



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

**Fifteenth Congress
Third Regular Session**

09 October 2012



MEMORANDUM

FOR : The Deputy Secretary General
For Operations

ATTENTION : The Executive Director
Plenary Affairs Bureau

The Service Director
Bills and Index Service

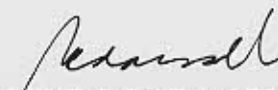
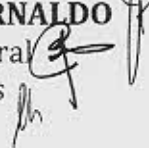
FROM : The Deputy Secretary General
Committee Affairs Department

Ok 2440

We are transmitting six (6) copies of the Committee Report submitted by the Committee on Health on House Bill No. 6645 in substitution of House Bill No. 4777, entitled

"AN ACT
CONVERTING THE TEN BED CAPACITY DINAIG MUNICIPAL HOSPITAL IN
THE MUNICIPALITY OF DATU ODIN SINSUAT, PROVINCE OF MAGUINDANAO
INTO A FIFTY BED CAPACITY DISTRICT HOSPITAL TO BE KNOWN AS THE
DATU ODIN SINSUAT DISTRICT HOSPITAL, AMENDING FOR THE PURPOSE
REPUBLIC ACT NO. 6918, AND APPROPRIATING FUNDS THEREFORE".

For your appropriate action.


ATTY. ARLENE C. DADA-ARNALDO
Deputy Secretary General
for Committee Affairs 



REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City, Manila

FIFTEENTH CONGRESS
THIRD REGULAR SESSION

16 OCT 2012
10:55 AM
[Signature]

COMMITTEE REPORT NO. 2440

Submitted by the Committee on Health 16 OCT 2012

Re : House Bill No. 6645

Recommending its approval in substitution of House Bill No. 4777

Sponsors : Reps. Alfredo D. Marañon III and Bai Sandra Sema

Mr. Speaker:

The Committee on Health to which was referred House Bill No. 4777 introduced by Rep. Bai Sandra Sema, entitled:

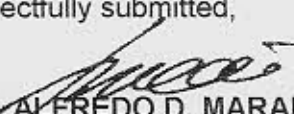
“AN ACT
INCREASING THE BED CAPACITY OF THE DINAIG MUNICIPAL HOSPITAL IN THE
MUNICIPALITY OF DATU ODIN SINSUAT, PROVINCE OF MAGUINDANAO, FROM
TEN (10) TO TWENTY FIVE (25) BEDS AND APPROPRIATING FUNDS THEREFOR.”

has considered the same and recommends that the attached House Bill No. 6645,
entitled:

“AN ACT
CONVERTING THE TEN BED CAPACITY DINAIG MUNICIPAL HOSPITAL IN THE
MUNICIPALITY OF DATU ODIN SINSUAT, PROVINCE OF MAGUINDANAO INTO A
FIFTY BED CAPACITY DISTRICT HOSPITAL TO BE KNOWN AS THE DATU ODIN
SINSUAT DISTRICT HOSPITAL, AMENDING FOR THE PURPOSE REPUBLIC ACT
NO. 6918, AND APPROPRIATING FUNDS THEREFORE.”

be approved in substitution of House Bill No. 4777 with Rep. Bai Sandra Sema as author thereof.

Respectfully submitted,


HON. ALFREDO D. MARAÑON III
Chairman
Committee on Health

THE HONORABLE SPEAKER
House of Representatives
Quezon City



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Fifteenth Congress
Third Regular Session

HOUSE BILL NO. 6645

Introduced by **HON. BAI SANDRA SEMA**

AN ACT
CONVERTING THE TEN BED CAPACITY DINAIG MUNICIPAL HOSPITAL
IN THE MUNICIPALITY OF DATU ODIN SINSUAT, PROVINCE OF
MAGUINDANAO INTO A FIFTY BED CAPACITY DISTRICT HOSPITAL TO
BE KNOWN AS THE DATU ODIN SINSUAT DISTRICT HOSPITAL,
AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 6918, AND
APPROPRIATING FUNDS THEREFORE

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

1 **SECTION 1.** Section 1 of Republic Act No. 6918 is hereby amended to read
2 as follows:

