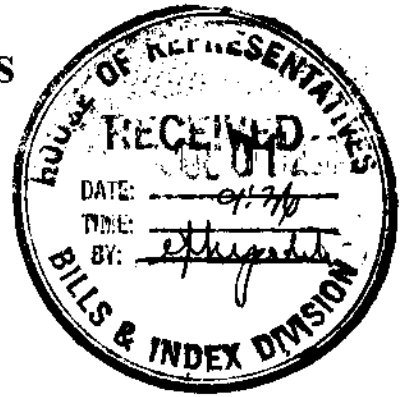


Republic of the Philippines
HOUSE OF REPRESENTATIVES
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THIRTEENTH CONGRESS
First Regular Session

H. No. 82



INTRODUCED BY HONORABLE JUAN EDGARDO "SONNY" M. ANGARA

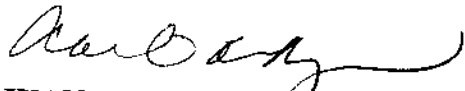
EXPLANATORY NOTE

Public and private health administrators want to have a single unified and comprehensive health document that can provide broad long term directions and policy for basis for health development and improvement of the country beyond political changes. Over the past decades, such ideas and thoughts have been written piecemeal by knowledgeable, experienced and perceptive minds in the health sector.

What comes closest to such health instrument is the Department of Health's Medium Term Plan. It however concentrates more on specific courses of action and programs, with some broad policy statements that seem to be coterminous with the plan itself. What has aggravated the situation is the fragmentation of the health care delivery system with the devolution of basic health services to Local Government Units (LGUs) when integration of health units has just started.

It is in this context that a National Health Code is being proposed as an administration Bill. The Code seeks to unify the health care delivery system by emphasizing the meaningful partnership each health component – the government units, the private sector, the nongovernment units and the community should perform to make health care available, accessible, acceptable and affordable to the individual. Its twelve (12) chapters and sixty-three (63) sections embrace the entire framework of health and health-related concerns. They represent the sum total of the reflections, experiences, thoughts and recommendations of veteran field health workers in all areas of activity, the academe, NGOs and the private sector. When enacted, it will serve as an important directional reference and policy basis for planners, public and private administrators, program implementers, researchers and the general public.

The Code has adopted primary health care of "Health in the Hands of the People" approach as the principal strategy to achieve health of all Filipinos at the time of the 21st century. At the same time, it focuses on a critical health concern, the need for equity in health, specifically for the poor, the underprivileged and the undeserved.


JUAN EDGARDO M. ANGARA
Lone District of Aurora Province

Introduced by HON. JUAN EDGARDO "SONNY" M. ANGARA

AN ACT PROVIDING FOR A NATIONAL HEALTH CODE OF 2004

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

ARTICLE I GENERAL PROVISIONS

SECTION 1. *Title.* - This Act shall be known as the "National Health Code of the Philippines of 2004."

SEC. 2. *Declaration of Policy.* - It is hereby declared the policy of the State that health is a basic human right that must be enjoyed by all its citizens, and that the government shall endeavor to provide adequate health facilities and services to all citizens.

The marked disparity in the health status among the rich and the poor must be corrected to enable the latter to enjoy the right to good health. The Constitution of the Philippines provides that "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" and that "There shall be priority for the needs of the underprivileged sick, elderly, disabled, women and children."

Health is affected by a multiplicity of factors from within and outside the area of responsibility of the health sector, for which reason intersectoral and intrasectoral coordination shall be provided in the promotion and protection of the people's health. Toward this purpose, the government shall consider primary health care as a principal strategy in the attainment of a level of health that shall permit all Filipinos to lead a healthy, socially and economically productive life.

SEC. 3. *Definition of Terms.* - As used in this Act, the following terms shall mean:

- (a) "Code" refers to the National Health Code of the Philippines.
- (b) "Component city" refers to a city under the supervision of the provincial government of the province where it is located.
- (c) "Chartered City" refers to a city which is independent of and equal to a province in terms of existence as a legal entity with political authority.
- (d) "Constitution" refers to the Philippine Constitution of 1987.
- (e) "Department" refers to the Department of Health (DOH).
- (f) "Field health operation unit of the Department" refers to the regional health

office as modified according to the situation created by the Local Government Code of 1991.

(g) "Government" refers to the Philippine Government.

(h) "Local health authority/government" refers to a municipal, city, provincial authority or government.

(i) "Local health authority/service" refers to a municipal, city or provincial health office or service.

