

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Third Regular Session

House Bill No. 9777



INTRODUCED BY REPRESENTATIVE JUAN MIGUEL MACAPAGAL ARROYO

**AN ACT ESTABLISHING OVERSEAS FILIPINO WORKERS (OFW)
HOSPITAL AND APPROPRIATING FUNDS THEREFOR**

EXPLANATORY NOTE

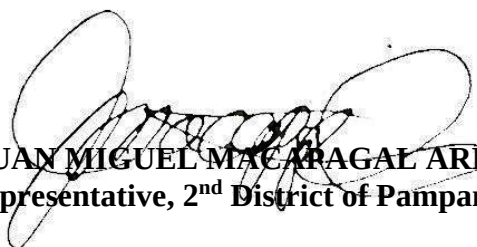
According to the Philippine Statistics Authority, there were 2.3 million Overseas Filipino Workers (OFWs) in 2018 – 17.9 percent came from the CALABARZON region, 14.3 percent from Central Luzon, and the National Capital region and Ilocos region each with 9.7 percent share. Most OFWs worked in Saudi Arabia, United Arab Emirates and Kuwait. Most OFWs were in elementary occupations, or were service and sales workers, or were plant and machine operators and assemblers. In 2018, the OFWs contributed around 235.9 billion pesos in remittances during the period April to September alone.

Despite improvements in occupational health and safety worldwide, OFWs suffer from a growing list of physical and mental health problems due to risks associated with the nature of their employments. The Department of Health (DOH) in 2017 provided assistance to 101 medically repatriated overseas Filipinos; neurologic, cardiovascular and cancer problems were the top cases for medical repatriation. Claims from the OFWs and their dependents from the Philippine Health Insurance Corporation (PhilHealth) amounted to 1.7 million pesos, including those who were confined in hospitals abroad. Renal failure, community-acquired pneumonia, normal spontaneous delivery, acute gastroenteritis, and urinary tract infection are the leading cases by PhilHealth claims.

The country's policy environment provides significant protections to the health of OFWs. Republic Act (R.A.) No. 10022, which amended R.A. 8042, or "Migrant Workers and Overseas Filipinos Act of 1995," improved the standards of protection and promotion of welfare of the OFWs and their families. A Joint Memorandum Circular was issued for the Integrated Medical Repatriation Assistance Program, while the DOH established its "National Policy on the Health of Migrants and Overseas Filipinos," and the Overseas Workers Welfare Administration (OWWA) established its MEDPlus program as supplemental medical assistance for OWWA members. The country needs

to do more, especially in paving better access, and in providing higher quality of healthcare. The establishment of a national hospital facility with departmentalized clinical services and select specialty care for OFWs and their families is being proposed to fill in these gaps.

In view of the foregoing, and in order to make the country's commitment to Universal Health Care more genuinely felt by the OFW community, approval of this bill is being sought.



HON. JUAN MIGUEL MACAPAGAL ARROYO
Representative, 2nd District of Pampanga



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Quezon City, Metro Manila

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Introduced by Representative Juan Miguel Macapagal Arroyo

**AN ACT ESTABLISHING OVERSEAS FILIPINO WORKERS (OFW) HOSPITAL
AND APPROPRIATING FUNDS THEREFOR**

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

SECTION 1. *Short Title.* - This Act shall be known as the "**Overseas Filipino Workers (OFW) Hospital Act or the OFW Hospital Act of 2021**".

SECTION 2. *Declaration of Policy.* - It is policy of the State to protect and promote the right to health of the Filipino people and to instill health consciousness among them. The State shall adopt an integrated and comprehensive approach to health development. Further, the State shall protect the interest and promote the well-being of overseas Filipino workers (OFW) in recognition of their importance and contribution to economic development and nation building.

SECTION 3. *Establishment of OFW Hospital and Its Coverage* – There shall be an established hospital with tertiary level of care in Pampanga to be known as OFW Hospital, herein after referred to as the "Hospital".