3
4 "SEC. 1. [There shall be established, under the supervision of
5 the Department of Health, a] THE ten-bed municipal hospital in
6 the Municipality of [Dinaig] DATU ODIN SINSUAT, Province of
7 Maguindanao, IS HEREBY CONVERTED INTO A FIFTY (50)
8 BED CAPACITY DISTRICT HOSPITAL to be known as the
9 [Dinaig Municipal] DATU ODIN SINSUAT DISTRICT Hospital."
10

11 **SEC. 2.** Section 2 of the same Act is hereby amended to read as follows:

12
13 "SEC. 2. [The amount necessary to carry out the provisions of
14 this Act shall be charged against the appropriations authorized
15 for the purpose under the Fiscal Year 1989 General
16 Appropriations Act. Thereafter, such sums as may be necessary
17 for the operation and maintenance of the herein hospital shall
18 be included in the annual General Appropriations Act.] THE
19 PROVINCIAL GOVERNMENT OF MAGUINDANAO SHALL
20 CONTINUE TO PROVIDE FUNDING FOR THE DATU ODIN
21 SINSUAT DISTRICT HOSPITAL. THE SECRETARY OF
22 HEALTH SHALL INCLUDE IN THE DEPARTMENT'S SUBSIDY
23 PROGRAM, SUPPORT FOR THE CAPITAL OUTLAY
24 REQUIREMENTS OF THE SAID DISTRICT HOSPITAL."
25

26 **SEC. 3.** Section 3 of the same Act is hereby deleted.

1 **SEC. 4.** Section 4 of the same Act is hereby renumbered as Section
2 3 and amended to read as follows:

3
4 "SEC. 3. This Act shall take effect [upon its approval] FIFTEEN
5 DAYS AFTER ITS PUBLICATION IN ANY NEWSPAPER OF
6 GENERAL CIRCULATION."

7
8 Approved,



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

HON. JOSEPH EMILIO A. ABAYA

*Congressman, 1st District, Cavite
Chairman, Committee on Appropriations*

October 4, 2012

HON. ALFREDO D. MARAÑON III

*Chairman
Committee on Health*

Dear Chairman Marañon:

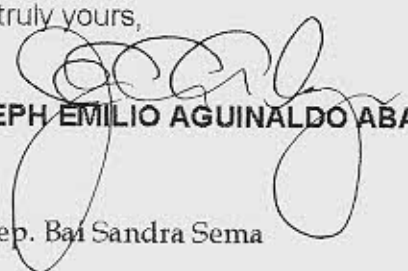
This refers to Substitute Bill to House Bill No. 4777, titled "AN ACT CONVERTING THE TEN BED CAPACITY OF THE DINAIG MUNICIPAL HOSPITAL IN THE MUNICIPALITY OF DATU ODIN SINSUAT, PROVINCE OF MAGUINDANAO INTO A FIFTY BED CAPACITY DISTRICT HOSPITAL TO BE KNOWN AS THE DATU ODIN SINSUAT DISTRICT HOSPITAL, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 6918, AND APPROPRIATING FUNDS THEREFORE".

Please be informed that the Committee on Appropriations recommends the approval of said bill with the following amendment:

Delete Section 2 and in lieu thereof substitute the following:

SEC. 2. [The amount necessary to carry out the provisions of this Act shall be charged against the appropriations authorized for the purpose under the Fiscal Year 1989 General Appropriations Act. Thereafter, such sums as may be necessary for the operation and maintenance of the herein hospital shall be included in the General Appropriations Act.] THE PROVINCIAL GOVERNMENT OF MAGUINDANAO SHALL CONTINUE TO PROVIDE FUNDING FOR THE DATU ODIN SINSUAT DISTRICT HOSPITAL. THE SECRETARY OF HEALTH SHALL INCLUDE IN THE DEPARTMENT'S SUBSIDY PROGRAM, SUPPORT FOR THE CAPITAL OUTLAY REQUIREMENTS OF THE SAID DISTRICT HOSPITAL.

Very truly yours,


JOSEPH EMILIO AGUINALDO ABAYA

cc: Rep. Bai Sandra Sema

REPUBLIC ACT NO. 6918

AN ACT

ESTABLISHING A TEN-BED MUNICIPAL HOSPITAL IN THE MUNICIPALITY OF DINAIG, PROVINCE OF MAGUINDANAO, TO BE KNOWN AS THE DINAIG MUNICIPAL HOSPITAL, AND APPROPRIATING FUNDS THEREFORE

Section 1. There shall be established, under the supervision of the Department of Health, a ten-bed municipal hospital in the Municipality of Dinaig, Province of Maguindanao, to be known as the Dinaig Municipal Hospital.

