Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Third Regular Session

HOUSE BILL No. 9515

Introduced by
BAYAN MUNA Representatives CARLOS ISAGANI T. ZARATE,
FERDINAND R. GAITE and EUFEMIA C. CULLAMAT,
ACT TEACHERS Party-List Representative FRANCE L. CASTRO,
GABRIELA Women's Party Representative ARLENE D. BROSAS
and KABATAAN Party-List Representative SARAH JANE I. ELAGO

AN ACT
PROVIDING FOR A FREE, COMPREHENSIVE, AND PROGRESSIVE, NATIONAL PUBLIC HEALTH CARE SYSTEM

EXPLANATORY NOTE

Amid a historically ailing health system, the advent of COVID-19 pandemic further revealed the gaping and grave weaknesses of a fragmented system, with many people, the poor mostly, struggling to avail even the most basic of health services. Health financing was brought to its knees by the perennial problems of corruption, especially in the Philippine Health Insurance Corporation (PhilHealth), and, the high out-of-pocket spending. Even the funds supposedly intended for the COVID-19 pandemic were not spared as PhilHealth officials, as revealed in the recent Congress hearings, used the health crisis to steal billions of pesos through the "Interim Reimbursement Mechanism" scheme[1].

Filipinos still die of preventable and curable diseases,[2] six (6) out of ten (10) deaths are not medically attended to by a physician, public health officer, hospital authority or other medical personnel,[3] and household out-of-pocket expenses accounted for 53.9% of the total health expenditure.[4] Meanwhile, those who care for the sick receive the lowest salaries among our Southeast Asian neighbors.[5] Thus, it is not surprising that the country remains one of the top exporters of doctors and nurses globally due to low wages, overwork, contractualization and inadequate benefits.

Meanwhile, ninety-nine (99) percent of Filipinos are not able to afford their prescription medicines as these are expensive.[6]

[1] https://www.scmp.com/week-asia/economics/article/3097861/philippines-coronavirus-crisis-led-massive-philhealth
[2] https://psa.gov.ph/vital-statistics/id/138794
[3] https://psa.gov.ph/content/deaths-philippines-2016
[4] https://psa.gov.ph/pnha-press-release/node/144466
[5] https://cnnphilippines.com/news/2020/9/4/Filipino-nurses--med-techs-lowest-paid-in-Southeast-Asia-.html
[6] https://www.philstar.com/headlines/2019/12/07/1974968/99-pinoys-cant-buy-expensive-meds

Despite a significant number of legislations on health concerns -- from the Medical Act of 1959 (Republic Act No. 2382), Generics Act of 1988 (RA 6675), Local Government Code of 1991 (RA 7160), Magna Carta of Public Health Workers (RA 7305), National Health Insurance Act of 1995 (RA 7875), Philippine Nursing Act of 2002 (RA 9173), Universally Accessible Cheaper and Quality Medicines Act of 2008 (RA 9502), and the Universal Health Care Law of 2019 (RA 11223) -- the country's public health system is still unable to be fully responsive to the needs of the Filipino people and health workers in particular.

The current health system remains as it was decades ago: curative, specialist-oriented, urban-based, commercialized, doctor-centered, hospital-centric, Western-oriented and fragmented, thus unable to respond to the needs of the Filipino people, then and more so during this time of pandemic.

To reiterate, health is increasingly becoming out of reach for most Filipinos despite the enactment of RA 1123 or the Universal Health Care Act. A true universal health care must be free for all Filipinos guaranteed by the State and without the need for a national health insurance, such as the PhilHealth, in any form. This care must also be comprehensive covering for all stages of life and for as much illnesses as possible, inpatient and outpatient. Most of the health expenditure remains with outpatient services and medicines that the present system does not account for, much less for other preventive services. Hospitals remain the focus instead of communities, the true frontline of any disease.

Given the inequitable distribution of health workforce and services, it goes without saying that increased development is needed in the countryside where majority of the population are underserved. The system of devolution has done little to address the widening inequalities in access to health care in our population. The current 1:33,000[7] ratio of physicians to the population is clearly far from the World Health Organization prescribed ideal ratio of one physician per 1,000 population.[8] Together with a specialist-oriented system, less people actually receive the holistic care they need.

Likewise, there is a longstanding lack of support to public health care facilities at all levels from the barangay health stations to tertiary care hospitals. Of the country's 42,046 barangays, only 23,144 have health stations. However, many of these are not functional, with no health personnel and equipment allocated. Many municipal and city health centers, district and general hospitals, even tertiary care centers, operate with non-functional X-ray machines, basic laboratory equipment and supplies, emergency rooms without lifesaving drugs and life-support equipment, forcing patients to pay for these services in private facilities.

Increasing commercialization and privatization of health services makes essential care even more out of reach. This reneges on the State's responsibility to provide for the people's right to health as enshrined in the 1987 Constitution and the 1978 Alma Ata Declaration of which the Philippines is a signatory. With private hospitals outnumbering the number of public hospitals (2:1),[9] the State must ensure the ability of people to seek proper consult not only when cases are severe and requiring

[7] https://www.ibon.org/covid-19-and-the-philippine-healthcare-system/

[8] https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6259525/?fbclid=IwAR34txqJ3g6GAeKTp8aEESGeUNZJiKfasRrG_mF3FlQh22_cHChKKgrc9g0

[9] https://nhfr.doh.gov.ph/Philippine_health_facility_statuslist.php

hospitalization. Health services should neither be an issue of privilege nor charity, and this is ensured only by empowering communities to provide for preventive services.

