

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

19TH CONGRESS
First Regular Session

HOUSE BILL NO. 5858



Introduced by Representative Michael L. Romero

EXPLANATORY NOTE

The **Philippine Heart Center (PHC)** is a hospital in Central, Quezon City, Philippines, specializing in the treatment of heart ailments. It was established in 1975.

The Philippine Heart Center is a hospital specializing in the treatment of heart ailments. It has rooms for paying patients and charity patients and admits more than 14,000 patients every year, including at least 3,300 that undergo heart surgery. It holds regular training programs for medical professionals. It is one of the busiest congenital heart surgery centers in Asia.

The Philippine Heart Center was established through **Presidential Decree No. 673** issued by president Ferdinand E. Marcos in 1975.

Its original name was the Philippine Heart Center for Asia and was changed to its current form in 1975. The first patient to be admitted to the PHC was Imelda Francisco, on April 14, 1975.

Cardiovascular specialists practiced there. The first Director of the PHC was Avenilo P. Aventura (1974-1986), a cardiovascular surgeon who performed many pioneering operations in the Philippines including the first successful renal transplantation in 1970, the first CABG in 1972, and developed and implanted the first ASEAN bio prosthesis, the PHCA porcine valve.

In 2014, the Philippine Heart Center was given a Qmentum International Gold Accreditation for August 2014 – 2017 by Accreditation Canada International for "excellence in hospital practices and safety.

This House Bill seeks to provide **Modernization Funding** to the **Philippine Heart Center**, to ensure that the Philippine Heart Center shall be the leader in upholding the highest standards of cardiovascular care, a self-reliant institution responsive to the health needs of the Filipino people.

Thus, the early passage of this bill is earnestly requested.

A handwritten signature in black ink, appearing to read 'Michael L. Romero', with a long horizontal stroke extending to the right.

MICHAEL L. ROMERO

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HOUSE OF REPRESENTATIVES
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AN ACT

PROVIDING FOR MODERNIZATION FUNDING FOR THE
PHILIPPINE HEART CENTER (PHC), INCREASING AND
REORGANIZING ITS ADMINISTRATION, TO PROVIDE A
COMPREHENSIVE CARDIOVASCULAR CARE ENHANCED BY
EDUCATION AND RESEARCH THAT IS ACCESSIBLE TO ALL AND
FOR OTHER PURPOSES

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

SECTION 1. DECLARATION OF POLICY – It shall hereby be a declared policy of the State to foster the **Philippine Heart Center** as the leader in upholding the highest standards of cardiovascular care, a self-reliant institution responsive to the health needs of the Filipino people:

- a. To provide compassionate and expert patient care.
- b. To provide world-class education and training.
- c. To conduct Internationally acclaimed research.
- d. To responsibly disseminate scientific and lay information to the public.

The state shall continually improve the effectiveness of our Quality Management System towards equitable development for improved quality of life for all.

The state shall formulate policies for the efficient and effective administration and management of all manpower, skills and competencies to ensure compliance.

SECTION 2. MODERNIZATION FUNDING. – The amount of Five Hundred Million Pesos **(Php500,000,000.00)** for the operation and administration of the **Philippine Heart Center (PHC)** shall be chargeable against funds for the purpose and other sources recommended by the **Department of Budget and Management (DBM)**. Thereafter, appropriations for the **Philippine Heart Center (PHC)** shall be included in the budget proposals under the **Philippine Heart Center (PHC)**.

The Department of Budget and Management **(DBM)** shall rationalize the existing organizational structure and staffing pattern of the **Philippine Heart Center (PHC)** in accordance with the provisions of this Act and relevant compensation and position classification laws, rules and regulations.

Thereafter, the amount needed for the continued implementation of the modernization program, shall be included in the annual General Appropriations Act **(GAA)**.

SECTION 3. PHILIPPINE HEART CENTER (PHC) MODERNIZATION FUND – There is hereby created the **(PHC) Modernization Fund** to be used exclusively for the **(PHC) Modernization Program**.

The **(PHC) Modernization Fund** shall be administered by the Medical Director of the **PHC** in accordance with existing government budgeting, accounting and auditing rules and regulations.

SECTION 4. PROGRESS REPORT –The **PHC** shall prepare an annual report on the status of the implementation of the **(PHC) Modernization Programs** which shall be submitted, to the Office of the President and to the Chairpersons of the Committee on Health of the Senate and the House of Representatives.

SECTION 5. PERIOD OF IMPLEMENTATION –The modernization program under this Act shall be implemented for a period of three **(3)** years:

Provided, that payments for multi-year contract obligations incurred under this Act may extend beyond this period:

Provided, further, That the **Philippine Heart Center (PHC)** shall continue to develop, modernize and constantly update its operational capabilities to keep pace with best global practices.

SECTION 6. POWERS AND FUNCTIONS. – The **Philippine Heart Center (PHC)** shall continue to exercise and uphold the following powers and functions; but not limited to:

The functions of the Philippine Heart Center are:

1. To construct, establish, operate and maintain a heart center for the public welfare, including a specialized heart hospital;

2. To promote, encourage and engage in scientific research on the prevention of cardiovascular diseases and the care and/or treatment of heart patients and related activities, including sponsorship and conduct of relevant congresses, conventions, seminars, and conferences;

3. To stimulate and/or underwrite scientific researches on the biological, demographic, social, economic, eugenic, physiological aspects of cardio-vascular disorders and abnormalities and their control; and gather, compile, and publish the findings of such researches for public dissemination;

4. To facilitate and encourage the dissemination and exchange of ideas and information on the prevention, treatment and control of heart diseases; to arouse, enhance and develop public interest on heart consciousness or awareness, general health and physical fitness, especially on human cardio-vascular requirements and other relevant or related fields;

5. To encourage and/or undertake the training of physicians, nurses, medical technicians, health officers and social workers on the practical and scientific conduct and implementation of cardiac services, and related activities;

6. To assist universities, hospitals and research institutions in their studies of cardio-vascular anomalies, to encourage advanced training on matters of, or affecting the heart, and related fields and to support educational programs of value to general health;

7. To 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 programmatic approach on the common problems relative to the objectives herein enumerated; and

8. To extend medical and cardiological services to the general public, to help prevent, relieve or alleviate the innumerable cardiovascular afflictions and maladies of the people specially the poor and less fortunate in life, without regard to race, creed, color or political belief.