Section 2. The amount necessary to carry out the provisions of this Act shall be charged against the appropriations authorized for the purpose under the Fiscal Year 1989 General Appropriations Act. Thereafter, such sums as may be necessary for the operation and maintenance of the herein hospital shall be included in the annual General Appropriations Act.

Section 3. Before the construction of the hospital, the Secretary of Health shall issue a written assurance that personnel of the hospital will be appointed and that funds for its maintenance and operation have been appropriated.

Section 4. This Act shall take effect upon its approval.

Approved, March 9, 1990.

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

15th Congress
First Regular Session

HOUSE BILL NO. 4777

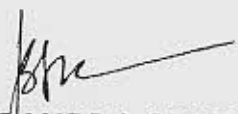
Introduced By Honorable **BAI SANDRA A. SEMA**

EXPLANATORY NOTE

The Dinaig Municipal Hospital in the Municipality of Datu Odin Sinsuat, Province of Maguindanao was created by Republic Act No. 6918 in 1990. After more than two decades, its bed capacity remains to be ten (10) in spite of the fact that the population of the Municipality has grown from 52,370 in 1990, 71,569 in 2000 to 103,765 at present. The average number of hospital patients today has gone beyond its ten-bed capacity.

In view of the Constitutional provision guaranteeing the right to health of the people and instilling health consciousness among them, it is now high time that the bed capacity of the Dinaig Municipal Hospital be increased from ten (10) to twenty-five (25).

Early approval of this legislative measure is earnestly requested.


BAI SANDRA SINSUAT A. SEMA
First District of Maguindanao
and Cotabato City

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

15th Congress
First Regular Session

HOUSE BILL NO. 4777

Introduced By Honorable **BAI SANDRA A. SEMA**

AN ACT INCREASING THE BED CAPACITY OF THE DINAIG MUNICIPAL HOSPITAL IN THE MUNICIPALITY OF DATU ODIN SINSUAT, PROVINCE OF MAGUINDANAO, FROM TEN (10) TO TWENTY FIVE (25) BEDS AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. The bed capacity of the Dinaig Municipal Hospital in the Municipality of Datu Odin Sinsuat, Province of Maguindanao, is hereby increased from ten (10) to twenty five (25) beds.

SEC. 2. The amount necessary to carry out the provisions of this Act shall be included in the General Appropriations Act of the year following its enactment into law.

SEC. 3. This Act shall take effect upon its approval.

Approved,

MINUTES OF MEETING OF THE COMMITTEE ON HEALTH HELD ON MARCH 14, 2012 AT 9:00 A.M, CONFERENCE ROOMS 9 AND 10 OF THE RAMON V. MITRA BLDG, HOUSE OF REPRESENTATIVES, BATASAN, QUEZON CITY.

AUTHORS PRESENT:

- | | |
|-------------------------|--------------------------|
| 1. Hon. Bai Sema | House Bil No. 4777 |
| 3. Hon. Edwin Olivares | House Bill No. 3624 |
| 4. Hon. Amado Bagatsing | Privilege Speech No. 304 |

AUTHORS PRESENT:

- | | |
|----------------------------------|----------------------------------|
| 1. Hon. Alfredo Maraño III | |
| 2. Hon. Edwin Alvarez | 13. Hon. Philip Pichay |
| 3. Hon. Romeo Acop | 14. Hon. Rogelio Espina |
| 4. Hon. Bernadette Herrera-Dy | 15. Hon. Reena Concepcion Obillo |
| 5. Hon. Amado Bagatsing | 16. Hon. Alfredo Benitez |
| 6. Hon. Anthony Golez | 17. Hon. Imelda Dimaporo |
| 7. Hon. Benhur Salimbangon | 18. Hon. Albert Garcia |
| 8. Hon. Peter Unabia | 19. Hon. Randolph Ting |
| 9. Hon. Linabelle Ruth Villarica | 20. Hon. Bernardo Vergara |
| 10. Hon. Herminia Roman | 21. Hon. Vincent Crisologo |
| 11. Hon. Daryl Grace Abayon | 22. Hon. Jocelyn Bernos |
| 12. Hon. Bai Sandra Sema | 23. Hon. Jun Omar Ebdane |