All these can be seen in countries responsive to their people's health needs, such as Cuba, Taiwan, South Korea, and Thailand, who have improved the responsiveness of their health systems even before the pandemic. True enough, these are also examples of countries that have quickly contained the virus and risen above its neighbors in its statistics. Another factor is the health spending such nations commit to, which increasingly correlate to better health outcomes for the people. Even beyond the often-cited 5% prescription for health from the gross domestic product, governments must live up to its role of being primarily responsible for the health of the people.

This Bill seeks to improve health access for the entire population, beyond merely addressing COVID-19, as there are many more maladies affecting the people before, during, and especially after the pandemic. Marginalized communities, from our basic sectors, women and indigenous people, must be at the fore in ensuring health for all, not merely for those who can pay. From government regulation to provision of services, ensuring a sustainable health education and workforce, establishing proactive and comprehensive health financing and leadership, we envision a health system truly responsive and committed to the people's right to health.

A "new normal" brought about by the coronavirus disease 2019 pandemic should entail revamping the current health care system and make it a national public health system that will ensure free, comprehensive, progressive, and quality health services for the people.

To truly help save the lives and promote the health and safety of the Filipino people, this time of pandemic and beyond, immediate passage of this bill is earnestly sought.

Approved,

REP. CARLOS ISAGANI T. ZARATE
Bayan Muna Partylist

REP. FERDINAND R. GAITE
Bayan Muna Partylist

REP. EUFEMIA C. CULLAMAT
Bayan Muna Partylist

REP. ARLENE D. BROSAS
GABRIELA Women's Party

REP. FRANCE L. CASTRO
ACT Teachers Partylist

REP. SARAH JANE I. ELAGO
Kabataan Partylist

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AN ACT
PROVIDING FOR A FREE, COMPREHENSIVE, AND PROGRESSIVE, NATIONAL PUBLIC HEALTH CARE SYSTEM

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

CHAPTER I. GENERAL PROVISIONS

Section 1. Short Title. – This Act shall be known as the "Free, comprehensive, and progressive, national public health care system" or the "Free National Public Health System Act".

Section 2. Declaration of Policy. – The State adheres to the principle that health is a basic human right that must be ensured to all Filipinos. It is a prime function of the State to respect, protect, promote and fulfill the right to health of the people by adopting appropriate legislation and policies creating the social and economic conditions for optimum health for all citizens, including but not limited to the health care system as enshrined in international covenants.

The State firmly commits to the provision of free, comprehensive, quality health care services through an integrated publicly funded national health system covering all levels from the local to provincial, regional and national levels. The State shall adopt an integrated and comprehensive approach to health development which shall endeavor to make essential goods, health and other social services available to all the people at affordable cost. There shall be priority for the needs of the underprivileged sick, elderly, disabled, women and children.

The State hereby recognizes the current critical condition of the country's health system resulting in inequity in access and availability of health services depriving the vast majority of Filipinos of even the most basic care and treatment.

The State recognizes the longstanding lack of support to public health care facilities at all levels from the barangay health stations to tertiary care hospitals.

The State further recognizes the inadequate support for health workers in both public and private sectors and the consequent crisis in the health workforce. The State has the primary responsibility to provide its health workers the opportunity for utmost service delivery while ensuring their welfare, just compensation, personal safety and protection, security and professional advancement.

The State recognizes the need to develop a national pharmaceutical industry that will ensure the availability and access of all Filipinos to affordable essential medicines and supplies. The country's rich and diverse natural resources, which can supply raw materials need to be explored and tapped for the development and local manufacture by government or Filipino-owned companies of essential drugs, biologicals and medical supplies and equipment. Government incentives for invention and research should be provided to spur the local production of much-needed tools and materials for disease management.

Section 3. Objectives. – This Act aims to achieve the following objectives:

a) Provide universal, free, comprehensive, quality health services through a progressive, people-centered, integrated, national health system that is publicly funded;
b) Ensure a comprehensive, holistic health care system that encompasses preventive, promotive, curative, rehabilitative and palliative components based on scientific and culturally acceptable methods and technology;
c) Reorient and reorganize all components, structures and resources into a comprehensive integrated public health system in all levels;
d) Formulate and implement a comprehensive national plan for health workers' development;
e) Adopt a progressive health system that ensures the full participation of the people at every stage of development in the spirit of self-reliance and self-determination to attain essential health care universally accessible to all citizens; and
f) Develop self-reliance in research and health technology including medicines, pharmaceutical products, vaccines and biologicals, diagnostic and curative equipment, devices, supplies and protective equipment, especially the development of a national pharmaceutical industry.

Section 4. Definition of Terms. – The following terms, as used herein, shall mean:

a) Alternative medicine – any of a range of medical treatments, products and practices that are used instead of standard orthodox medical care such as special diet and acupuncture
b) Biopsychosocial – interdisciplinary model of health which states that interactions between biological, psychological, and social factors determine the cause, manifestation, and outcome of wellness and disease, thus requires understanding how suffering, disease, and illness are affected by multiple levels of organization, from the societal to the molecular, considering the patient's subjective experience as an essential contributor to accurate diagnosis, health outcomes, and humane care
c) Complementary medicine – treatments, products and practices that are used along with standard medical treatments but are not considered to be standard mainstream Western treatment
d) Comprehensive health care – the government shall provide the full range of personal health services for diagnosis, treatment follow-up of patients, "womb to tomb" services; including

