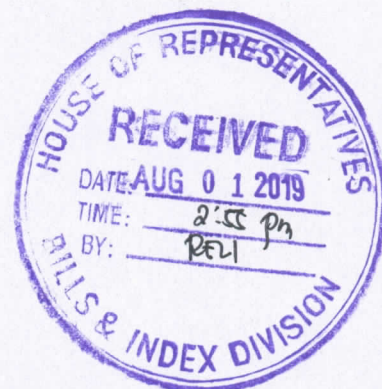


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **3335**



Introduced by **HON. JOY MYRA S. TAMBUNTING**

EXPLANATORY NOTE

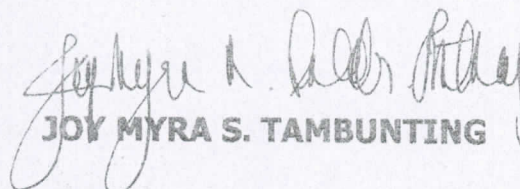
Over the past years, we have seen various moves to privatize specialized and regular government hospitals, which I believe will be detrimental for the Filipino people. Thus, the proposal of this bill which seeks to prohibit the privatization of existing government hospitals.

With the maintenance and operating costs of running a hospital continuously increasing, some individuals and groups think that privatizing such institutions would be the best solution. The government will no longer need to fund these hospitals and upgrading and modernizing of facilities will be assured.

But at what cost? Once privatized, treatment in these hospitals will come at a hefty price. The poorest of the poor would no longer be able to access these hospitals for they will not be able to afford the cost of treatment.

These hospitals should remain under the charge of the government so that equal access to quality health care will be assured. As the Philippine Constitution mandates, health services shall be available to all people at affordable cost. The Philippine government should find ways in which to modernize and improve these hospitals without resorting to its privatization.

It is for these reasons that early passage of this proposed measure is highly recommended.


JOY MYRA S. TAMBUNTING

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AN ACT
PROHIBITING THE PRIVATIZATION OF GOVERNMENT HOSPITALS

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 "Anti-Privatization of Public Hospitals, Health Facilities and Health Services Act".

SECTION 2. *Declaration of Policy.* – It is the policy of the State to ensure the protection and promotion of the right to health of the people and to instill health consciousness among them. Further, the State shall endeavor to make essential goods, health and other services available to all people at affordable cost.

SECTION 3. *Definition of Terms.* – As used in this Act:

- (a) Indigent / Service / Poor patients refer to those who have no source of income, or whose family income are below the mandated minimum daily wage and/or below the minimum monthly cost of living as set by appropriate government agencies;
- (b) Privatization refers to the process in which nongovernment actors become increasingly involved in the financing and the provision of health care services which include: outright sale; public-private partnership; corporatization; contracting out of equipment; joint venture; franchising; management control and corporatization; leasing; and user charges;
- (c) Public hospitals refer to all Department of Health (DOH)- retained and national hospitals, provincial and regional hospitals under the local government, including specialty hospitals with separate legislative charters like the Philippine Heart Center, the National Kidney and Transplant Institute, the Lung Center of the Philippines and the Philippine Children's Medical Center;

(d) Public health facilities refer to health centers, lying-in clinics, and barangay health stations under the national or local government; and

(e) Public health services refer to all diagnostic, laboratory, medical, surgical, and health-related services provided by public hospitals and public health facilities to indigent, service or poor patients.

SECTION 4. *Prohibition on Privatization of Government Hospitals.* – No public hospital, public health facility, and public health services shall be privatized. Likewise, under no circumstance shall the Secretary of Health or any person, whether natural or juridical, initiate, cause, and approve the privatization of any public hospital, public health facility or public health services.

This prohibition against privatization shall cover specialty hospitals with separate legislative charters like the Philippine Heart Center, the National Kidney and Transplant Institute, the Lung Center of the Philippines and the Philippine Children's Medical Center.

SECTION 5. *Bed Allotment for Indigent/ Service/ Poor Patients in Public Hospitals.* – At least ninety percent (90%) of the total bed capacity of all public hospitals shall be allotted for indigent/service/ poor patients, pursuant to Republic Act No. 1939, otherwise known as "An Act Prescribing the Appropriate Share of the National, Provincial, City and Municipal Governments in the Financial Contributions for the Operation and Maintenance of Free Beds in Government Hospitals and/or the Establishment of Additional Wards or Hospitals in the Philippines".

SECTION 6. *Liability and Accountability.* – Any person, whether natural or juridical, who initiates, causes, and approves the privatization of any public hospital, public health facility or public health services shall be considered in violation of this Act.

SECTION 7. *Penalties.* – Any person who violates any provision of this Act shall be penalized accordingly:

(a) First Offense - A fine of not less than One hundred thousand pesos (P100,000.00) but not more than Two hundred thousand pesos (P200,000.00) and suspension of one (1) to two (2) years from public office;

(b) Second Offense - A fine of not less than Two hundred thousand pesos (P200,000.00) but not more than Five hundred thousand pesos (P500,000.00) and temporary disqualification from holding any public office for not less than three (3) years but not more than six (6) years; and

(c) Third Offense - A fine of not less than Five hundred thousand pesos (P500,000.00) but not more than Eight hundred thousand pesos (P800,000.00) and removal from public office and perpetual disqualification from holding any public position or office.

SECTION 8. *Implementing Rules and Regulations.* – The Secretary of the Department of Health shall promulgate the rules and regulations necessary to implement the provisions of this Act within ninety (90) days from its effectivity.

SECTION 9. *Separability Clause.* – [f any provision of this Act is declared invalid or unconstitutional, the other provisions hereof which are not affected thereby shall continue to be in full force and effect.

SECTION 10. *Repealing Clause.* – All laws, orders, decrees, rules and regulations and other issuances or parts thereof which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 11. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in any newspaper of general circulation.

Approved,