

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Fifteenth Congress
Third Regular Session

COMMITTEE REPORT NO. **2519**



Submitted by the Committee on Veterans Affairs & Welfare on _____
Re: House Bill No. **6751**

Recommending its approval in substitution of House Bill No. 6502

Sponsors: Reps. Herminia B. Roman, Gloria Macapagal-Arroyo, Ma. Amelita C. Villarosa, Hermilando I. Mandanas, Anthony Rolando T. Golez, Jr., Lani Mercado-Revilla, Leopoldo N. Bataoil, and Raymond Democrito C. Mendoza

Mr. Speaker:

The Committee on Veterans Affairs & Welfare to which was referred House Bill No. 6502 introduced by Rep. Gloria Macapagal-Arroyo, entitled:

“AN ACT TO GIVE JURIDICAL PERSONALITY TO THE PRESENT VETERANS MEMORIAL MEDICAL CENTER (VMMC), APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

has considered the same and recommends that the attached House Bill No. **6751**,
entitled:

“AN ACT TO GIVE JURIDICAL PERSONALITY TO THE PRESENT VETERANS MEMORIAL MEDICAL CENTER (VMMC) AND FOR OTHER PURPOSES”

be approved in substitution of House Bill No. 6502 with Reps. Gloria Macapagal-Arroyo, Ma. Amelita C. Villarosa, Hermilando I. Mandanas, Anthony Rolando T. Golez, Jr., Lani Mercado-Revilla, Leopoldo N. Bataoil, and Raymond Democrito C. Mendoza as authors thereof.

Respectfully submitted,

Herminia B. Roman

HERMINIA B. ROMAN

Chairperson

Committee on Veterans Affairs & Welfare

THE HONORABLE
THE SPEAKER
HOUSE OF REPRESENTATIVES
QUEZON CITY

House Bill No. 6502

(As Approved by the Committees)

GIVING JURIDICAL PERSONALITY TO THE PRESENT VETERANS MEMORIAL MEDICAL CENTER (VMMC)

Introduced by: **HON. GLORIA MACAPAGAL-ARROYO & MA. AMELITA C.
VILLAROSA**

Committee Referral: **VETERANS AFFAIRS & WELFARE**

Committee Chairperson : **HON. HERMINIA B. ROMAN**

OBJECTIVE/S

- To strengthen the financial operations of the hospital.
- To ensure continued free medical care for the veterans.
- To reinforce its existence and perpetuation as a first-rate and prestigious medical institution.

KEY PROVISION/S

- Creates the VMMC as a corporate body with juridical personality
- Reiterates the VMMC's commitment to serve the Filipino war veterans
- Constitutes the Board of Trustees composed of the Secretary of National Defense as the Chairperson and the Director of the Hospital as the Vice-Chairperson
- Requires that at least three (3) appointive members, ~~who are~~ ^{former} veterans, shall be members of the Board

RELATED LAW/S

- Agreement between the US and RP Government creating the VMMC
- PD 169 – reserving for veterans' hospital site purposes a certain parcel of land in Diliman, Q.C.
- RA 2640 – creating the VFP
- RA 6948, as amended by RA 7696 and RA 9396 – standardizing and upgrading the veterans' benefits

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. 6754
(In substitution of HB 6502)

Introduced by HONORABLE GLORIA MACAPAGAL-ARROYO, MA.
AMELITA C. VILLAROSA, HERMILANDO I. MANDANAS, ANTHONY ROLANDO T.
GOLEZ, JR., LANI MERCADO-REVILLA, LEOPOLDO N. BATAOIL, AND
RAYMOND DEMOCRITO C. MENDOZA

AN ACT
TO GIVE JURIDICAL PERSONALITY TO THE PRESENT VETERANS MEMORIAL
MEDICAL CENTER (VMMC), AND FOR OTHER PURPOSES

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

1 SECTION 1. **Short Title** - This Act shall be known as "The Veterans Memorial
2 Medical Center Charter of 2012."

3 SEC. 2. **Declaration of Policy** – It is hereby declared the policy of the State
4 to help foster the socioeconomic security and general well-being of the country's
5 veterans and retired military personnel in recognition of their patriotic services in
6 times of war and peace for the cause of freedom and democracy; for the attainment
7 of national unity, independence, and socioeconomic advancement; and for the
8 maintenance of peace and order in keeping with the goals of the Government and
9 the aspirations of the people.