primary, secondary and tertiary level services rendering preventive, promotive, curative, rehabilitative and palliative interventions that are integrated and coordinated with other social services like food production, education and recreation in order to foster the complete physical, mental and social wellness of its citizens with special attention given to the welfare of the handicapped, the elderly, orphans and children

e) Contractualization – the practice of hiring workers or outsourced hiring of employees through third party agencies typically for short term employment and terminating them often for less than six (6) months then they are laid off or transferred to other companies

f) Health promotion – the process of engaging and enabling individuals and communities to increase control over and improve their health, to maintain well-being, to choose healthy behaviors, and make changes that reduce the risk of developing chronic diseases and other morbidities

g) Health worker – all persons who are engaged in health and health related work which shall include but not limited to health and para-health professionals, allied health personnel, administrative and support personnel employed in government health facilities regardless of their employment status

h) Holistic health care – considers the whole person and how s/he interacts with the environment focusing on wellness and prevention rather than on illness or specific parts of the body providing care of the physical, mental, spiritual/intellectual and social needs, which affect overall health, using a variety of clinically-proven therapies

i) Integrated health system – characterized as unified, coherent, streamlined and coordinated system providing high quality and high value, inclusive of primary care providers, specialists, hospital services and allied health providers rendering continuity of care from inpatient hospital stay to the community and the home

j) Hospital – a place devoted primarily to the maintenance and operation of health facilities for the diagnosis, treatment and care of individuals suffering from illness, disease, injury or deformity or in need of obstetrical or other surgical, medical and nursing care. It shall also be construed as any institution, building or place where there are installed beds, cribs or bassinets for twenty-four-hour use or longer by patients in the treatment of disease

k) Medically necessary – health care services, interventions, products or supplies needed to diagnose or treat an illness, injury, condition, disease or its symptoms and that meet accepted standards of medicine

l) National – refers to a public health system covering the whole country rather than a part of it, essentially based on Congressional appropriation of general revenues with guaranteed service rather than payment-based, aimed to transform the health system into a social instrument to achieve equity and justice

m) Palliative care – interdisciplinary medical care aimed at optimizing quality of life of patients and their families facing the problems associated with life-threatening, serious or complex illness, through the prevention and relief of suffering by means of early identification and impeccable assessment, treatment of pain and other physical and psychosocial problems

n) Primary care – first level of contact between individuals and families with the health system with focus on general care for over-all patient education and wellness

o) Primary health care – the application of an approach requiring full participation of the community and at a cost that the community and country can afford to maintain at every stage of their development in the spirit of self-reliance and self-determination; participation is aimed at the attainment of essential health care based on practical, scientifically sound and socially acceptable methods and technology made universally accessible to individuals and families in the community

p) Primary care facility – a first contact health care facility, such as but not limited to Barangay Health Station, Rural Health Center, City Health Center, that offers basic services including emergency service and provision for normal deliveries. It is subdivided into: 1) with in-patient beds (infirmary and birthing home), 2) without beds (medical out-patient clinic, medical facility for overseas workers and seafarers (OFW clinic), and dental clinic.

q) Privatization – refers to the process in which non-governmental sectors become increasingly involved in the financing and provision of health care services, which includes outright sale, public-private partnerships, corporatization, contracting out of equipment and services, joint venture, franchising, management control and/or corporatization, leasing; and user-charges

r) Progressive health system – people-centered health development anchored on the needs and demands of the people, and with the interest of the people as paramount. People's participation is a necessary component in establishing and maintaining a forward-looking and responsive health care system that takes into consideration socioeconomic factors such as land, food, jobs, wages, housing and socio-economic rights that affect health must be taken into consideration and be developed together.

s) Publicly-funded – a health system financed entirely by general government revenues to meet the cost of all or most health care needs of citizens from a publicly-managed allocated health care fund and not through private payments/contributions made to insurance companies or directly to health care providers in the form of social health insurance premiums, co-payments or deductibles

t) Renationalization – reversion to the national government of the governance and dispensation of health services previously devolved to the local government units which shall include the control, direction, supervision, management, maintenance and disposition of health personnel, facilities, programs and services

u) Secondary care/level of services – medical care that is provided by a specialist upon referral by a primary care physician, usually based in a hospital or clinic, though some may be community-based, requiring more specialized knowledge or equipment such as planned operations, rehabilitative services

v) Tax-financed health system – those in which more than half of public expenditure is financed through revenues other than earmarked payroll taxes (deductions; as distinguished from social health insurance or social security) and in which access to publicly-financed services is open to all citizens

w) Tertiary care/level of services – highly specialized medical care usually over an extended period of time that involves advanced and complex procedures for treatments performed by specialists in state-of-the-art facilities, requiring specialized knowledge and more intensive monitoring

x) Traditional medicine – refers to the sum total of health knowledge, skills, practices and approaches based on the theories, beliefs and experiences indigenous to different cultures, incorporating plant, animal and mineral-based medicines, manual techniques, exercises, and psychospiritual therapies, applied singularly or in combination to maintain physical and psychosocial well-being, as well as in prevention, diagnosis, treatment, rehabilitation and palliation of physical and mental illness

Section 5. Prioritization and simultaneous implementation. – The Department of Health (DOH) shall exert all efforts to simultaneously provide universal, free, comprehensive, quality health services through a progressive, people-centered, integrated, national health system that is publicly funded. Within 30 days after publication of this Act in the Official Gazette, the DOH shall create

the appropriate implementing arms and necessary mechanisms in order to carry out the simultaneous implementation of this Act at all levels of governance giving priority to health facilities mentioned in Chapter IV of this Act.