(j) "Local health board" refers to municipal, city or provincial health board which is the advisory body of local government on matters of health, as created by the Local Government Code.

(k) "Nongovernmental health organizations" refers to voluntary agencies doing health work on a nonprofit basis; supported by private funds/foundations/contributions and may also receive some subsidy from the government or from its other instrumentalities.

(l) "Private sector" refers to private health agencies operating on profit basis.

(m) "Medical workers" refers to the medical doctors, dentists, nurses and other graduates of medical courses.

(n) "Health workers" refers to all government personnel involved in the delivery of health and medical services.

SEC. 4. Scope. - This Code shall apply to all the components of the health sector as enumerated in Section 12 and to the national, provincial, city and municipal levels of the political mechanism as may be created by law.

ARTICLE II DECLARATION OF POLICY

SEC. 5. *The Right to Good Health.* - Health is a fundamental human right. The Attainment of the highest possible level of health is a most important national and worldwide social goal. As such, the government has a responsibility for the health of its people for which the government shall provide adequate health and social measures.

SEC. 6. *Community Involvement.* - People shall have the right and the obligation to participate, individually and collectively, in the planning and implementation of their health care. Consequently, community involvement in shaping its own health and socioeconomic future including mass involvement of women, men and youth is a key factor in the national strategy for uplifting the level of health of all Filipinos.

SEC. 7. *Partnership in Health Developments.* - (a) The health status of the nation is the outcome of the interaction of various factors many of which are beyond the traditional scope of responsibility of the health sector. For this reason, the latter shall require the coordinated support of various sectors. Intersectoral coordination in health development, therefore, shall be an obligatory prerequisite, for all health sectors to achieve the goal of health-for-all Filipinos.

(b) Within the health sector, the government shall take the initiative in promoting coordination among government health agencies and in effecting a meaningful partnership with the private sector, the nongovernmental organizations (NGOs) and the community.

(c) This partnership concept shall focus on the mutual responsibilities, risks of and benefits for all parties involved, starting from the formulation of policies, programs and projects, to their implementation, completion and evaluation.

SEC. 8. *Availability, Accessibility, Acceptability and Affordability of Health Care.* - The government shall continue to exert efforts towards the improvement of the health care delivery system, so that appropriate health care shall be available and accessible to all, by implementing programmes/approaches that are acceptable to the community and at a cost that it can afford.

(a) Use of appropriate technology. - The technology that should be employed by the health sector shall not only be effective, but affordable, accessible and acceptable as well as, giving due regard to the culture and tradition of the country. Traditional healing and health practices, when scientifically validated, are to be integrated into the health practice of the country. For reasons of affordability, standards for health facilities shall be realistically adapted to the socioeconomic status of the country. Whenever necessary, sophisticated and upgraded health services shall be strategically located for optimum sharing through an agreed-upon system of referral.

(b) Preferential allocation of resources to those most in need. - A health system based on the primary health care approach emphasizes equity and justice, believing strongly that the right to health care belongs to everyone and not just to those who can afford to pay for their own health care.

Such a system should endeavor to reduce the gaps between those who have good health and those who have not, between those who can afford to pay for health services and those who cannot, by giving priority to the latter in the allocation of resources so as to meet the needs of those whose health needs are greatest.

(c) Practice of sound management. - Sound managerial practice shall be fostered, applying the principles of equity, relevance to social needs, effectiveness and efficiency. Among others, the latter two shall include integrated health care delivery, assignment of appropriate decision-making authority to the different levels of the system, preference for ambulatory care whenever feasible, and priority to promotive and preventive health care. In connection with the latter, such decision shall be adequately funded in the budgets for expenditures of the national and local governments.

SEC. 9. *The Primacy of Health in Resource Allocation.* - Development implies continuing improvements in the living conditions and quality of life of the people, and the latter depends on the level of health and proper nutrition. It is imperative that preferential allocation of resources to health care and services shall be provided.

SEC. 10. *Development of Human Resources for Health.* - The necessary human resources for health shall be developed in accordance with the requirements of the national health system, of which primary health care is the central function. In fulfillment of this principle, it shall be necessary for educational institutions and the Department to collaborate with each other in planning the type, number and quality of health manpower to be produced and to ensure their appropriate geographical distribution. In this regard, local governments and health authorities and other relevant sectoral representations shall be consulted.

