AN ACT ESTABLISHING SATELLITE SPECIALTY HOSPITALS TO FACILITATE ACCESS TO SPECIALIZED MEDICAL CARE IN IDENTIFIED REGIONS OF THE PHILIPPINES AND APPROPRIATING FUNDS THEREFOR

This measure mandates the existing specialty hospitals namely Philippine Heart Center (PHC), Lung Center of the Philippines (LCP), National Kidney and Transplant Institute (NKTI), and the Philippine Children’s Medical Center (PCMC) to establish satellite hospitals in provinces which are geographically isolated from their region’s tertiary care hospital to be managed and operated by the specialty hospitals pursuant to their respective charters.

It is a very common occurrence for underprivileged Filipinos to pay for transportation costs to and from the health facilities and other miscellaneous expenses for family members who accompany the patients. Those suffering from heart, lung, kidney and pediatric diseases would have to travel to major cities where specialized health facilities are currently located.

This bill seeks to address the current inequities and geographical barriers in accessing specialized health care. It seeks to cater to the treatment of the main causes of death among Filipinos such as heart disease, vascular diseases, malignant neoplasms, avitaminosis and other nutritional deficiency, and chronic lower respiratory diseases.

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

LUIS RAYMUND “LRAY” F. VILLAFUERTE, JR.
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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 and cited as the "Satellite Specialty Hospitals Act of 2020."

SEC. 2. Declaration of Policy. - Section 15, Article II of the 1987 Constitution mandates that the State shall protect and promote the right to health of the people and instill health consciousness among them. Towards this end, the State shall adopt an integrated and comprehensive approach to health development by providing them specialized health services, which shall be available and accessible to all the people at affordable cost.

SEC. 3. Establishment of Satellite Specialty Hospitals or Specialized Units. - The following specialty hospitals are mandated to establish satellite hospitals in identified regions to be managed and operated pursuant to their respective charters:

(1) Philippine Heart Center created under Presidential Decree No. 673;
(2) National Kidney and Transplant Institute created under Presidential Decree No. 1832;
(3) Lung Center of the Philippines created under Presidential Decree No. 1823; and
(4) Philippine Children’s Medical Center created under Presidential Decree No. 1631.

Provided, That these specialty hospitals must formulate prioritization plans for the purpose of implementing this Act, subject to the following considerations:

(a) The specialty hospitals shall craft the criteria for the identification and development of their satellite hospitals, based on the following:
(i) The top burden of disease in the region;
(ii) Legal mandates specified in other laws such as but not limited to the Republic Act No. 11215 or the "Integrated Cancer Control Act", Republic Act No. 11036 or the "Mental Health Act", and Republic Act No. 9994 or the "Expanded Senior Citizens Act"; and,
(iii) Other considerations that the specialty hospitals may deem important for the selection process.

(b) Provinces which are geographically isolated from their region's tertiary care hospital shall likewise be given priority for the establishment of satellite specialty hospitals within the nearest general hospital, whichever is feasible;

Nothing in this Act shall be construed as restricting the right of the Department of Health (DOH) to establish specialty hospitals or specialized units in DOH hospitals in different regions.

SEC. 4. Period of Implementation. - The establishment of at least one (1) satellite specialty hospital in identified region/s shall be completed over a period of five (5) years. Provided, That payments for amortization of outstanding multi-year contract obligations incurred under this Act may extend beyond this period.

SEC. 5. Minimum Standards of Construction. - The Health Facilities and Services Regulatory Bureau of the Department of Health shall issue guidelines for the minimum design standards of specialty hospitals in accordance with all applicable laws, rules and regulations. Provided, That the application for a permit to construct a special hospital shall be accompanied by a hospital plan. Provided, Further That no permit to construct a special hospital can be issued without complying with the minimum standards set forth in the guidelines to be issued pursuant to this Section.

SEC. 6. Procurement - Procurement of medical equipment and supplies to be used by the satellite specialty hospitals shall be exempt from the provisions on bidding process required under Republic Act No. 9184 or the "Government Procurement Reform Act" and other relevant laws. Provided, That the following information and documents related to the procurement shall be published in the Government Procurement Policy Board online portal, the website of the procuring entity concerned, if available, and at any conspicuous place reserved for this purpose in the premises of the procuring entity within seven (7) working days from the date of acceptance of the award:

(i) Project name;
(ii) Approved budget for contract;
(iii) Contract period;
(iv) Name of winning supplier, distributor, manufacturer, contractor or consultant;
(v) Amount of contract as awarded;
(vi) Notice of award;
(vii) Date of award and acceptance;
(viii) Contract or purchase order; and
(ix) A certification stating that the procuring entity exerted all efforts to secure the most advantageous price to the government based on existing price data of
the agency, the DTI or other relevant agencies or preliminary market scanning done by the agency showing prevailing market prices and practice.

SEC. 7. Tax exemptions. – All donations, contributions or endowments which may be made by entities or persons to the specialty hospitals for the benefit of their satellite hospitals shall be exempt from income and gift taxes. The importation of medical equipment to be used by the satellite specialty hospitals shall likewise be exempt from import duties, taxes, and other fees.

SEC. 8. Report to Congress. - Within one hundred twenty (120) days from the effectivity of this Act, the executive directors of the specialty hospitals shall present a report to Congress detailing the construction plan of said satellite specialty hospitals, which shall include the prioritization plan as provided under Section 3 of this Act. For this purpose, the Congress shall establish a Joint Congressional Oversight Committee composed of five (5) members of each house to be appointed by the Senate President and the House Speaker, respectively. This Committee shall determine whether such acts, orders, rules and regulations are within the restrictions provided herein.

SEC. 9. Sunset Review. - As the need arises or within five (5) years after its effectivity, the Congressional Oversight Committee shall conduct a sunset review of this Act. The term ‘sunset review’ shall mean a systematic evaluation of the accomplishments and impact of this Act for purposes of determining remedial legislation.

SEC. 10. Appropriations. - The amount necessary for the implementation of the provisions of this Act shall be taken from the current year’s budget of the specialty hospitals enumerated in Section 3 of this Act. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be incorporated in the annual General Appropriations Act.

SEC. 11. Implementing Rules and Regulations. - The Department of Health, in coordination with the specialty hospitals enumerated in Section 3 hereof, shall promulgate the rules and regulations implementing the provisions of this Act within sixty (60) days from its effectivity.

SEC. 12. Separability Clause. - If for any reason, any part or provision of this Act is declared invalid or unconstitutional, the remaining parts or provisions not affected shall remain in full force and effect.

SEC. 13. Repealing Clause. - All laws, presidential decrees, executive orders, rules and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 14. Effectivity - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of national circulation.

Approved.