

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



EIGHTEENTH CONGRESS
Second Regular Session

House Bill No. 9172

Introduced by Representative FLORIDA "RIDA" P. ROBES

EXPLANATORY NOTE

Section 15 of Article II of the 1987 Constitution of the Republic of the Philippines declares that the State shall protect and promote the right of health of the people and instill health consciousness among them. Meanwhile, Section 20, Article II of the Constitution provides that the State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments. In addition, it is a declared policy of the State to recognize the private sector as the main driver of national growth and development and the State is mandated to provide an enabling environment to mobilize private resources for projects and endeavors to promote the general welfare, one of which is the in the area of health care.

The pandemic caused by the Coronavirus 2019 (Covid-19) has become an eye-opener to all governments all over the world of the lackluster focus on health care. The Philippines is no exception as it experienced first-hand a national health emergency with its health care system with hospitals in the National Capital Region barely able to cater to the mounting cases of Covid-19 cases starting February this year due to the new, more contagious strains of the virus.

The emergency has brought to fore the need to implement health security and invest in infrastructure in the health care system through the establishment of Level 2 and Level 3 hospitals, hiring of more medical workers, ensuring them benefits, purchase of new medical

equipment, among others not only to address this present pandemic but to prepare for future health emergencies.

With government's limited resources and manpower, such massive endeavor requires the participation of the private sector. This Act aims to empower the national government and local government units to engage in Public-Private Partnership (PPP) Projects to build the required infrastructure for health care. This compliments the existing framework on disaster management of the national government and the local government units.

Being one of the most disaster-prone countries in the world, health emergencies as a result of calamity, pandemic or other disaster are a yearly occurrence. This has brought unimaginable suffering to our fellow Filipinos. It is, therefore, never too late to act now to make sure that the health of our people remains on top of government's priority. As a whole-of-nation approach in currently being implemented to address the Covid-19 pandemic, this bill will enable the government, especially the local government units, the first responders in every kind of emergency, to build life-saving infrastructure and mechanisms and fortify existing assets and resources to serve the health needs of their constituents.

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


Rep. FLORIDA "RIDA" P. ROBES

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Second Regular Session

House Bill No. 9172

Introduced by Representative FLORIDA “RIDA” P. ROBES

AN ACT
INSTITUTIONALIZING PUBLIC-PRIVATE PARTNERSHIP (PPP) TO ENSURE
HEALTH SECURITY AND FOR OTHER PURPOSES

Section 1. Short Title. - This Act shall be known as Public-Private Partnership (PPP) for Health Security Act of 2021

Section 2. Declaration of Policy. - Section 15 of Article II of the 1987 Constitution of the Republic of the Philippines declares that the State shall protect and promote the right of health of the people and instill health consciousness among them. Meanwhile, Section 20, Article II of the Constitution provides that the State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments. In addition, it is a declared policy of the State to recognize the private sector as the main driver of national growth and development and the State is mandated to provide an enabling environment to mobilize private resources for projects and endeavors to promote the general welfare, one of which is the area of health care.

Section 3. - General Objectives. -

1. To establish, manage and fund institutional structures for health services;
2. Enable the government and local government units to prepare for health emergencies and rising health needs of the people; and

3. Empower local government units to respond to health emergencies and the rising health needs of the people.

Section 4. - Definition of Terms. For purposes of this Act, the following shall be defined as follows:

1. Health Security – refers to the activities required to minimum the danger and impact of acute public health events that endanger the collective health of the population;
2. Implementing agency – refers to a department, bureau, office, instrumentality, commission, authority of the national government, state universities and colleges (SUCs), local government units (LGUs), or government-owned or controlled corporation as defined under Republic Act No. 10149, including government instrumentalities with corporate powers (GICP), government corporate entities (GCEs), government financial institutions (GFIs), which is authorized to undertake any PPP projects;
3. Joint Venture – refers to a contractual arrangement whereby both the Implementing Agency and the Private Proponent contribute to the pool resources comprising of capital, services, or assets to jointly undertake a specific investment activity in the health service to ensure health security;
4. Local PPP Project – refers to a PPP Project that shall be undertaken by the LGU to address a health need or in furtherance of healthy security;
5. National PPP Project – refers to a PPP Project that shall be undertaken by the national government, GOCC, GICP, GCE, GFI or SUCs to address a health need or in furtherance of healthy security;
6. PPP Project – refers to infrastructure or development programs, projects, activities, facilities, and related services in the health sector normally financed and undertaken by the public sector but which shall now be wholly or partly financed, designed, built, operated and maintained by the private sector;
7. Private Proponent – refers to the private sector entity which shall have contractual responsibility for the PPP Project. The Private Proponent may be Filipino or foreign-owned, subject to requirements and limitations provided under the Philippine Constitution.

Section 5. - Public-Private Partnership – A PPP is contractual arrangement between the Implementing Agency and the Private Proponent for the financing, designing, constructing, operating and maintaining, or any combination thereof, of PPP Projects in the health service which are normally provided by the public sector. PPP Projects may be undertaken through contractual arrangements, including joint ventures, authorized under the Implementing Rules and Regulations (IRR) of this Act.

Section 6. Priority Projects. – Implementing Agencies shall include in their development plans, strategies, and investments programs those PPP Projects to address their healthcare needs and requirements, consistent with the national and local development plans. They shall be guided by the following principles: effectiveness in meeting the health objectives, value for money, accountability and transparency, affordability, public access and security.

Section 7. Submission to the PPP Center. – Implementing Agencies shall submit their list of PPPs Projects or any update thereto to the PPP Center, created under Executive Order No. 8, series of 2010, as amended by Executive Order No. 136, series of 2013, for information. The PPP Center shall submit to the Congress of the Philippines and the public a list of PPP Projects and updates thereon.

Section 8. - Approval of PPP Projects. – (a) The approval of PPP Projects under this Act shall be in accordance with the following:

1. National PPP Projects. National PPP Projects costing up to five billion pesos (PP5,000,000,000.00) shall be approved by the Investment Coordination Committee of the National Economic and Development Authority (ICC-NEDA). Projects more than five billion pesos (PP5,000,000,000.00) shall be approved by the NEDA Board, upon prior recommendation by the ICC-NEDA.
2. Local PPP Projects. Local PPP Projects shall be approved by the local sanggunians, except in cases where a Local PPP Project (a) requires any Government Undertaking from the national government for capital-intensive projects; or (b) exposes the national government to significant fiscal and monetary risks, as may be determined by the ICC-NEDA.

Section 9. Implementing Rules and Regulations. – Within thirty (30) days from promulgation of this Act, the DOH, in collaboration with the Department of Finance, NEDA, PPP Center and representatives from the private health sector shall issue necessary rules and regulations to make this Act operative.

SECTION 10. Separability Clause. – If any part or provision of the Act shall be held unconstitutional or invalid, other Provisions hereof which are not affected hereby shall continue to be in full force and effect.

SECTION 11. Repealing Clause. – All laws, decrees, rules and regulation inconsistent with the provision of this Act hereby repealed or modified accordingly.

SECTION 12. Effectivity. – This shall take effect after fifteen (15) days from its publication in two (2) national newspaper of general circulation.

Approved.