ARTICLE III

STRUCTURE AND LINKAGES OF THE HEALTH SECTOR

SEC. 11. *Functional Description of the Health Sector.* - The health sector shall be construed as agencies/offices that are directly involved in health protection and improvement, such as:

(a) Direct provision of health services in all aspects of promoting good health, prevention, diagnosis and treatment of diseases and medical rehabilitation of people who get sick;

(b) Development and provision of human resources for health, drugs and medical supplies, and financial schemes;

(c) Research and development to continuously maintain the capability of health workers and the relevance of the present health care system to the evolving national and local health situation; and

(d) Coordinating, controlling, and directing organizations and activities associated with the other health functions.

SEC. 12. *Components of the Health Sector.* - The health agencies/offices within the health sector shall fall under the following categories:

(a) A government component, which shall include the health care delivery system that is jointly operated by the Department and the local governments and offices or units under other governmental agencies/departments which are directly in one or more of the functions mentioned in Section 11;

(b) A private component, which shall be composed mostly of practitioners or health professionals, private clinics and private hospitals, health science teaching institutions, and facilities for the production of drugs, medical supplies, materials and equipment, consistent with the constitutional provisions of recognizing the indispensable role of the private sector and voluntary private enterprises; and

(c) Nongovernmental, community-based or sectoral voluntary organizations that promote the welfare of the nation.

SEC. 13. *Relationships of Components.* -

(a) The government, the private sector and the NGOs shall perform their roles in a spirit of mutual respect and cooperation, complementing and supporting each other, with the former providing encouragement and needed incentives, creating a favorable environment for the effective and efficient discharge of the functions of the private sector and NGOs.

(b) Within the governmental sector, the Department shall maintain cooperative relationships with the health offices or agencies under other departments, providing coordination and technical advice.

The Department shall assist the local health authority by providing technical supervisory services including monitoring and general advisory services. Under the Local Government Code, local governments shall be fully responsible for the provision of basic health services in their respective areas, in accordance with national policies, guidelines, and standards, interacting harmoniously with the national government through the Department. While the Department remains the primary government agency responsible for the protection and promotion of the people's health, the local governments within their territorial jurisdiction shall be responsible for implementing such promotive and preventive health programs and projects.

(c) The managerial policy shall prevail is that of a national direction and decentralized implementation, in an environment of mutual trust, respect and cooperation.

SEC. 14. *Role of the Department of Health.* - The Department shall be responsible for the following:

(a) Define the national policy, formulate and implement a national health plan within the framework of the government's general policies and plans, and to present proposals to appropriate authorities on national issues which have health implications;

(b) Setting of national health norms and standards of health service operations;

(c) Management of specified tertiary medical care facilities and specialized health facilities intended to serve at the national level;

(d) Technical supervision of local health services and coordination or provincial/chartered city health services;

(e) Extension to local governments of technical, administrative, logistic and financial advisory support services;

(f) As may be needed, develop health programs and projects in response to evolving priority problems;

(g) Formulation and overseeing the implementation of health regulatory measures;

(h) Collaborate with sectors concerned in the formulation and implementation of human resource policies and plans;

(i) Collect, analyze and disseminate health statistical and other relevant information on the country's health situation and require the reporting of such information from appropriate sources, including local health authorities and government hospitals;

(j) Educate the people on proper health care, disease prevention, sanitation and nutrition;

(k) Promote coordination among health-related sectors in activities for health promotion and protection at national level including the private health sector, nongovernmental health organizations and international organizations;

(l) Mobilize sources of funds and technical cooperation for health development purposes, both international and external;

(l) Promote, conduct research for more effective health care delivery;

(m) Prevention and control of epidemic; and

(n) As a member of the National Disaster Coordinating Council, to be the lead agency for health in disaster preparedness, relief and rehabilitation.

SEC. 15. *Role of the Provincial/Chartered City Government.* - The provincial/chartered city government with its corresponding local health authority and board will be responsible for the following:

(a) Formulation and implementation of provincial/chartered city health policies and plans within the framework of the national health policies and plans, and considering the provincial/chartered city health situation;

(b) Implement national programs devolved to the provincial/chartered city level;

(c) Provide technical supervision, support and coordination to municipal and component city health services;

(d) Manage and finance the provincial, city, district, extension and medicare hospitals; construct, repair or renovate as necessary such facilities;

(e) Collection/consolidation and analysis of health information from the municipal and component city levels, and their disseminations; submission of required reports to the Department;

(f) Promote coordination among health-related sectors in activities for health promotion and protection at the provincial/chartered city level, including the private sector and nongovernmental health organizations;

(g) Promote/conduct research for more effective health care delivery;

(h) Prevention and control of epidemics; and

(i) As a member of the provincial/chartered city disaster preparedness, relief and rehabilitation.