10 SEC. 3. **VMMC as a Corporate Entity** – There is hereby created a body
11 corporate, for the benefit primarily of the Filipino veterans, under the name of the
12 Veterans Memorial Medical Center, hereafter referred to as VMMC.

13 To provide greater flexibility in its operations, the VMMC shall be treated in a
14 manner consistent with its institutional mission to serve the veterans and shall be
15 autonomous in the exercise of its jurisdiction.

16 SEC. 4. **Purposes and Objectives of the Hospital** - The VMMC shall have
17 the following objectives:

- 18 1) Construct, establish, operate and maintain veterans' hospital
19 primarily for the veterans' welfare;

2) Stimulate and/or undertake scientific researches on the biological, demographic, social, economic, eugenic, physiological aspects of health disorders and abnormalities and their control; and gather, compile, present and publish the findings of such researches for public dissemination;

3) Facilitate and encourage the dissemination and exchange of ideas and information on the prevention, treatment and control of diseases; to arouse, enhance and develop public interest and awareness on general health and physical fitness;

4) Encourage and/or undertake the training of physicians, nurses, medical technologists, health officers and social workers on the practical and scientific conduct and implementation and delivery of health services, and related activities;

5) Assist universities, hospitals and research institutions in their studies of health problems, to encourage advanced training on matters of, or affecting the physical and mental well-being of the people;

6) Encourage the formation of other organizations on the national, provincial, city, municipal or barangay level and to coordinate their various efforts and activities for the purpose of achieving a more effective and pragmatic approach on the common problems relative to the objectives herein enumerated; and,

7) Extend medical outreach programs to the general public to help prevent, relieve or alleviate the innumerable afflictions and maladies of the people specially the poor and less fortunate in life, without regard to race, creed, color or political belief.

SEC. 5. Social Responsibility – The VMMC is primarily committed to serve the Filipino veterans as defined in Republic Act 6948, as amended by Republic Act 7696 and Republic Act 9396.

SEC. 6. Powers – For the attainment of the above purposes and objectives, the VMMC, as a body corporate, acting through its Board of Trustees, shall have all powers pertaining to a juridical person, and is therefore authorized, to;

1) Acquire and hold in any manner property of whatever nature or description;

2) Enter into contracts;

1 3) Solicit and receive donations, endowments and funds in the form of
2 contributions, whether in cash or in kind, from both the public and
3 private sectors;

4 4) Open such accounts in banks and other financial institutions, and to
5 disburse such funds or invest the same as the Board may direct to
6 accomplish or advance the purpose or interest of the VMMC;

7 5) Invite foreign health specialists and other similar experts in the
8 various medical fields to train the personnel or trainees or residents of
9 the VMMC;

10 6) Send the VMMC personnel to research institutes, medical institutes
11 or universities for advance training or observation and to attend
12 international or regional conventions, conferences, congresses,
13 seminars as the Board may deem necessary to accomplish the
14 purposes and objectives of the VMMC;

15 7) Enter into such agreements and arrangements with other medical or
16 other institutions, domestic or foreign as may deemed desirable by the
17 Board for the purpose of promoting its purposes and objectives;

18 8) Adopt a set of by-laws, rules and regulations not inconsistent with
19 law and the provision hereof to govern the administration and operation
20 of the affairs of the VMMC;

21 9) Establish branches of the VMMC in other provinces or cities of the
22 Philippines as may be deemed necessary for greater service coverage
23 to veterans and their dependents that are living in almost all parts of the
24 country; and,

25 10) Perform all such other acts and things as are or may be necessary
26 or incidental for the accomplishment of the purposes and objectives of
27 the VMMC.