GUESTS/RESOURCE PERSONS IN ATTENDANCE:

1. Dr. Gerado Bayugo – Assistant Secretary, Department of Health
2. Dr. Juanito Taleon - NCFD, Department of Health
3. Ms. Nursia Ismael – Chief Nurse, Dinaig Municipal Hospital
4. Ms. Ma. Theresa Befetel - Nurse II, Bataan General Hospital
5. Dr. Glory Baltazar – OIC Chief of Hospital, Bataan General Hospital
6. Ms. Emerlinda Talento – Bataan Provincial Treasurer
7. Ms. Ma. Concepcion Macalinao – Cashier, Province of Bataan
8. Ms. Amelia Malig – Supervising COA Auditor, Province of Bataan
9. Ms. Josephine Santos – COA Audit Team Member, Province of Bataan
10. Ms. Luz Cantor – Department of Budget and Management

11. Dr. Jose Gonzales – Director, UP-Philippine General Hospital (PGH)
12. Dr. Allan Concejero -PGH
13. Mr. Prospero De Vera – Vice President for Public Affairs, U.P.
14. Atty. Marlon Tauli – National Bureau of Investigation

I. CALL TO ORDER/ROLL CALL

Rep. Rep. Alfredo D. Maraño III, Chairman of the Health Committee, called the meeting to order at 9:30 a.m. Upon the motion duly seconded and there being no objection, the calling of the roll was dispensed with.

II. APPROVAL OF THE MINUTES

Upon the motion duly seconded and there being no objection, the minutes of February 22, 2012 was approved.

III. PRELIMINARY REMARKS OF THE CHAIRMAN

The Chairperson informed the Body of the importance of the measures calendared for deliberation in said meeting. He then proceeded to identify the following items in the agenda: approval of the draft Committee Report on the amendatory bill to the PhilHealth law, two local bills, continuation of the inquiry on the Bataan General Hospital and an inquiry on the issues raised by Rep. A. Bagatsing in a privilege speech relative to the misuse of his Priority Development Fund by the UP-PGH.

IV. APPROVAL OF THE DRAFT COMMITTEE REPORT

Rep. Anthony Golez, Chairperson of the Health Technical Working Group (TWG), manifested that he is submitting to the Committee Secretariat a list of additional amendments proposed by the Committee on Appropriation. Said additional amendments were adopted by the TWG to further improve the amendatory bill to the PhilHealth law. He then moved that said amendments be incorporated in the substitute bill. Upon motion duly seconded and there being no objection, the motion was carried.

Thereupon, Rep. Romeo Acop moved to approve the draft Committee Report on the substitute bill amending Republic Act No. 7875, as amended. Upon motion duly seconded and there being no objection, the motion was approved.

Upon motion of Rep. A. Bagatsing duly seconded, all House Members present in said meeting were made co-authors of the measure.

V. INITIAL DELIBERATION ON LOCAL HOUSE BILLS NO. 3624 and 4777

Rep. Edwin Olivares, author of House Bill No. 3624, explained that with the population of the City of Parañaque based on 2010 census of more than 600,000, it is necessary that a district hospital under the supervision of the DOH with a budgetary allocation from the national government be established. He reported that the existing Parañaque Community hospital with a fifty (50) bed capacity is ill equipped in terms of medical facility, medicine provision and even

on matters of emergency cases preparation. To help his constituents in terms of medical assistance, a portion of his Priority Development Assistance Fund (PDAF) is allocated in different government hospitals in Metro Manila. He gave assurance to DOH that if a district hospital will be established in his district, a significant portion of his PDAF will be concentrated and allocated to said hospital. He then urged his colleagues to support the passage of his proposal.

Dr. Juanito Taleon of the National Center for Health Facilities Development, Department of Health (DOH) informed the Body that based on their study and from the Citywide Health Plan of Parañaque, there is already an existing fifty bed capacity Parañaque Community Hospital with an occupancy rate of 43%. There is also an existing Las Piñas District Hospital currently being upgraded from one hundred (100) to two hundred (200) bed capacity. Dr. Taleon stated that this hospital is just fifty (50) minutes travel time from Parañaque City. Also, he reported that there are other private hospitals in the area. Furthermore, the proposed bill would require a technical feasibility study. Given said information, Rep. Olivares asked for the possibility of converting the existing Parañaque Community Hospital into a district hospital. Dr. Taleon then assured the author that the DOH will be providing technical assistance in order for the existing community hospital to be functional as a Second Level Community Hospital.