SEC. 16. *Role of the Municipal/Component City.* - The municipal/component city government with the assistance of its corresponding local health authority and board will be responsible for the following:

(a) Formulate and implement municipal/component city health plan within the framework of the provincial and national health plan, and considering the local health situation, based on, among others, analysis of collected relevant information;

(b) Implement programs and projects of the national and provincial health plans that are applicable to the municipal/component city;

(c) Implement regulatory measures formulated at national and provincial level, and propose and implement whatever other needed regulatory measures for the municipality and city;

(d) Manage and finance the operation of the municipal/component city health services, including hospitals owned by them; construct, repair or renovate such facilities as necessary;

(e) Submit required reports to the provincial health office or to the Department;

(f) Promote coordination among health-related sectors in activities for health promotion and protection at municipality level, including the private sector and nongovernmental health organizations;

(g) Conduct research for more effective health care delivery;

(h) Prevention and control of epidemics; and

(i) As a member of the municipal/component city disaster coordinating council, the municipal/component city health service shall act as lead agency for health at the municipal/component city level in disaster preparedness, relief and rehabilitation.

SEC. 17. *Principal Strategy.* - In the pursuit of the goal of achieving health for all Filipinos, the country has adopted primary health care as its principal strategy, which is defined in the International Conference on Primary Health Care in Alma Ata in 1978, as follows: "Primary health care is defined as essential health care based on practical, scientifically sound and socially accepted methods and technology made universally accessible to individuals and families in the community through their full participation and at a cost that the community can afford to maintain at every stage of their development in the spirit of self-reliance and self-determination. It forms an integral part of the country's health system of which it is the central function and focus. It is the first level of contact of individuals, the family and the community with the national health system bringing health care as close as possible to where people live and work, and constitutes the first element of a continuing health care process."

SEC. 18. *Services to be Made Available.* - This Code shall provided for eleven (11) essential elements of primary health care to focus further attention on neglected/emerging health problems. The elements are:

- (a) Education concerning prevailing health problems and the methods of preventing and controlling such problems;
- (b) Promotion of food supply and proper nutrition;
- (c) Adequate supply of safe water and basic sanitation;
- (d) Maternal and child health care including family planning;
- (e) Immunization against the major infectious diseases;
- (f) Prevention and control of locally endemic diseases;
- (g) Appropriate treatment of common diseases and injuries;
- (h) Provision of essential drugs;
- (i) Prevention and control of leading noncommunicable, and life style related diseases/conditions, and of illnesses or conditions arising from environmental and occupational health hazards;
- (j) Promotion of dental health; and
- (k) Health care of the elderly and of the physically and mentally disabled including their rehabilitation.

SEC. 19. *Organizational Structure of the Health Care Delivery System.* - As much as possible, the essential elements of primary health care shall be delivered at the first point of contact between the individuals and the health system. Due to limited capability at the first point of contact, which may be either the barangay health station or the main health center, the rest of the system, from the next higher level to the top, should be considered equally responsible for their delivery, which requires a strong and smoothly functioning referral and support system to the periphery.

The health care delivery system shall have a pyramidal structure, with continuing efforts to broaden the base to cover the entire population.

(a) The barangay health stations and the main centers shall be staffed and equipped to provide the basic elements of primary health care, technically guided by the provincial/district health officers and administered by the municipal/district health officers and administered by the municipal or city governments concerned. Further extension of the system may be done through the use of health auxiliaries;

(b) From the barangay health stations and/or main health centers to the central level there shall be various intermediate levels of health care of increasing capability, where more complex problems can be dealt with more skilled and specialized care as well as logistic support. They shall have more highly trained staff that can provide continuing training to primary health workers.

Their staff shall also provide guidance to communities and community health workers on practical problems arising in connection with all aspects of primary health care. Such intermediate levels shall include the district hospitals and provincial hospitals, insofar as medical care is concerned; and provincial health offices and chartered city health offices, insofar as technical advisory and support services for public health care are concerned.

To be more effective in providing technical and administrative support, the provincial health office shall institute a functional division of the province into zones or health districts, delegating supervisory authority and support duties to the district hospital which shall form the core of the district to which the municipal/component city health services may refer cases or draw support.