CHAPTER II. FREE HEALTH CARE IN PUBLIC HEALTH FACILITIES

Section 6. Free health care in public health facilities. –All public hospitals and facilities covered by this Act shall provide access to basic health care services and medically necessary health services with no out-of-pocket expenses, financial or other barriers, and without direct charges to patients at the point of service. The health facilities providing free health services shall be publicly funded and supported by the national government and the DOH through the annual General Appropriations Act that set overall expenditure targets or limits as opposed to fee-for-service arrangements.

Free health services in public health facilities shall be available to all Filipino citizens. Indigent persons and other disadvantaged individuals shall be provided transportation, food and accommodation to the health facility while undergoing treatment.

Public health facilities shall provide comprehensive health care, including health promotion, health education, disease prevention, diagnosis and treatment of diseases, drugs and devices, rehabilitation and palliative health services, through post-confinement and follow-up consultations, outpatient and in-patient care, and continuing treatment or management. These health services shall be rendered by appropriate health facilities from primary, secondary to tertiary levels at center-based, community or hospital settings and specialty centers, including emergency hospitals, birthing centers, municipal and city health centers, barangay health stations.

Section 7. Free Medicines in Public Hospitals and Health Facilities. – As part of its National Drug Policy the State shall formulate a Pharmaceutical Benefit Scheme (PBS) based on the updated National Pharmaceutical Formulary. The PBS shall list the brand name, generic, biologic and bio-similar medicines identified as essential and life-saving drugs which shall be provided free to patients in public health facilities. All products to be included in the PBS shall be assessed to be safe and effective by independent medical experts. The PBS shall also include access to medically necessary drugs and devices, vaccines for the national immunization program, medical devices, organ and tissue transplants and a secure supply of safe blood products.

Prescription drugs administered in hospitals shall be provided at no cost to the patient. Outside of the hospital setting, local health facilities shall be responsible for the administration of the publicly funded PBS.

Section 8. Provision of equal and timely access to health education, basic preventive, curative, rehabilitative, palliative health services. –

a) Emphasis of health care shall be on disease prevention and promotion of general health, wellness and environmental health through major mass health campaigns on health education, nutrition, immunization, environmental health and sanitation
b) Various levels of health facilities shall ensure regular screening programs for all stages of the life cycle

c) All public health facilities shall ensure appropriate and timely treatment of prevalent and endemic diseases, illnesses, injuries and disabilities, geriatric and other forms of specialized care, preferably at community level
d) Public hospitals and health centers shall provide essential medicines and modes of treatment that are free, safe, efficacious, accessible, and culturally acceptable
e) All public facilities shall ensure appropriate mental health education and treatment, psycho-social support services and care

CHAPTER III. NATIONAL PUBLIC HEALTH SYSTEM

Section 9. National Public Health System. – The governance, organization and structure of the country's public health system shall be reorganized into an integrated public health care system from the barangay, municipal, city, provincial and regional up to the national level including specialty hospitals, diagnostic facilities and health programs. The general direction, policies, organizational and financial management, including budget of the health system shall emanate from DOH Central Office.

These health services shall include outpatient and inpatient clinical services including all types and modalities of health promotion and maintenance, disease prevention and treatment covering curative, rehabilitative and palliative care. All public health institutions shall implement a holistic, scientific, biopsychosocial, culturally acceptable, community-based approach utilizing modern, traditional, complementary and alternative modalities of health care.

Section 10. Community-based primary care. – Community-based primary care shall be given prime importance as the core strategy of basic services to be provided at the barangay stations and local health facilities. The DOH and local health authorities shall ensure implementation of the following:

a) Education on prevailing health problems and methods for their prevention and control;
b) Promotion of proper nutrition and food supply;
c) Adequate supply of safe water and basic sanitation;
d) Women's and children's health, including reproductive health care services;
e) Immunization against major infectious diseases;
f) Prevention and control of locally endemic diseases;
g) Appropriate treatment of common diseases and injuries; and
h) Provision of essential drugs.

Community-based health teams composed of trained local health workers, nurse and physician shall be responsible for regular and timely basic health services for families and communities within their designated geographic catchment area. These community-based health teams shall adhere to the World Health Organization's standard ratio of physician per population and ensure the appropriate ratio of one barangay health worker (BHW) for every 15-25 families.

Section 11. Palliative care. – Palliative care shall be rendered in a variety of settings, such as hospitals or long-term care facilities, hospices, in the community and at home. Palliative care focusing on those nearing death and on their families shall include medical and emotional support, pain and symptom management, help with community services and programs, and bereavement counseling.

Section 12. Facilitated referral system. – A facilitated referral system shall be implemented efficiently to ensure continuity of care and avoid delays and prolonged waiting times in rendering appropriate definitive treatment. All public health facilities shall ensure the smooth flow of the referral pathway from the barangay to the local health facilities, emergency clinics, and if medically necessary, on to higher levels of care such as district or secondary general hospitals or up to tertiary or specialized hospital care with initial screening by the primary care health worker.

Section 13. Free oral and dental health care services. – Oral and dental health care services shall be provided free in all health facilities and hospitals. These include promotion, prevention and essential dental procedures and devices necessary for normal function.

Section 14. Free reproductive health care services. – Reproductive health care in varying forms and degrees of complexity shall be provided for free in all levels and components of the health system as mandated by the Republic Act No. 10354 or the Reproductive Health Law of 2012.

Section 15. School-based health services. – The DOH shall institute and implement school-based health services in coordination with the Department of Education (DepEd) and the Commission on Education (CHED) to ensure adequate personnel deployment and resources as well as school health programs such as mental health psycho-social services, dental services, nutrition, immunization and health education.