Upon the motion of Rep. Salimbangon, duly seconded by Rep. Acop and there being no objection, House Bill No. 3624 was approved with amendments.

Rep. Bai Sandra Sema, author of House Bill No. 4777, underscored the need to increase the bed capacity of the Dinaig Municipal Hospital in the municipality of Datu Odin Sinsuat, province of Maguindanao. According to her, for over twenty years since its creation and in spite of the growing population of the municipality, it remains to be a ten bed capacity hospital catering not only to the people of Datu Odin Sinsuat but also to the residents of other adjoining municipalities of the province where the Internally Displaced People (IDPs) are residing. She said that with the increased bed capacity of the hospital from ten (10) to twenty five (25), it shall be upgraded from First Level Municipal Hospital to Second Level District Hospital. Accordingly, she introduced amendments to her bill to the effect that instead of merely upgrading the bed capacity of the hospital, her bill should be titled "An Act Converting The Ten Bed Capacity Dinaig Municipal Hospital In The Municipality of Datu Odin Sinsuat, province of Maguindanao Into a Twenty Five Bed Capacity District Hospital To be Known As Datu Odin Sinsuat District Hospital".

Rep. Salimbangon inquired from the representative of the DOH the ideal hospital bed to population ratio. In response, Dr. Taleon informed the Body that the national standard hospital bed to population ratio is 1 bed to 1,000 people which includes private hospitals province wide and citywide. Rep. Salimbangon then proposed an amendment to the bill by increasing it to fifty (50) bed capacity instead of twenty five (25), which the author readily accepted.

Upon the motion of Rep. Philip Pichay, duly seconded by Rep. Rogelio Espina and there being no objection, House Bill No. 4777 was approved with amendments.

VI. CONTINUATION OF THE DELIBERATION ON HOUSE RESOLUTION NO. 436 RE: BATAAN GENERAL HOSPITAL

Rep. Herminia Roman, author of House Resolution No 436, explained that the mandate under R.A No. 8561, the law creating the Bataan General Hospital (BGH) has been affected by the Memorandum of Agreements (MOA) entered into by the DOH and the Provincial Government of

Bataan. She raised the issue of Sec. E.Ona signing the renewal of the Memorandum of Agreement (MOA) with the local government despite his knowledge of the pending resolution filed in Congress. She also asked why the Provincial Government of Bataan took over the purchase of drugs, medicines, medical, dental, laboratory, x-ray and other recurring supplies considering that there is fund allocation for said purposes in the DOH budget under the General Appropriations Act for the BGH. She then inquired as to where the money intended for the purchase of medicine has gone.

Responding to such query, Dr. Gerado Bayugo of the DOH said that all DOH retained hospitals do not have enough funds for their operating expenses. He explained that the amount intended for the purchase of medicines that was supposedly saved was spent for the other Maintenance and Other Operating Expenses (MOOE) such as maintenance of facilities, electrical bills and utilities which somehow provided elbow room for the limited budget of the hospital.

Rep. Roman pointed to the provision of the MOA particularly to the maintenance of the special account wherein the monthly augmentation and other investments of the province including all remittances from BGH and Annex shall be deposited. Since such account will be maintained and managed by the Provincial Government of Bataan, she then asked where the participation of the DOH comes in given this set-up, adding that the local government is so lucky that by merely putting twenty five percent (25%) augmentation fund, it is able to control the entire hospital. She cited the provision in the MOA that stipulates that the DOH shall give utmost consideration to the recommendations and suggestions of the Provincial Government on matters that include, but not limited to, personnel movement and capital outlay expenditures. This provision, she said, serves as proof that the DOH has totally relinquished its control over the BGH. She also raised the issue why the Provincial Health Officer became the OIC-Chief of Hospital that manages the operation of the hospital and the one deciding on the amount of discounts that should be given to the patients contrary to the provision of the MOA which says that "The Secretary of DOH or his duly authorized representative shall supervise the operation and administration of the BGH".