Should the provincial health office be inadequate in providing technical support, it shall, with the endorsement of the chief executives of the province, request the services of the field operation unit of the Department;

(c) At the central level is the Department, its field operation units, the medical centers and the regional hospitals. These shall support the lower levels and coordinate all parts of the system, provide planning and management expertise; highly specialized care, training for specialized staff, the expertise of such institutions as central laboratories, and central logistic and financial support;

(d) The extension of the health care system, from the barangay health station to the homes and work places, to bring the essential elements of primary health care as close to the individual as possible through the recruitment and training of village health auxiliaries, community action groups, traditional healers and birth attendants, and the promotion of self care within limits to be specified by the Department; and

(e) At any level of the system, the participation of the private health sector, and NGOs, shall be encouraged, coordinated and solicited, in consultation with the local governments guided by national technical standards.

SEC. 20. *Linkages and Support to Other Sectors.* - (a) Appropriate linkages with health-related sectors and NGOs doing health work shall be established and maintained. The entire health sector shall promote this, and the Department and the local health authorities shall be among the prime movers. They shall consider intersectoral coordination in health promotion and protection as one of the major functions.

Mechanisms for coordination, such as interagency coordinating committees or existing development councils at different levels shall be strengthened. Among others, such sectors to be involved are education, nutrition, and food production, housing, trade and industry, environment, labor, social welfare, security and public works. In addition, the support of the national agencies concerned with budgeting and auditing shall be strengthened.

(b) Health promotion and protection shall be the primary concern of the health sector and its second most important concern shall be to cooperate and support activities which are health-related such as prevention of drug abuse, accident prevention, control of environment pollution, and those activities of very high socioeconomic concern such as energy and water conservation, housing, crime prevention, reconciliation and ecological balance.

ARTICLE IV DISEASE CONTROL AND PUBLIC HEALTH

SEC. 21. *Responsibility of the Population in Diseases Control and Public Health.* - The people are hereby enjoined to follow the advice of health authorities and to comply with health and sanitary rules and regulations relevant to health promotion and disease control.

SEC. 22. *Listing of Notifiable Diseases.* - The Department shall review periodically the list of notifiable diseases and make revisions as needed. Diseases to be included in the list need not be confined to communicable diseases but shall also include noncommunicable diseases considered important by the Department such as cardiovascular diseases, malignancies and disabling endemic nutritional diseases.

SEC. 23. *Reporting of Dangerous Communicable Diseases.* - Local health units shall report on a regular basis through established channels the occurrence of notifiable diseases. Relative to this, the Department shall identify among those listed, communicable diseases which it considers dangerous from the standpoint of their transmissibility and severity.

Every physician, person in-charge of institutions, and other individuals enumerated in Commonwealth Act No. 3573, Section 2 who may have knowledge of the occurrence of such diseases shall be required to report the matter to the nearest government health office by the most expeditious means. The latter in turn shall convey the information through the reporting channels established, to the Department, and promptly inform the local chief executive as well.

SEC. 24. *Role of the Local Health Authority in Disease Control and Public Health.* - The municipal/component city health authority shall implement the basic measures for health promotion and disease control such as health education, improvement of the state of nutrition and control measures such as enforcement of sanitary rules and regulations, environmental improvement, disinfection, elimination of reservoirs of infection, immunization, early detection and treatment and/or referral. It will implement/support special disease control programs managed by the Department or the provincial/chartered city health office.

SEC. 25. *Special Disease Control Programs.* - As it deems appropriate, the Department shall formulate and implement special disease control programs, nationally or regionally as the case may be. The local health authority, in consultation with the Department shall have the authority to initiate similar special programs if warranted by its local conditions.

SEC. 26. *Participation of the Private Sector.* - Private medical practitioners shall be encouraged to participate in activities for health promotion and disease prevention, particularly health education, early detection and notification of occurrence of notifiable diseases, immunization and other public health or control programmes. They may, however, be mandated to participate in the treatment of patients during epidemics.

SEC. 27. *Prevention and Control of Epidemics.* - The prevention and control of epidemics shall be a practical concern of the government's health care delivery system at municipal, provincial and national levels. A system of surveillance, timely notification and provision of technical, administrative, logistic and financial support services to the local health authority shall be instituted by the Department.

Under this scheme, the municipal/component city health authority shall constitute the first line of defense, the province as the second line. The Department shall constitute the final line of defense. Depending on the extent and severity of the epidemic, the Department shall temporarily assume direct supervision and control over health operations as per conditions stipulated in the Local Government Code of 1991.

