

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
Second Regular Session

House Bill No. 7658



Introduced by **MAGDALO Party-List Representative**
HON. GARY C. ALEJANO

EXPLANATORY NOTE

The Veterans Memorial Medical Center (VMMC) was constructed as a gift of the American people to the Philippines as token of gratitude to the Filipino soldiers who stood by them during World War II. The 80th Congress of the United States of America passed Public Law 865 in July 8, 1948 which provided \$9.4 million for the construction of a hospital facility with the land to be donated by the Filipino people. The law was implemented in the country by an agreement between the U.S. and the Philippines signed by then Pres. Elpidio Quirino and the U.S. Ambassador to the Philippines Myron Cowen.

The provision of the best possible medical care and treatment to eligible veterans and their dependents is one of the mandated goal of the Veterans Memorial Medical Center. The provision of the best possible care to our veterans recognizes the patriotic services they have rendered in times of war and peace.

This bill seeks to provide juridical entity by transforming it into a corporate body in order to strengthen the hospital's financial operations, reinforce its existence and perpetuation as a first rate and prestigious medical institution.

The salient provisions of this measure are as follows: a) establishment of the VMMC as a corporate body with juridical entity; b) creation of the Board of Trustees composed of the Secretary of National Defense as the Chairperson and the Director of the Hospital as the Vice-Chairperson; and, c) the appointment of three (3) veterans as members of the Board. It is hoped that with the approval of this measure, we will be able to provide our veterans, who require frequent hospitalization for medical attention due to their age, excellent and continued free medical care.

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


GARY C. ALEJANO
Representative

Magdalo Para sa Pilipino Party-List

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
Second Regular Session

House Bill No. 7658

Introduced by **MAGDALO Party-List Representative**
HON. GARY C. ALEJANO

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:*

ARTICLE I

TITLE, POLICY, OBJECTIVES, TERMS AND PRACTICE

SECTION 1. *Short Title.* - This Act shall be known as "*The Veterans Memorial Medical
Center Charter of 2018*".

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

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

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

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

- (a) Construct, establish, operate and maintain VMMC primarily for the veterans' welfare;
- (b) Stimulate and/ or undertake scientific researches on the biological, demographic,
social, economic, eugenic, physiological aspects of health disorders and abnormalities

1 and their control; and gather, compile, present and public the findings of such
2 researches for public dissemination;

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

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

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

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

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

19
20 **SEC. 5. Social Responsibility.** – The VMMC is primarily committed to serve the Filipino
21 veterans as defined in Republic Act No. 6948, as amended by Republic Act No. 7696 and
22 Republic Act No. 9396.

23
24 **SEC. 6. Powers.** – For the attainment of the above purposes and objectives, the VMMC,
25 as a body corporate, acting through its Board of Trustees, shall have all powers pertaining to a
26 juridical person, and is therefore authorized to:

27 (a) acquire and hold in any manner property of whatever nature or description;

28 (b) enter into contracts;

29 (c) solicit and receive donations, endowments and funds in the form of contributions
30 whether in cash or in kind, from both the public and private sectors;

31 (d) open such accounts in banks and other financial institutions, and to disburse such
32 funds or invest the same as the Board may direct to accomplish or advance the
33 purpose or interest of the VMMC;

34 (e) invite foreign health specialists and other similar experts in the various medical fields
35 to train the personnel or trainees or residents of the VMMC;

36 (f) send the VMMC personnel to research institutes, medical institutes or universities for
37 advance training or observation and to attend international or regional conventions,

1 conferences, congresses and seminars, as the Board may deem necessary to
2 accomplish the purposes and objectives of the VMMC;

3 (g) enter into such agreements and arrangements with other medical or other institutions,
4 domestic or foreign, as may be deemed desirable by the Board, for the purpose of
5 promoting its purposes and objectives;

6 (h) adopt a set of bylaws, rules and regulations not inconsistent with the law and the
7 provision hereof to govern the administration and operation of the affairs of the
8 VMMC;

9 (i) establish branches of the VMMC in other provinces or cities of the Philippines as
10 may be deemed necessary for greater service coverage to veterans and their
11 dependents that are living in almost all parts of the country; and

12 (j) perform all such other acts and things as are or may be necessary or incidental for the
13 accomplishment of the purposes and objectives of the VMMC.
14

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

17 (a) Secretary of the National Defense as Chairperson;

18 (b) Medical Director of the VMMC as Vice Chairperson;

19 (c) Chairperson of the Senate Committee on Defense and Security;

20 (d) Chairperson of the House Committee on Veterans Affairs and Welfare;

21 (e) Secretary of Health;

22 (f) Administrator, Philippine Veterans Affairs office;

23 (g) Chairman of the Philippine Veterans Bank;

24 (h) President of the Veterans Federation of the Philippines; and

25 (i) Three (3) appointive members who are veterans and who have distinguished
26 themselves in their professions or areas of specialisation and have exerted
27 conspicuous efforts towards the promotion of veterans' welfare and well-being. They
28 shall be appointed by the President of the Philippines and shall serve for a term of
29 three (3) years. In case of vacancy, such vacancy shall be filled in the same manner as
30 provided for the predecessor, and such appointee shall hold office for the unexpired
31 term.
32

33 **SEC. 8. Meeting and Quorum.** – The Board of Trustees shall convene at least once a
34 month. The Chairman of the Board may call a special meeting whenever necessary: *Provided,*
35 That the members are notified in writing at least three (3) days prior to the said meeting. A
36 majority of all the members of the Board holding office at the time the meeting is called shall

1 constitute a quorum for Board meetings. In no case shall any and all members of the Board
2 appoint a representative to act on their behalf.