In responding to the issue on discounts, Ma. Theresa Befetel, Nurse II of the BGH, informed the Body that poor patients ready for discharge could not leave the hospital because they could not pay the hospital bills. In this type of cases ,they would advise them to go to the Social Welfare Administration (SWA) office for discount. The SWA would then determine the amount of discount to be given, although more often than not, the discounts given are not enough for the patients to pay their total bill. The SWA would then advice the patients to ask for help from the Local Government Unit (LGU). Even with the discount from SWA and aid from the LGU, there are instances when the patients still could not afford to pay their bill. This is the time when the indigents are advised to go to Dr. Gloria Baltazar, BGH OIC Chief of Hospital, to request for the final discount.

Upon questioning by Rep. Salimbangon, Ms. Befetel said that when the indigent patient could not afford to pay the hospital bill despite the discounts given, they cannot leave the hospital unless Dr. Baltazar gives the permission on the condition that the patient would issue the necessary promissory note. However, she clarified that from the date of discharge until the actual date when the patient finally leaves the hospital, the billing continues because of additional services given to the patients. Along this line, Rep. Salimbangon expressed his view that for more reason the patients could not afford to pay their bill because of the additional charges.

Rep. Roman further claims that there is demoralization among the employees because of the harassment and the movement of organic personnel by the LGU through the Provincial Health Officer acting as Officer in Charge. According to her, the income of the BGH is not properly audited. She then asked under whose name the special account is registered.

In response, Ms. Emerlinda Talento, Provincial Treasurer of Bataan, said that the special account is being maintained under the name of the BGH. Rep. Roman asked for samples of checks issued by the BGH. Since the Treasurer has no sample checks in her possession, Rep. Roman requested the Treasurer that the Committee be provided with said checks later. On the issue of savings, Rep. Roman inquired how the BGH can generate savings for purposes of complying with the Magna Carta Benefits of Public Health Workers under Republic Act No. 7305 if all the income goes to the special account of the Provincial Government.

Responding to such query, Assistant Secretary Luz Cantor of the Department of Budget and Management (DBM) explained that based from the special provision of the General Appropriations Act (GAA), all DOH supervised and managed hospitals are allowed to retain their income to augment their maintenance and capital outlay requirements including equipment and infrastructure projects on top of their actual budget from the GAA, provided that at least twenty five percent (25%) of said income shall be used to purchase and upgrade hospital equipment being used directly in the delivery of health services and no part of the retained income shall be used for the payment of salaries and other allowances. Noting that the answer of the Assistant Secretary is not responsive to the question of Rep. Roman, Rep. Espina pursued the issue of whether or not the amount being appropriated by the national government for the BGH is allowable to be deposited in the special account of the Provincial Government of Bataan. Ms. Cantor said that the special provision of the GAA does not allow transferring the income of the hospital to the Provincial Government. Rep. Espina also asked the representative of the Commission on Audit (COA) the same question. Ms. Josephine Santos of the COA clarified that the budget of the BGH coming from the DOH does not go to the special account of the province of Bataan because BGH maintains two (2) separate books of accounts, one for the general fund and the other for the special fund.

In conclusion, Rep. Roman said that the MOA resulted in the following: 1) delivery of healthcare services to indigents became more expensive; 2) operation of the BGH has become commercialized; 3) limited qualification of patients; and 4) susceptibility to political abuse, among others.

At this juncture, Rep. Pichay reiterated to the DOH his question during the first hearing regarding the legality of the MOA. Furthermore, he inquired as to who controls the BGH and who is now the Chief of Hospital. In response, Dr. Bayugo informed the Body that they sought the opinion of the DOH Legal Office prior to executing the MOA. He stressed that BGH is being controlled by the national government and that the present Chief of Hospital was seconded from the province of Bataan to the DOH.

On the special account, Rep. Pichay inquired whether or not COA has been properly auditing such account. Ms. Amelia Malig, Supervising COA Auditor of Bataan, said that in so far as the BGH is concerned, COA does not see any anomalous unrecorded income and that everything is properly accounted for.

At this juncture, Dr. Gloria Baltazar, BGH OIC Chief of Hospital reads her letter addressed to the Chairman of the Committee. Portions of her letter is quoted as follows; *"The MOA was conceived and crafted first and foremost, to improve the quality of health care system provided*

by the Province to the people of Bataan. As such, dramatic changes and adherence to certain procedures to achieve this goal must be instituted... Sadly however, there are employees of our hospital who are resistant to change. These are the same employees whose comfort zones and whose enterprising nay, irregular activities in the hospital were put to stop due to the implementation of the MOA. These are the employees, whose nefarious activities were checked and abated that is why they went berserk... That is why I am earnestly requesting this Honorable Committee to please be guided by the issues and reasons on why we are here in the first place, and should not be swayed or taken captive by the malicious innuendos of these recalcitrant employees, which if we have to analyze, has no material bearing to the issues and matters subject to the inquiry."