SEC. 28. *Precaution in Handling Dangerous Communicable Diseases.* - The Department shall be responsible for the prevention of the occurrence of dangerous communicable diseases by the promulgation of necessary measures such as the requirement of health clearances including protection from certain illness from incoming visitors and the institution of quarantine measures as may be necessary.

ARTICLE V PERSONAL HEALTH CARE

SEC. 29. *Responsibility for Personal Health Care.* – Every individual shall have the responsibility to ensure his and his family's optimum state of health, nutrition, welfare and productivity. This responsibility is linked to the right of each person to proper and adequate knowledge about health and health care; the right to live in an environment conducive to healthy living; and the right to equal access to basic health services.

In the discharge of this responsibility, the family and the community have very important roles to play. The former shall be bound to provide as much support as it can for the adequate role of its sick member, and of its elderly. The community on the other hand shall be bound to participate actively in the implementation of health care. Such participation shall include organizing health committees, supporting village health workers and implementing measures such as but not limited to, cooperatives, mutual funds and fund drives that can provide support to sick members.

SEC. 30. *Government's Responsibility in Health Education for Personal Health Care.* – The government has the responsibility to provide the individual the necessary information and knowledge which will enable him to appropriate measures to promote and protect his health. This responsibility is to be carried out by a system of community health education which is integrated to the different public services given to the community.

SEC. 31. *Provision of Essential Health Care.* – the government shall ensure provision of essential health care services enumerated in Section 18 of this Code to every individual through an organized system of health service delivery participated in by all the categories of components of the health sector as described in Section 7 of this Code.

SEC. 32. *Means of Providing Service.* – It shall be the overriding policy of the government that no individual shall be denied medical attention for lack of ability to pay. For this purpose, the national government and the local government units shall maintain medical care facilities of graduated capability through which services may be rendered as described in Section 18 and medicines provided free to those who cannot afford to pay them.

The government, through the Department, may contract existing private hospitals to provide medical care services in areas it cannot do so. It shall provide the necessary incentives and support for private hospitals to be established and non-government health organizations to operate in designated areas. It shall likewise promote self-regulation and standardization of charges, for services in the private sector.

SEC. 33. *Availability of Essential Drugs and Micronutrients.* – The government shall continue to ensure the availability of, and to reduce to affordable levels the price of, essential drugs and micronutrients.

ARTICLE VI DEVELOPMENT OF HUMASN RESOURCES FOR HEALTH

SEC. 34. *Mechanisms for the Planning and Development of Human Resources for Health.* – In the fulfillment of the principle on human resources for health in Section 10, the

Department shall take the lead in promoting and supporting health human resource planning and development. It will promote and support the constitution of appropriate multi-sectoral mechanism(s) which will continuously analyze the health human resource situation of the country, formulate, monitor and help in the implementation of policies.

SEC. 35. Support to Private Educational Institutions. – The government shall encourage the private educational institutions to develop human resource capabilities. It shall provide support in strengthening the training programs of private institutions, to include faculty development, enhancement of relevance of the curricula to the national situation with emphasis on promotive and preventive health care, developing standard teaching materials and textbooks based on local conditions, strengthening library facilities, improving the assessment of student progress and the conduct of research in human resource for health.

SEC. 36. Utilization of Barangay Health Workers. – As a matter of general principle, the Department supports the training and utilization of barangay health workers in either voluntary or pay basis. However, the decision of whether to include them into the system or not, the nature of work to be assigned to them, and the administrative consideration shall be a decision of the municipal or city health authority and the local government concerned. The same policy shall apply to traditional birth attendants and herbalists.

SEC. 37. Rights and Privileges of Public Health Workers in the Government Sector. With reference to health workers employed by the government and its political subdivision, their rights, privileges, incentives and other rules governing their employment and career shall be in accordance with the provisions of the Magna Carta of Public Health Workers, Civil Service rules and regulations and the Code of Conduct and Ethical Standard for Public Officials and Employees.

SEC. 38. Professionalization of the Government Health Service. – Professionalization of the government health service through strict adherence to Civil Service rules and regulations, through the recruitment of bright, young, motivated health professionals, and through the further development program as described in Section 39 shall be an overriding concern of the Department.

SEC. 39. Continuing Staff Development. – The department shall formulate and implement a continuing staff development program, and shall explore effective innovative and efficient approaches to reach as many health workers or professionals as possible.