Section 16. Other sectoral health initiatives. – For other intersectoral health initiatives such as services for Occupational Health and Safety, Environmental Health concerns, the DOH shall coordinate with the concerned government agencies such as the Department of Labor and Employment (DOLE), the Department of Agriculture (DA) and the Department of Environment and Natural Resources (DENR) to ensure appropriate and timely interventions and programs.

Section 17. Emergency Medical Services. – The DOH shall develop and strengthen Emergency Medical Services at all levels of the health care system from the barangay to the municipal/city, regional and national health facilities. Each facility shall formulate and implement the applicable emergency health care services according to its capacity based on guidelines from the DOH Central Office. The DOH shall provide the mechanisms for the necessary capacity building, personnel training, supplies and equipment, including transport systems, of public health facilities at various levels.

Section 18. Renationalization of health services, facilities and programs. – All health services, facilities and programs devolved to the local government units are hereby renationalized and returned to the national government.

For this purpose the following pertinent provisions of the Local Government Code of 1991 (R.A. 7160) are hereby repealed, deleted and declared no longer enforceable and effective: Section 17 (b) paragraph (1) (ii), paragraph (2) (iii), paragraph (3) (iv) and (4) for health services only; Section 102 (a) (1), (2), (3), (b) (1), (2) and (3): Section 103 (a) and (b); Section 104; Section 105; and all other related provisions of the Local Government Code that pertains to devolved health services and facilities.

Section 19. Renationalization of government-owned and -controlled corporations, hospitals and health facilities. – All government-owned and -controlled corporation (GOCC) hospitals, privatized and corporatized public hospitals and health facilities shall be reverted back to the direct control of the government through the DOH as part of the integrated public health system. The primary and overriding goal of these health facilities shall be the provision of free health services to the public as part of publicly funded social services.

Health facilities and entities to be included are district and emergency hospitals, specialty hospitals and medical centers, diagnostic and research facilities, centers for research, development and production of biologicals and medical tools, equipment and supplies.

These health facilities shall undergo transition measures to dissolve existing revenue-generating business-oriented corporate structures and transfer ownership and administration of operations to boards of trustees or regional health authorities established by the DOH in coordination with provincial or regional government units. The period of transition for transfer and reorganization shall be within three (3) years from the enactment of this Act.

For this purpose, the following charters of GOCC hospitals are hereby repealed and declared no longer enforceable and effective: Presidential Decree No. 673 S. 1975, Presidential Decree No. 1823 s. 1981, and Presidential Decree No. 1832 s. 1981.

Section 20. Strengthening and building health facilities. –All existing specialty hospitals and facilities shall undertake organizational audit, strategic assessment and planning to identify gaps and weaknesses in the performance and implementation of their mandate, mission and goals and recommend the necessary reforms for improved provision of health services.
Mental health services, centers and facilities shall be installed in all levels of the health care system as mandated by the Republic Act No. 11036 or the Philippine Mental Health Act of 2017. Mental health centers and facilities shall be provided in all the regions of the country for outpatient and inpatient mental health and psychosocial interventions ranging from promotion, maintenance, curative and rehabilitative services.

Section 21. Creation of Center for Disease Control. – The DOH shall create a Center for Disease Control with epidemiologic and surveillance units, and satellite centers of the Research Institute of Tropical Medicine in all regions of the country.

Section 22. Regulation of private practice and health maintenance organizations. – Private practice and health maintenance organizations shall be allowed subject to State regulation.

CHAPTER IV. HEALTH FACILITIES

Section 23. Health facilities at all levels of care. – In order to provide a public health system anchored on community-based approach to health care that is strengthened and developed from the barangay to town/city, district, provincial, regional and national levels using public funds, the State, through the DOH shall ensure the following:.

a. Setting up and operationalization of at least 1 health station for every barangay. Rehabilitation of existing barangay health stations.

b. Establishment of 1 primary care facility within 30 minutes of travel per 20,000 population size.
c. Establishment of general and specialty hospitals.
    1. Level 1 or 2 hospitals with a minimum bed-to-population ratio of 2.7 per 1,000.
    2. Level 3 hospital with a minimum of all Level 2 capacity including but not limited to the following: teaching and/or training hospital with accredited residency training program for physicians in the four (4) major specialties namely: medicine, pediatrics, obstetrics and gynecology, and surgery; provision for physical medicine and rehabilitation unit; provision for ambulatory surgical clinic; provision for dialysis facility; provision for blood bank; DOH-licensed tertiary clinical laboratory with standard equipment/reagents/supplies necessary for the performance of histopathology examinations; DOH-licensed level 3 imaging facility with interventional radiology
    3. One (1) general hospital per 1,000 population (1:1,000). In a province or region (e.g. NCR) where the bed to population ratio is already more than 1:1,000, additional beds may be put up if the average occupancy rate for all hospitals for the past two (2) years is more than 85%. The number of beds that may be put up shall be based on the health care needs of the population. The hospital shall be at most one (1) hour away by the usual means of transportation at most parts of the year. Services will include clinical services (family medicine, pediatrics, internal medicine, obstetrics and gynecology, surgery), emergency services, outpatient services, ancillary and support services such as clinical laboratory, imaging facility and pharmacy.
    4. Specialty hospital
d. Provision of adequate medicines, supplies, equipment, and highly specialized medical equipment such as x-ray, CT Scan, MRI, and LINAC based on needs identified by the Department
e. Establishment of other health facilities based on population needs:
    1. Custodial Care Facility – a health facility that provides long-term care, including basic human services like food, shelter to patients with chronic or mental illness, patients in need of rehabilitation owing substance abuse, people requiring ongoing health and nursing care due to chronic impairments and a reduced degree of independence in activities of daily living. Examples of such facilities are but not limited to the following:
        i. Custodial Psychiatric Care Facility
        ii. Substance/Drug abuse Treatment and Rehabilitation Center
        iii. Sanitarium/Leprosarium
        iv. Nursing Home
    2. Diagnostic/Therapeutic Facility – a facility that examines the human body or specimens from the human body (except laboratory for drinking water analysis) for the diagnosis, sometimes treatment of diseases. The test covers the pre-analytical, analytical, and post-analytical phases of examination
        i. Laboratory Facility, such as but not limited to the following:
            1. Clinical laboratory
            2. Human Immunodeficiency Virus Testing Laboratory
            3. Blood service facility