3
4 **SEC. 9. Medical Director.** – The Medical Director shall be appointed by the President of
5 the Philippines upon the recommendation of the Board and shall serve for a term of six (6) years.
6 The Medical Director shall act as the Chief Executive Officer of the VMMC and shall perform
7 the following functions:

- 8 (a) organize the VMMC into a streamlined medical institution with admirable facilities
9 and competent staff to ensure quality service;
- 10 (b) appoint members of the professional and administrative staffs and other employees or
11 personnel of the VMMC through a screening process based strictly on academic
12 qualifications, experiences and other selection standards; determine the terms and
13 conditions of their employment, and remove them for cause in accordance with law
14 and due process;
- 15 (c) determine a position qualifications and compensation plan and adjust salaries and
16 benefits for all personnel of the VMMC, subject to the Compensation and Position
17 Classification System of Governance Commission for Government Owned and
18 Controlled Corporations (GOCCs); and
- 19 (d) Carry out necessary managerial and administrative functions that may be deemed
20 necessary or as directed by the Board of Trustees in furtherance of the objectives of
21 the VMMC set in this Act.

22
23 **SEC. 10. Secretary.** – There shall be a Secretary of the VMMC as appointed by the
24 Board of Trustees, who shall be the Secretary of the Board and who shall keep such records of
25 the hospital as may be designated by the Board.

26
27 **SEC. 11. Hospital Executive Committee.** – There shall be an Executive Committee
28 consisting of the Medical Director as the presiding officer and the Heads of the Administrative,
29 Medical, Surgical, Rehabilitative, Dental, Psychiatric, Diagnostic and other critical medical
30 departments. The Committee shall exercise the following functions:

- 31 (a) Fix the requirement for admission to the hospital;
- 32 (b) Prescribe the rules and regulations as to the discharge of patients;
- 33 (c) Adopt internal rules of procedures consistent with the provision of the Charter in
34 order to promote administrative efficiency in the treatment, rehabilitation and
35 discharge of patients of the hospital; and
- 36 (d) Carry out administrative and managerial task to assist the Medical Director in the
37 efficient operations and management of the hospital.

1 **SEC. 12. *Personnel and Medical Staff.*** – The VMMC shall have the autonomy to
2 employ such employees and medical personnel, or otherwise enter such arrangements with
3 medical specialists and other consultants as its Board of Trustees shall determine. The personnel
4 and medical staff of the present VMMC shall automatically be transferred to and absorbed by the
5 VMMC as herein created. The incumbent Medical Director shall continue to serve as such for a
6 period of three (3) years or until his successor shall have been appointed by the President of the
7 Philippines.

8
9 **SEC. 13. *Assistance from Government Offices.*** – The VMMC may call upon any
10 department, bureau, office, agency or instrumentality of the government, including GOCCs, for
11 such assistance as it may need in the pursuit of its purposes and objectives.

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

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

28
29 **SEC. 15. *Land Grants and Other Real Properties.*** – The use of properties and proceeds
30 of such properties shall be governed by the following:

31 (a) The State shall support the VMMC in the sum or lump sum amount, through general
32 appropriations and other financial benefits, and in kind, through land grants and
33 donations and use of other real properties. To carry out the intent of these grants,
34 income derived from the development of all land grants and real properties shall be
35 used to further the ends of the hospital, as may be decided by the Board of Trustees in
36 furtherance of the declared hospital objectives under this Act;

37 (b) Such parcels of land ceded by law, decree or presidential issuance to the hospital are
38 hereby declared to be reserved for the purposes intended;

1 (c) The Board of Trustees shall plan, design, and approve and/ or cause the
2 implementation of contracts, mechanisms and financial instruments, such as joint
3 ventures, long-term leases fully-owned subsidiaries and securitization to give the
4 hospital the flexibility to generate revenues and other resources from land grants and
5 other properties: *Provided*, That such mechanism and arrangements shall sustain and
6 protect the environment in accordance with law, and be exclusive of the medical core
7 zone of the hospital: *Provided, finally*, That such mechanism and arrangements shall
8 not conflict with the medical or health services and academic mission of the hospital;
9 and

10 (d) Any plan to generate revenues and other sources from land grants and other real
11 properties entrusted to the hospital shall be consistent with the hospital mission and
12 orientation as a vehicle to extend health services to veterans and their dependents.
13

14 **SEC. 16. *Safeguards on Asset Disposition.*** – The preservation of the value of the assets
15 of the hospital shall be of primordial consideration. The exclusive core zone of the VMMC as
16 defined in Section 14 shall not be sold, transferred, ceded, conveyed, assigned and encumbered.
17

18 **SEC. 17. *Annual Report.*** – The VMMC shall render to the President of the Philippines
19 an annual report of its activities and recommendations.
20

21 **SEC. 18. *Effects of the Dissolution.*** – If, for any reason, the VMMC is dissolved, its
22 property remaining at the time of such dissolution shall revert to the Republic for disposition in
23 accordance with law.
24

25 **SEC. 19. *Implementing Rules.*** – The implementing rules and regulations shall be
26 formulated within ninety (90) days from the approval of this Act.
27

28 **SEC. 20. *Separability Clause.*** – If any part or provision of this Act is held
29 unconstitutional or invalid, other parts or provisions which are not affected thereby shall
30 continue to be in full force and effect.
31

32 **SEC. 21. *Repealing Clause.*** – All laws, decrees, executive orders, rules and regulations
33 or other issuances or parts thereof contrary to or inconsistent with the provisions of this Act are
34 hereby repealed, amended or modified accordingly.
35

36 **SEC. 23. *Effectivity.*** – This Act shall take effect fifteen (15) days after its publication in
37 at least two (2) national newspapers of general circulation.

Approved,