28 **SEC. 7. Board of Trustees** – The VMMC shall be governed by a Board of
29 Trustees, composed of the following:

30 1) Secretary of the National Defense as Chairperson;

31 2) Medical Director of the VMMC as Vice Chairperson;

32 3) Chairperson of the Senate Committee on Defense and Security;

33 4) Chairperson of the House Committee on Veterans Affairs and
34 Welfare;

1 5) Secretary of Health;
2 6) Administrator, Philippine Veterans Affairs Office
3 7) Chairman of the Philippine Veterans Bank;
4 8) President of the Veterans Federation of the Philippines; and,
5 9) Three (3) appointive members who are veterans and who have
6 distinguished themselves in their professions or areas of specialization
7 and have exerted conspicuous efforts towards the promotion of
8 veterans' welfare and well-being. They shall be appointed by the
9 President of the Philippines and shall serve for a term of three (3)
10 years. In case of vacancy, such vacancy shall be filled in the same
11 manner as provided for the predecessor, and such appointee shall
12 hold office for the unexpired term.

13 **SEC. 8. Meeting & Quorum** – The Board of Trustees shall convene at least
14 once a month. The Chairman of the Board may call a special meeting whenever
15 necessary; *Provided*, that the members are notified in writing at least three (3) days
16 prior to the said meeting. A majority of all members of the Board holding office at the
17 time the meeting is called shall constitute a quorum for Board meetings. In no case
18 shall any and all members of the Board appoint representative to act on their behalf.

19 **SEC. 9. Medical Director** - The Medical Director shall be appointed by the
20 President of the Philippines upon recommendation of the Board and shall serve for a
21 term of six (6) years. The Medical Director shall act as the Chief Executive Officer of
22 the VMMC and shall perform the following functions:

- 23 1) Organize the VMMC into a streamlined medical institution with
24 admirable facilities and competent staffs to ensure quality service;
25 2) Appoint members of the professional and administrative staffs and
26 other employees or personnel of the VMMC through a screening
27 process based strictly on academic qualifications, experiences and
28 other selection standards; determine the terms and conditions of their
29 employment, and, remove them for cause in accordance with law and
30 due process;
31 3) Determine a position qualifications and compensation plan and
32 adjust salaries and benefits for all personnel of the VMMC; subject to

1 the Compensation and Position Classification System of Governance
2 Commission for GOCC's; and

3 4) Carry out necessary managerial and administrative functions that
4 may be deemed necessary or as directed by the Board of Trustees in
5 furtherance of the objectives of the VMMC set in this Act.

6 SEC. 10. **Secretary** - There shall be a Secretary of the VMMC as appointed
7 by the Board of Trustees, who shall be the Secretary of the Board and who shall
8 keep such records of the hospital as may be designated by the Board.

9 SEC.11. **Hospital Executive Committee** – There will be an Executive
10 Committee consisting of the Medical Director as the presiding officer and the Heads
11 of the Administrative, Medical, Surgical, Rehabilitative, Dental, Psychiatric,
12 Diagnostic and other critical medical departments.

13 The Committee shall exercise the following functions:

- 14 1) Fix the requirement for admission to the hospital;
15 2) Prescribe the rules and regulations as to the discharge of patients;
16 3) Adopt internal rules of procedures consistent with the provision of the
17 charter in order to promote administrative efficiency in the treatment,
18 rehabilitation and discharge of patients of the hospital; and,
19 4) Carry out administrative and managerial task to assist the Medical Director
20 in the efficient operations and management of the hospital.

21 SEC. 12. **Personnel and Medical Staff** – The VMMC shall have the
22 autonomy to employ such employees and Medical personnel, or otherwise enter
23 such arrangements with medical specialists and other consultants as its Board of
24 Trustees shall determine. The personnel and medical staff of the present Veterans
25 Memorial Medical Center shall automatically be transferred to and absorbed by the
26 VMMC as herein created. The incumbent Medical Director shall continue to serve as
27 such for a period of three (3) years or until his successor shall have been appointed
28 by the President of the Philippines.