The Hospital shall be established to cater to the health care needs of OFW and their qualified dependents. Provided, however, that nothing herein shall prevent the Hospital from accommodating emergency cases of patients, other than OFWs and their dependents, as required by existing laws.

SECTION 4. Objectives. - To ensure the availability, accessibility and affordability of quality health care for OFWs and their qualified dependents, the Hospital shall have the following objectives:

- a.** Provide comprehensive and total health care services to all migrant workers including Overseas Workers Welfare Administration (OWWA) contributors, whether active or non-active and their qualified legal dependents;
- b.** Conduct medical examinations to ensure the physical and mental capability of would-be overseas contract workers duly covered by an approved job order;
- c.** Serve as primary referral hospital for repatriated OFWs in need of medical services and assistance;
- d.** Set up systems that will effectively monitor the condition of patients and to generate relevant health information and data for policy formulation; and
- e.** Participate in the health care provider networks and arrangements relative to the implementation of Republic Act No. 11223, or the "Universal Health Care Act".

SECTION 5. Definition of Terms - *The following terms as used in this Act refers to:*

- a. Overseas Filipino Workers-** a person who is to be engaged, is engaged, or has been engaged in a remunerated activity in a State of which the person is not a citizen, or on board a vessel navigating the foreign seas other than a government ship used for military or noncommercial purposes, or on an installation located offshore or on the high seas¹.
- b. Qualified Dependents** - (1) The legal spouse; (2) The legitimate, illegitimate, legitimated, and legally adopted child, who is unmarried, not gainfully employed, and not over the age of majority, or is over the age of majority but incapacitated and incapable of self-support due to a mental or physical defect; and (3) The parents who rely primarily upon the member-OFWs for support²;
- c. OFW Hospital** - shall refer to a facility that is devoted primarily to the provision of services for health promotion, prevention, diagnosis,

treatment, rehabilitation, palliation of individuals suffering from illness, disease, injury, disability or deformity, or are in need of obstetrical or other medical and nursing care, as well as the provision of mental care services.

¹ Section 7, R.A. No. 10801

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- d. **Emergency** - a condition or state of a patient wherein based on the objective findings of a prudent medical officer on duty for the day there is immediate danger and where delay in initial support and treatment may cause loss of life or cause permanent disability to the patient.

SECTION 6. Board of Directors of the Hospital. The Hospital shall be under the full administrative and technical supervision of the Board of Directors (BOD).

- a. **Composition.** The OFW Hospital Board of Directors shall be composed of the following: The Secretaries of the Department of Health (DOH) and Department of Labor and Employment (DOLE) as co-Chairpersons and shall have the following as members:

1. The Secretary of Department (DOF);
2. The Secretary of Department of Budget and Management (DBM);
3. The Administrator of Overseas Workers Welfare Administration (OWWA);
4. The Administrator of Philippine Overseas Employment Administration (POEA); and
5. Representatives from the Overseas Filipino Workers (OFW), as members, all of whom shall be appointed by the President of the Philippines from:
 - a. The National Capital region
 - b. Luzon
 - c. Visayas, and
 - d. Mindanao

b. Appointment and Tenure. The members of the Board shall have a term of three (3) years without reappointment, except for members whose terms shall be coterminous with their respective positions in government. Any vacancy in the Board shall be filled in the manner in which the original appointment was made and the appointee shall serve only the unexpired term of his predecessor.

SECTION 7. *Board of Directors - Powers, Duties and Responsibilities.* The Board of Directors of the Hospital shall have the following powers, duties and responsibilities:

- a. Formulate and implement measures and programs to attain the objectives and purposes of the Hospital, with utmost regard and priority to provide the best quality service to OFWs and their qualified dependents;
- b. Formulate and promulgate policies for the sound administration, maintenance, and operations of the Hospital;
- c. Determine the staffing pattern of the Hospital, in coordination with the DOH and subject to the approval by the DBM;
- d. Appoint an Administrator who is competent to manage and run the operations of the Hospital, including officials, employees and other personnel, subject to civil service laws, rules, and regulations, and to prescribe their duties and fixed compensation subject to the provisions of Republic Act No. 6758, otherwise known as the Salary Standardization Law;
- e. To enter into agreements and contracts in connection with the establishment, maintenance and operations of the Hospital; and
- f. To perform such other functions and duties as it may deem appropriate for the attainment of the objectives of the Hospital.