4. Drug testing laboratory
5. Newborn screening laboratory
6. Laboratory for drinking water analysis

ii. Radiologic facility, such as but not limited to equipment and highly specialized medical equipment such as x-ray, CT Scan, MRI, and LINAC based on needs identified by the Department

3. Nuclear Medicine Facility – a facility presently regulated by PNRI, embracing all applications of radioactive materials in diagnosis, treatment or in medical research, with the exception of the use of sealed radiation sources in radiotherapy.

CHAPTER V. NATIONAL HEALTH INDUSTRY

Section 24. Health technology. – The DOH through its Health Technology Assessment Council shall come up with updated inventory of health technology needs, such as biologicals and pharmaceuticals, medical supplies and equipment, diagnostic technology and supplies, and its sources, and identify together with the Department of Science and Technology - Philippine Council for Health Research and Development (DOST-PCHRD) our own appropriate technology that can be researched and developed. *Provided* that the research and development of the technology will be funded by the Philippine government.

Section 25. National Pharmaceutical Industry. – The State shall ensure that all Filipinos have access to quality essential medicine. For this purpose, the Department of Trade and Industry (DTI), in full cooperation with the DOH, shall create a National Pharmaceutical Industry that shall:

a) Develop technology that will extract and refine raw materials and chemicals for medicine production;
b) Continue and strengthen the local production of medicinal plants, and assess the current state of herbal processing plants and improve further the potentials of herbal medicine and natural components that can be found in the Philippines;
c) Selective parallel importation of essential medicines that are more affordable and have gone through extensive government testing for safety and efficacy; and
d) Compulsory licensing that will permit the sale and manufacture of needed medicines notwithstanding the existence of their patents.

Provided that local pharmaceutical manufacturers are entitled to fiscal incentives subject to the Implementing Rules and Regulations.

CHAPTER VI. TRADITIONAL AND COMPLEMENTARY MEDICINE

Section 26. Traditional and complementary medicine. – The DOH shall ensure the continuing research, recognition, promotion and protection of the concept and practice of traditional and complementary medicine in all its policies, programs and services.

The State through policies and agreements involving the appropriate DOH agency shall ensure the recognition of community property rights of traditional practice and healers. The DOH shall

conduct programs to reactivate the current practice and upgrade the skills of these practitioners and healers.

The DOH is hereby mandated to review the functions and authority of the Philippine Institute of Traditional and Alternative Health Care (PITAHC) to ensure that traditional and alternative medicine practices are encouraged and not marginalized or excluded from the health care system.

Provided that the traditional medicine practitioners have the right to form their association to strengthen their advocacy within the health care system and the general public. Provided further that traditional medicine practitioners shall have the same rights and protection as all health workers.

CHAPTER VII. MASTERPLAN FOR THE DEVELOPMENT OF HEALTH WORKERS

Section 27. Masterplan for the Development of Health Workers – The DOH shall create and implement a masterplan for the Development of Health Workers that will address the lack and maldistribution of healthcare professionals in the country provided the following:

a) The DOH, in consultation with the different stakeholders, such as but not limited to medical societies, health science schools/educational institutions, hospitals, patient organizations, and people's organizations, etc., shall formulate and implement policies and systemic strategies and programs for recruitment, regulation, training and retraining, and deployment based on the population health needs;

b) The Department shall recommend the creation of plantilla positions in all health facilities nationwide based on international standards of ratio of health worker to population;

c) The Department shall ensure that all existing positions from the national and regional health facilities up to the municipal and barangay health stations nationwide are filled up;

d) The State shall ensure that all hired health workers and other personnel with health-related jobs must be compensated according to the salary standardization law and given all benefits as provided by law;

e) The DOH shall train health workers in all levels of the health system for the continuing education on strengthening health leadership and performance management systems, and innovative approaches to coaching, mentoring, supportive supervision, and training. The expenses for continuing personnel education shall be free and shouldered by the State for all public health workers in all levels of the health system;

f) The DOH shall develop a continuing education program for all health workers at their respective areas of practice;

g) The DOH shall develop and implement policies and systematic strategies and programs for recruitment, regulation, training and retraining, and deployment of health workers based on the population health needs;

h) The DOH shall ensure the training and monitoring of the numbers and distribution of medical and allied medical specialties to address the equality and accessibility of specialty services;

i) The DOH shall coordinate with the Philippine Regulatory Commission to create a single source of health worker-related data to monitor the number, distribution, and competencies of health workers in the country;

j) The DOH must coordinate with other stakeholders in health from other government agencies and non-government organizations to address and respond to health human resource concerns and problems; and

k) The DOH shall form and convene an inter-agency council to oversee the master plan, deployment of health workers with representatives from the different sectors to include health workers from the public and private sector, academe, non-government organizations and people's organizations.