29 SEC.13. **Assistance from Government Offices** – The VMMC may call upon
30 any department bureau, office, agency or instrumentality of the Government,
31 including government owned or controlled corporations, for such assistance as it
32 may need in the pursuit of its purposes and objectives.

1 All individuals, entities and institutions are hereby enjoined to render full
2 assistance and cooperation to VMMC in the accomplishment of its objectives and
3 activities.

4 **SEC. 14. Property of the Medical Center** - All existing assets of the VMMC
5 including but not limited to the parcel of land belonging to the private domain of the
6 government situated in the District, Quezon City and more particularly described in
7 the Bureau of Lands as Lot R.P.-3-B-4-A, BSD-10352, all its buildings and other
8 properties shall remain with the VMMC as a corporate entity, including those that
9 may hereafter be given, donated, acquired, transferred or conveyed to the Medical
10 Center or its branches and instrumentalities by any foreign government, as well as
11 those given by trust, foundations, corporations, or persons (alien or citizen). The
12 absolute ownership of the Medical Center over these landholdings including those
13 covered by original and transfer certificates of title in the name of the Veterans
14 Memorial Medical Center is hereby confirmed. Where the issuance of proper
15 certificates of title is still pending for these landholdings the proper government office
16 shall expedite issuance thereof within six (6) months from the date of effectivity of
17 this Act. Provided, That all registration requirements necessary for issuance of the
18 said titles have been submitted and complied with.

19 **SEC. 15. Land Grants and Other Real Properties** - The use of properties
20 and proceeds of such properties shall be governed by the following:

21 1) The State shall support the Veterans Memorial Medical Center in
22 the sum or lump sum amount, through general appropriations and
23 other financial benefits, and in kind, through land grants and donations
24 and use of other real properties. To carry out the intent of these grants,
25 income derived from the development of all land grants and real
26 properties shall be used to further the ends of the hospital, as may be
27 decided by the Board of Trustees in furtherance of the declared
28 hospital objectives under this Act;

29 2) Such parcels of land ceded by law, decree or presidential issuance
30 to the hospital, are hereby declared to be reserved for the purposes
31 intended;

32 3) The Board of Trustees shall plan, design and approve and/or cause
33 the implementation of contracts, mechanisms, and financial

instruments, such as joint ventures, long term leases, fully-owned subsidiaries, and securitization to give the hospital the flexibility to generate revenues and other resources from land grants and other properties. *Provided;* that such mechanism and arrangements shall sustain and protect the environment in accordance with law, and be exclusive of the medical core zone of the hospital. *Provided; finally,* that such mechanism and arrangements shall not conflict with the medical or health services and academic mission of the hospital; and,

4) Any plan to generate revenues and other sources from land grants and other real properties entrusted to the hospital shall be consistent with the hospital mission and orientation as a vehicle to extend health services to veterans and their dependents.

SEC. 16. Safeguards on asset disposition - The preservation of the value of the assets of the hospital shall be of primordial consideration. The exclusive core zone of the Veterans Memorial Medical Center as defined in Section 14, shall not be sold, transferred, ceded, conveyed, assigned and encumbered.

SEC. 17. Annual Report – The VMMC shall render to the President of the Philippines an annual report of its activities and recommendations.

SEC. 18. Effect of the dissolution.– If, for any reason, the VMMC is dissolved, its property remaining at the time of such dissolution shall revert to the Republic for disposition in accordance with law.

SEC. 19. Implementing Rules – The Implementing Rules and Regulations shall be formulated within ninety (90) days from the approval of this Act.

SEC. 20. Separability^{Clause} – If any provision of this Act is declared unconstitutional, all other provisions not affected shall remain in force and effect.

SEC. 21. Repealing Clause – All laws, decrees, executive orders, rules and regulations or other issuances or parts thereof, contrary to or inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SEC. 22. Effectivity –This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,