SECTION 8. *Duties and Responsibilities of Chairpersons.*

A. Department of Health. The following are the duties and responsibilities of DOH:

1. Support in the establishment of the OFW hospital by providing the necessary permits and license to operate, subject to compliance with all applicable rules and regulations.
2. Assist in the formulation of appropriate policies and guidelines, including the Hospital's staffing pattern, towards the attainment of the Act's objectives upon due consultation with the stakeholders.
3. Approve the designs, plans, and specifications of the Hospital.
4. Endorse and encourage medical specialists in tertiary government hospitals such as the Heart Center (HC), National Kidney and Transplant Institute (NKTi), Lung Center of the Philippines and the Philippine General Hospital (PGH), to hold clinics in the OFW

Hospital and provide professional services to OFWs and qualified dependents, and other patients in the Hospital.

5. To perform such other functions and duties as it may deem appropriate for the attainment of the objectives of the Hospital.

B. Department of Labor and Employment. The following are the duties and responsibilities of DOLE:

1. Issue the appropriate policies/guidelines towards the attainment of the Act's objectives upon due consultation with the stakeholders.
2. Ensure that the appropriate budgetary allocations intended for the implementation of this Act is included in the Annual General Appropriations Act in coordination with the DOF, DOH and DBM.
3. Establish an office in the Hospital through OWWA, to assist in identifying, documenting, processing and approving of applications for benefits provided to OFWs and their qualified dependents.
4. Establish a referral system through the OWWA and POEA, to ensure efficient delivery of medical and health care services to OFWs and their qualified dependents, including facilitation and conduct of pre-employment medical examinations of departing OFWs.
5. Contribute the necessary funding support to the OFW Hospital through the OWWA, in accordance with its mandate to provide health services and medical care to the OFWs and qualified dependents.
6. Ensure that existing health benefits and medical assistance programs are strengthened to include among others, subsidies on hospitalization and medical procedures for OFWs and their qualified dependents.
7. To perform such other functions and duties as it may deem appropriate for the attainment of the objectives of the Hospital.

SECTION 9. Appropriations. The Secretary of Health and the Secretary of Labor and Employment shall include in their respective programs the implementation of the provisions of this Act in which the funding shall be included in the Annual General Appropriations Act. The OWWA shall also include in their benefits and medical assistance programs for OFW the line-item budget necessary to improve the access of OFW and dependents to health care services.

SECTION 10. Tax Exemption. All grants, bequests, endowments, donations and contributions made to the OFW Hospital to be used actually, directly and exclusively by the OFW Hospital shall be exempt from donor's tax and the same shall be considered as allowable deduction from the gross income of the donor, in accordance with the provisions of the National Internal Revenue Code of 1997, as amended.

The importation of equipment, machinery and spare parts which are used solely and exclusively for the operation of the OFW Hospital and are not available locally shall be exempt from value-added tax and customs duty.

SECTION 11. *Implementing Rules and Regulations.* Within sixty (60) days from the approval of this Act, the DOLE, in coordination with the DOH, DOF, DBM, OWWA, POEA and other stakeholders shall promulgate the implementing rules and regulations (IRR) to carry out the provisions of this Act.

SECTION 12. *Separability Clause.* If any provision of this Act is held invalid or unconstitutional, the same shall not affect the validity and effectivity of the other provisions.

SECTION 13. *Repealing Clause.* All other laws, decrees, executive orders and rules and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 14. *Effectivity.* This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.