Dr. Gloria Baltazar, through a visual presentation, explained to the Body certain details which include: ideal operational budget and MOOE requirements of the BGH as against the actual budget releases from the national government; personnel services expenses taken from the MOOE including subsistence allowance as provided for under the Magna Carta Benefits of Public Health Workers; summary of retained income of BGH from 2005-20011; summary of cash collections deposited in the special account; classification of patients; and promissory notes issued by the patients, among others.

Furthermore, Dr. Gloria Baltazar, BGH OIC Chief of Hospital, underscored the following improvements of the BGH on account of the partnership between DOH and the local government unit: : ideal amount of budget needed by the BGH as against the actual budgetary allocation from the DOH; certain hospital services that form part of the actual hospital bill of the patient, an increased number of patients served, improvements in hospital facilities and billing transactions, innovations introduced in the management of the hospital, among others. She stressed that everything is properly accounted for.

The Body decided to suspend further deliberations of said resolution pending the rendition of legal opinion by an appropriate government agency regarding the legality of said MOA.

VII. DELIBERATION ON PRIVILEGE SPEECH NO. 307, RE; MISUSE OF PDAF GIVEN TO THE PHILIPPINE GENERAL HOSPITAL (PGH)

Rep. Amado Bagatsing, author of Privilege Speech No. 307, stated that his constituents have been denied, deprived and embarrassed when seeking for medical assistance in the Philippine General Hospital (PGH). He asked from the representative of the PGH to explain where and how his remaining four million pesos (P4,000,000.00) Priority Development Assistance Fund (PDAF) channelled to PGH was spent. He stressed that the National Bureau of Investigation (NBI) found out that based from the audit report of the PGH itself, the ninety thousand pesos (P90,000.00) guarantee letter issued by his office was charged P2.895 million pesos. He wondered why the management of the PGH refused to restore the missing amount despite their admission that something wrong is going on in the PGH. He warned the PGH that if nothing will happen to the inquiry, he will again take the floor and have his colleagues sign a document to remove Dr. Jose Gonzales as PGH Director including those who have something to do with the anomaly.

At this juncture, Atty. Marlon Tauli of the NBI confirmed the allegations of Rep. Bagatsing. He presented to the Body the following initial report on their investigation: Based on the audit report of the PGH internal audit, there is discrepancy between the balances of patients' ledger and guarantee letter issued by the office of Rep. Bagatsing especially on the pharmacy issuances.

The reconciliation of accounts revealed that pharmacy issuances of the hospital have ballooned considerably. He also said that the hand written guaranty letters appear to have been made not only by one authorized person but by several others.

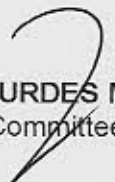
Rep. Vincent Crisologo for his part said that he has the same experience. He showed a guarantee letter issued by his office which was not honored by PGH. He said that the magnitude of patients coming to PGH should not be used as an excuse for the inefficiency of the PGH. Both congressmen said that such occurrences happened only during the incumbency of Dr. Jose Gonzales, the Chief of Hospital.

Rep. Bagatsing wanted a definitive answer from the PGH as to how they intend to resolve the balance of P4M so that his constituents may continue to be served by PGH. In response, Dr. Gonzales said that PGH continues to serve the constituents of Rep. Bagatsing. However, he informed the Body that they are looking into ways that the balance of the congressman could be resolved in such a way that is legally possible and acceptable to COA. He also admitted to the Body the existence of a syndicate operating within the PGH since 2005 which prompted the PGH management to implement more stringent measures in screening guarantee letters and referrals. Dr. Gonzales's unsatisfactory responses to the queries of Reps. Bagatsing and Crisologo prompted the Body to suspend further consideration of the matter until PGH could give a clear solution on the matter.

VIII. ADJOURNMENT

There being no other matter to discuss, the meeting was adjourned at 1:28 p.m.

Prepared by:



MA. LOURDES M. SANCHEZ
Acting Committee Secretary

Noted by:



REP. ALFERDO D. MARAÑON III
Chairperson
Committee on Health