Section 28. Rights and welfare of health workers. – The protection of the rights and welfare of every health worker are vital and essential to the health system and the delivery of health services to the Filipino people. The rights and welfare of all health workers shall be upheld and protected by the State at all times.

a) The government shall promote and protect the basic rights of health workers as enshrined in the 1987 Philippine Constitution, , R.A 7305 or Magna Carta of Public Health Workers, Executive Order 180, s. 1987 and other related international laws such as the Universal Declaration of Human Rights, UN General Assembly Resolution 217 A, Dec. 1948 and International Labor Organization Convention Nos. 87 and 98.

b) The State shall protect the right to security of tenure to all health workers working in public and private hospitals and other health facilities. Health workers employed in a hospital or health facility are vital to the operations of the hospital so they shall not be contractualized in any form of temporary tenure;

c) The State shall protect the right to humane conditions of work such as health workers to patient ratio depending on equity, an 8 hour per day shift to complete 40 hours per week and free from all forms of discrimination and bullying at work.

d) The State shall ensure health workers' protection and safety while on duty, and shall provide personal protective equipment (PPE), free transportation and accommodation during pandemic, disasters, other public health crisis, and uncertain hours going to and from home to hospital.

e) The State shall ensure that health workers both in public and private clinics and hospital and other health facilities, from national to local government units shall have the right to living wage/salaries and benefits such as those mandated under the Magna Carta for Public Health Workers with no discrimination. Provided that the health workers in the private sector are entitled to wages/salaries equivalent to the salary received by entry-level health workers in the public sector. Provided further that barangay health workers are entitled to incentives for development, collectively to be given to BHW organization (i.e. cooperative).

f) The State shall promote and recognize the right to self-organization, collective bargaining and negotiations of private and public health workers unions or associations and their management.

g) The State shall recognize public and privately employed health workers on the right to peaceful concerted actions including the right to strike.

h) The State shall recognize the health workers' right to form unions or associations of public and private health workers, to participate in policy and decision-making affecting their rights and right to health of the people.

i) The Department of Health through its Health Human Resources Bureau shall develop and implement a continuing education program to enhance the skills and knowledge of all health workers working both in public and private health facilities.

j) The State shall ensure that benefits embodied under R.A. 7305 and other special benefits provided by the government shall be given to all public and private health workers.

k) The State shall recognize the right to free continuing professional development

l) The State shall protect and ensure the safety of all health workers at all times against any human rights violations namely harassment, beatings, torture, inhumane and degrading punishments, killings, disappearance, detention, prosecution, as well as more insidious threats and obstructions to healthcare access.

m) The State shall allocate funds for scholarships including books, dorm rents, transportation and food allowances.

CHAPTER VIII. HEALTH-RELATED INFORMATION AND EDUCATION

Section 29. Health sciences education. –

a) The State shall ensure that health sciences education is free, nationalist, scientific, and people-centered. Health sciences education nationwide will serve the needs of the public health system and the government's overall plan for health workers in the country;

b) The State shall not prohibit students and professionals from taking up additional courses or programs to qualify for their desired employment or career development;

c) The State shall ensure that health sciences schools, university, colleges and institutions shall be established in every region based on the needs of the population coverage;

d) The DOH shall coordinate with all health sciences schools/colleges/ universities/institution all over the country to have a unified data/number of health science students and monitor the number and quality of health science education facilities nationwide;

e) The DOH shall coordinate with CHED and other stakeholders in health like non-government organizations to review and formulate/create new health sciences modules/curriculum that shall encourage students to serve in the country;

f) The State through the CHED shall ensure the accreditation of all health sciences school, university, colleges and institutions to ensure the quality and standard of education; and

g) The State shall allocate funds for scholarships including books, dorm rents, transportation and food allowances.

Section 30. Health information and education. – The State shall ensure that the people have access to timely and important health information and education through maximum and meaningful community participation to ensure enlightened and empowered communities.

a) The State shall ensure that the designated health worker together with the barangay health committee, and community volunteers shall work together to generate data as basis for community planning for needs-based intervention;

b) The DOH shall ensure that the health information provided to the people shall be gender and culture sensitive; and

c) The DOH shall conduct regular updates and training to be given to community health teams and volunteers/Barangay Health Emergency Response Team/Barangay Health Worker

Section 31. Electronic medical records. – The DOH shall ensure the establishment and institutionalization of electronic medical records in all levels of health care at different periods of time, subject to the Implementing Rules and Regulations.

CHAPTER IX. HEALTH FINANCING

Section 32. Financing of the Philippine Health Care System. – The primary mode of financing the health care system shall be government appropriation for public health care as part of the DOH budget and the annual General Appropriations.

The National Health Insurance Program and its implementing agency the Philippine Health Insurance Corporation (PhilHealth) shall be abolished within three (3) months after the enactment

of this Act. All the assets, infrastructure, personnel and budget of PhilHealth shall be transferred to the DOH for disposition and allocation in accordance with the provisions stipulated in this Act.

Section 33. Appropriations. – The amount necessary for the initial implementation of this Act shall be Four Hundred Fifty-Four Billion Three Hundred Twenty-Three Million Eight Hundred Fifty-Two Thousand Two Hundred Ninety-Two (P454,323,852,292.00) that shall be added to the appropriations of the DOH.