In this connection, the Department shall institutionalize collaboration in the training of health workers and supervisors by forging linkages between its training centers and other institutions. In consultation and collaboration with local government units, it shall organize and conduct training courses as may be required by the health staff of the latter.

ARTICLE VII

PARTICIPATIVE PLANNING AND HEALTH POLICY FORMULATION

SEC. 40. National Level of Planning. As provided in Section 14 hereof, the department shall be responsible for determining the national health policies and the formulation of national health plans. It shall aim for a wide degree of participation in the planning process with the involvement of relevant agencies/institutions and the community

For this purpose, the DOH shall implement measures to facilitate the development of health planning and management skills and to strengthen planning, implementation, coordination and evaluation mechanism at the national, regional and local levels of the public health care delivery system.

SEC. 41. *Provincial/Chartered City Level of Planning.* - The provincial/chartered city health board shall develop a health planning mechanism with itself as the core that shall ensure a wide degree of participation by the community. Through such mechanisms, it shall formulate provincial/chartered city health policies and plans which shall include the relevant provisions of the national health plan, and specific programs and projects responding to important problems not otherwise addressed by the national health plan. It shall provide planning guidelines to the municipal/component city health board, and ensure the coordination and harmony of the plans to be formulated by the latter.

SEC. 42. *Municipal/Component City Level of Planning.* - At the municipal/component city level, the health board shall develop a health planning mechanisms with itself as the core that shall ensure a wide degree of participation and community involvement. It shall convert into operational terms the relevant provisions of the national and provincial health plans, and shall formulate specific programs and projects required by the local situation not otherwise provided for in the higher level of planning.

The health board shall bring to the attention of policy makers at the provincial/national level, the views/suggestions/complaints of the communities which require higher level of decision.

SEC. 43. *Barangay Level of Planning.* - Planning for health at the barangay level shall be a joint responsibility of the barangay development council, the health officer of the municipal/component city and his health staff assigned to the barangay. The council shall include project/activities for health development in its socioeconomic development plan. It shall be the responsibility of the municipal/component city health boards to orient the council on the process of planning for health development.

SEC. 44. *Planning Standards and Review Process.* - The Department shall develop planning standards and criteria for the guidance of local health boards. The provincial health board shall review the plans of the municipalities/component cities, and the plans of the provinces shall be reviewed by the Department.

ARTICLE VIII HEALTH CARE FINANCING

SEC. 45. *Funding of Government Hospitals.* - Financial support of all government hospitals shall be a shared responsibility of the national and local governments, with the provincial/chartered city government assuming an increasing share of the obligation for the extension, medicare, district, provincial and regional hospitals. Hospitals owned by the local governments shall be fully funded by them. Certain medical centers as specified by the Department shall be managed and fully financed from national sources.

The functional grouping of municipalities into districts shall continue, and the financial obligations of the municipal/component city governments to support their districts shall be defined, reviewed and adjusted as needed thereafter. This funding responsibility shall be shared by the citizenry in general through total coverage with some form of third party payment and other schemes as provided for in Section 47 of this Code.

SEC. 46. *Funding of Local Health Services.* - The local health services, specifically the health centers and barangay health station shall be managed and funded by the municipal/component city governments. However, in the case of municipal/component city governments financially unable to support such services, the national government, upon recommendation of the Department, shall provide the appropriate grants/subsidies and:

Provided, further, That the local government concerned has shown serious effort in making efficient and effective use of existing resources, and in making appropriate allocations to the different local governmental services/infrastructures.

SEC. 47. *Promotion of Financing Schemes for Health Care.* - The government shall promote the coverage of the total population with financing schemes by expanding the coverage and improving the benefits of the Medicare Program, by encouraging the establishment of health maintenance organizations, health insurance schemes and health cooperatives, provision of additional health benefits by employers and other forms of financing schemes. Towards this end, the government shall adopt a self-imposed time limit within which total coverage of the population is to be achieved.

ARTICLE IX RESEARCH AND DEVELOPMENT

SEC. 48. *Promotion of Relevant Research.* - The DOH shall promote research which serves the public health. This means that the outputs of any research activity shall eventually redound to the crafting of a policy, the improvement of a service including reduction of cost, the development of a treatment, the encouragement of a behavior that leads to improvement in the health status and the quality of life of the Filipino people.

SEC. 49. *Improvement of Management Mechanisms for Research.* - The government shall continually refine/improve the existing research management mechanism which will define, based on a wide degree of participation, a dynamic research agenda that is attuned to the priority health problems of the country, coordinate studies, mobilize support, evaluate results, and promote utilization of the results of such studies. In pursuance of this intention, all health agencies shall be encouraged to give priority to the research function, and set aside certain proportion of their budget for research methodologies shall be part of their basic instructions.