For the attainment and/or furtherance of the above purposes and objectives, the Philippine Heart Center, as a body corporate, acting through its **Board of Trustees**, shall have all the **powers** pertaining to a juridical person, and is therefore authorized, among other things:

1. To acquire and hold in any manner property of whatever nature or description, and to dispose of such property under any mode of encumbrance or conveyance;

2. To contract and be contracted with;

3. To mortgage, lease, sell, transfer, convey or otherwise dispose of its properties;

4. To solicit and receive donations, endowments and funds in the form of contributions, whether in cash or in kind, from both the public and private sectors;

5. To open such accounts in banks and other financial institutions, and to disburse such funds or invest the same as the Board may direct to accomplish or advance the purposes or interest of the Philippine Heart Center;

6. To invite foreign heart specialists and similar experts in the various medical fields to train the personnel or trainees or residents of the Philippine Heart Center;

7. To send the personnel of the Philippine Heart Center to research institutes, medical institutes or universities for advance training or observation and to attend international or regional conventions, conferences, congresses, seminars as the Board may deem necessary to accomplish the purposes and objectives of the Philippine Heart Center;

8. To adopt a set of by-laws, rules and regulations not inconsistent with law and the provisions hereof to govern the administration and operation of the affairs of the Philippine Heart Center; and

9. To do all such other acts and things as are or may be necessary or incidental for the accomplishment of the purposes and objectives of the Philippine Heart Center.

SECTION 7. INCREASE OF PERSONNEL. – The **PHC** shall maintain the sufficient staffing pattern. Hence, it is authorized to increase its manpower to meet such required and may continue to increase personnel per percentage rate increase of committed mandates annually or as the need arises.

SECTION 8. GOVERNMENT CONTRIBUTIONS. The Government shall contribute the necessary land, building, equipment and facilities, to the **Philippine Heart Center**, and shall pay such obligations for real, personal and mixed properties arising from such undertaking under a deferred payment arrangement within three **(3)** years, at a preferred rate of interest.

SECTION 9. PROPERTY OF THE CENTER. The property of the Philippine Heart Center shall consist of such real, personal, mixed, and other type of property, now owned or reserved for, or may hereafter be given, donated, acquired, transferred or conveyed to, the Philippine Heart Center by the Philippine Government, its branches and instrumentalities, any foreign government, as well as by trust, foundations, corporations, or persons, alien or domestic, in order to carry out its purposes and objectives as set forth herein.

SECTION 10. TAX EXEMPTIONS, ETC. All donations, contributions or endowments which may be made by entities or persons to the Philippine Heart Center shall be exempt from income and gift taxes, and the same shall be further deductible in full for purposes of computing the maximum amount deductible under the **National Internal Revenue Code**, as amended.

The Philippine Heart Center shall be exempt from the payment of all taxes, charges and fees imposed by the Government or any political subdivision or instrumentality thereof for a period of five **(5)** years.

All income earned by foreign doctors who shall use the facilities of the **PHC** shall be tax exempt for a period of ten years from the date of issuance hereof.

SECTION 11. ASSISTANCE FROM GOVERNMENT OFFICES, ETC. The Philippine Heart Center may call upon any department, bureau, office, agency or instrumentality of the Government, including government-owned or controlled corporations, for such assistance as it may need in the pursuit of **powers and functions**.

All individuals, entities and institutions are hereby enjoined to render full assistance and cooperation to the **Philippine Heart Center** in the accomplishment of its objectives and activities.

SECTION 12. GOVERNMENT SUPPORT - The amount of **(Php250,000,000.00)** is hereby appropriated as contribution of the National Government for the initial modernization of the **Philippine Heart Center**. On the year of the approval of this act.

Thereafter, the necessary amount to support the continued modernization of the **Philippine Heart Center** shall be appropriated and released, subject to the approval of the President of the Philippines.

SECTION 13. TRANSITORY PROVISION – Existing industries, businesses and offices affected by the implementation of this Act shall be given six **(6)** months transitory period from the effectivity of the IRR or such other period as may be determined, to comply with the requirements of this Act.

SECTION 14. AUDITING - The books and accounts of the Philippine Heart Center shall be subject to periodic auditing by the Chairman of the **Commission on Audit**, or his duly authorized representative.

SECTION 15. IMPLEMENTING RULES AND REGULATIONS. – The departments and agencies charged with carrying out the provisions of this Act shall, within sixty **(60)** days after the effectivity of this Act, formulate the necessary rules and regulations for its effective implementation.

SECTION 16. REPEALING CLAUSE. – All laws, decrees, executive orders, rules and regulations, or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 17. SEPARABILITY CLAUSE. – If, for any reason, any section or provision of this Act is held unconstitutional or invalid, the other sections or provisions hereof shall not be affected thereby.

SECTION 18. EFFECTIVITY CLAUSE. – This Act shall take effect after fifteen (15) days from its publication in the Official Gazette or in at least two (2) national newspapers of general circulation whichever comes earlier.

Approved,