Thereafter, such sums may be needed for its continued implementation shall be included in the Annual General Appropriations Act including the amount sourced from the following:

a) Total incremental sin tax collections as approved for in Republic Act No. 10351, otherwise known as the "Sin Tax Reform Law." Provided that the mandated earmarks as provided for in Republic Act Nos. 7171 and 8240 shall be retained;
b) Fifty percent (50%) of the National Government share from the income of the Philippine Amusement Gaming (PAGCOR) as provided for in Presidential Decree No. 1869, as amended;
c) Forty percent (40%) of the Charity Fund, net of Documentary Stamp Tax Payments, and mandatory contributions of the Philippine Sweepstakes Office (PCSO) as provided for in Republic Act No. 1169, as amended;
d) Fifty percent (50%) of the breakage and share from franchise tax and other taxes of the Manila Jockey Club, Inc. as approved for Republic Act No. 6631, as amended;
e) Fifty percent (50%) of the breakage and share from franchise tax and other taxes of the Philippine Racing Club, Inc. as approved for Republic Act No. 6632, as amended;
f) Fifty percent (50%) of the income from quarantine services as approved by Republic Act No. 9271, otherwise known as the "Quarantine Act of 2004;"
g) Income collection from fees, fines, royalties and other charges as approved by Republic Act. No. 3720, otherwise known as the "Food, Drug, and Cosmetic Act" and Republic Act No. 9502, otherwise known as the "Universally Accessible Cheaper and Quality Medicines Act of 2008;"

The amount necessary for the implementation of the provisions of this Act shall be included in the General Appropriations Act and shall be appropriated under the budget of the DOH every year.

CHAPTER X. PROHIBITED ACTS AND PENAL PROVISIONS

Section 34. Prohibition of privatization of public health facilities, hospitals and health services. – No public health facility, hospital and health service shall undergo privatization in any form. This includes prohibition of transformation to corporate entities, contracting of services to private agencies, public-private partnership, hiring or leasing of equipment and devices from commercial entities. This prohibition also includes the following:

a) Divestiture or outright sale of public sector assets in which the state divests itself of public assets to private owners;
b) Franchising or contracting out to private, for profit, or not-for-profit providers;
c) Self-management, wherein providers are given autonomy to generate and spend resources;

d) Market liberalization or deregulation to actively promote growth of the private health sector through various incentive mechanisms; and
e) Withdrawal from State provision, wherein the private sector grows rapidly as a result of the failure on the part of the government to meet the healthcare demands of the people.

Under no circumstances shall the Secretary of Health or any person, whether natural or juridical, initiate, cause, and approve the privatization of any public health facility, hospital or health service. Any person, whether natural or juridical, who initiates, causes or approves the privatization of any public health facility, hospital or health service shall be considered in violation of this Section.

Section 35. Other prohibited acts. – The following acts are prohibited:

a) Collecting fees from patients in exchange for the provision of health services and medicines, selling supplies, and medicines, and other use fee schemes in public health facilities;
b) Withholding or purposely delaying procedures and services, supplies, medicines to patients for reasons of no funds, supplies or equipment;
c) Renting out hospital equipment to patients;
d) Allowing or contracting out to private companies the sale and provision of supplies. services and medicines within the public hospital or health premises;
e) Generating income from patients in whatever forms or means;
f) Forcing health workers to work beyond duty hours in the absence of justifiable reasons and without mandated benefits and protection.

Section 36. Penalties. – The following penalties shall be imposed upon any person found guilty of violating Sections 34 and 35 of this Act:

a) First Offense – A fine not less than one hundred thousand pesos (P100,000.00) but not more than two hundred thousand pesos (P200,000.00). If the offender is a public official, suspension of one year to two years from public office;
b) Second Offense – A fine not less than two hundred thousand pesos (P200,000.00) but not more than five hundred thousand pesos (P500,000.00). If the offender is a public official, suspension of three years but not more than six years from public office; and
c) Third Offense – A fine not less than five hundred thousand pesos (P500,000.00) but not more than eight hundred thousand pesos (P800,000.00). If the offender is a public official, removal from public office and perpetual disqualification from holding any public position or office.

CHAPTER XI. TRANSITORY PROVISIONS

Section 37. Transition period. – Pertinent government and agencies and instrumentalities shall be given two years to fully implement free and no cash-out health care services. in all public health facilities. Other provisions of this Act shall be fully implemented within five years from the approval of this Act.

Section 38. Information Dissemination. – The DOH shall conduct an education drive and information dissemination campaign from barangay to national level of the provisions of this Act.

Section 39. Tax holidays and incentives to local private hospitals and facilities. – Tax holiday and incentives shall be provided to local private hospitals and facilities in areas where no public health facility is situated, provided that they such facilities allot certain portion of their bed capacity for indigent patients and provide free services to such indigent patients.

Provided further, that such tax holidays and incentives shall be reviewed and adjusted accordingly when adequate public health facilities are established in the area.

CHAPTER XI. FINAL PROVISIONS

Section 40. Implementing rules and regulations. – Where needed and applicable, Implementing Rules and Regulations shall be crafted and promulgated by the DOH within the 120 days from the effectivity of this Act to carry out the objectives of its programs.

Section 41. Separability clause. – If, for any reason or reasons, any part or provision of this Act shall be declared as unconstitutional or invalid, the other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

Section 42. Repealing clause. – All provisions of existing laws, orders, rules and regulations or parts thereof including Presidential Decree No. 1631, s. 1979 and Republic Act No. 7875, which are in conflict or inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

Section 43. Effectivity clause. – This Act shall take effect immediately upon its publication in the Official Gazette or in at least two (2) newspapers of general circulation in the Philippines.

Approved,