SEC. 50. *Networking of Institutions.* - The research management mechanisms shall promote networking of institutions, encouraging multi-disciplinary research, exchange of information and sharing in the use of resources.

SEC. 51. *Health Product Research and Development.* - The government and the private sector shall work together towards the development of national self-sufficiency and feasible health products, such as vaccines, diagnostic reagents, pharmaceuticals, herbal medicines and biomedical equipment, devices and appliances. The government guarantees the right to intellectual property of the private sector.

In addition, the government shall exert the effort to secure the support of medical and related industries in the manufacture of essential drugs, offering them at affordable costs. The government shall ensure that no person needing such drugs shall be denied their benefits for reason of poverty.

ARTICLE X REGULATORY AND LICENSING FUNCTIONS

SEC. 52. *Clarification of Regulatory and Licensing Functions.* - The regulatory and licensing functions consist of inspectorial activities to determine compliance with

standards/rules/regulations by persons or establishments and the grant of a license or permit to operate/work upon satisfactions of the requirements.

SEC. 53. *Regulatory Function of the Municipal/Component City Health Authority.* - The municipal/component city health authority shall exercise regulatory functions on all establishments assigned to them by the Code of Sanitation and by the Local Government Code in the manner specified by such codes. The grant of license or permit to operate shall be given by the municipal/component city government based on, among others, the recommendation of the municipal/component city government based on, among others, the recommendation of the municipal/component city health authority. Should technical support be required such as the provision of advice/expert opinion, and the carrying out of special procedures, this will be provided upon request by the provincial health office and if the latter is not able to, by the Department.

SEC. 54. *Regulating of Health Establishments.* - For the regulations and grant of license to operate to health establishments such as drugstores, blood banks, pharmaceutical firms, clinics, clinical laboratories, dental laboratories, X-ray clinics and hospitals, the Department shall continue to exercise authority, including the grant of license or permit to operate, until such time that capability for such work shall have been developed at the municipal/component city level, as may be determined by competent authority like the Bureau of Food and Drugs. The Department shall also retain regulatory authority over food products, drugs, micronutrients, devices, cosmetics, water analysis laboratory, HIV testing laboratories, medical clinics for overseas workers and seafarers and hazardous household substances.

ARTICLE XI INTERNATIONAL COOPERATION

SEC. 55. *Relationship with External Agencies.* - The country through the Department shall maintain a cooperative relationship with international development agencies, international health organizations, and health organizations and health agencies of other countries, and shall participate in relevant mutually beneficial activities including exchange of information, extension of use of health facilities/institutions and sharing of resources in matters of emergency.

SEC. 56. *Enhancing the Effectiveness of External Cooperation.* - The Department shall take the lead role in negotiating for external support for health development from multilateral and bilateral agencies. It shall promote joint programming with such agencies in order to rationalize and enhance the effectiveness of external cooperation which shall be used strictly for developmental projects.

SEC. 57. *Coordination of Negotiation.* - Other agencies which may wish to negotiate directly with local governments may do so, but the latter shall inform the Department accordingly. Such support shall be based on the priority needs of the local health authority. The Department shall reserve the right to review such offer of cooperation and to suggest revisions when changes are necessary for the best interest of all concerned.

SEC. 58. *National Sovereignty in External Cooperation.* - External support shall be negotiated in an atmosphere of mutual respect for the authority of the external agency and the sovereignty of the country. The latter shall have the final decision on what kind of assistance to be requested and for what purpose. As much as possible local sourcing of material needs of joint collaborative projects shall be observed.

ARTICLE XII FINAL PROVISION

SEC. 59. *Amendatory Clause.* - This Code shall be considered as the guiding framework of the health sector in its effort to promote and protect the health of all Filipinos. As

needed, depending on developments arising in the country, certain sections of the Code may be revised.

SEC. 60. *Separability Clause.* - In the event that any section, paragraph, sentence, clause or word of this Code shall be declared invalid for any reason, the other provisions thereof shall not be affected thereby.

SEC. 61. *Repealing Clause.* - All laws, as well as pertinent rules and regulations thereof which are inconsistent with the provisions of this Code are hereby repealed or amended accordingly.

SEC. 62. *Effectivity.* - This Code shall take effect immediately upon approval.

Approved,