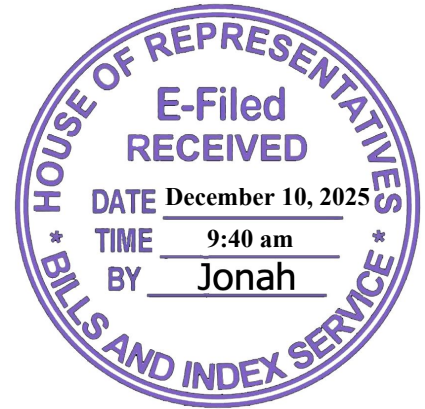




Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
First Regular Session

HOUSE BILL NO. 6755



Introduced by Representatives Ferdinand Martin G. Romualdez, Yedda Marie K. Romualdez, Andrew Julian K. Romualdez, and Jude A. Acidre

AN ACT
ESTABLISHING THE SPECIAL LOCAL HEALTH FUND FOR THE
IMPROVEMENT OF HEALTH CARE SERVICES IN THE LOCAL
GOVERNMENT UNITS AND APPROPRIATING FUNDS THEREFOR

EXPLANATORY NOTE

Section 15, Article II of the 1987 Constitution ensures that the right to health of the people is protected and promoted. Complementary thereto, Section 11, Article XIII of the same Constitution mandates the State to adopt an integrated and comprehensive approach to health development, which shall endeavor to make essential goods, health services, and other social services available to all people at an affordable cost.

This bill seeks to mandate the creation of a Special Local Health Fund for the improvement of local health services implemented by the local government units. While Republic Act No. 7160, otherwise known as the Local Government Code of 1991, has effectively devolved health services to local governments, many of these local government units were not prepared to carry out these devolved health functions. Despite the establishment of local health boards, there was no provision for the corresponding operating resources needed to provide accessible and affordable quality health services.

With the establishment of a Special Local Health Fund, each local government unit shall be afforded the funding needed to ensure a balanced and fair delivery of local health services. It shall be apart from the appropriations

allotted to health services by the respective local government units and remittances by the Philippine Health Insurance Corporation (PhilHealth) to the local health institutions and shall be used exclusively for the acquisition of equipment, upgrading of facilities and services, additional allowances for health workers, training, and continuing education of health workers. The local health boards are likewise mandated to manage the special local health fund.

This measure has been filed since the 12th Congress, yet it remained pending on the committee level.

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



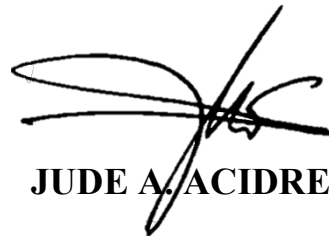
FERDINAND MARTIN G. ROMUALDEZ



YEDDA MARIE K. ROMUALDEZ



ANDREW JULIAN K. ROMUALDEZ



JUDE A. ACIDRE



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

Section 1. *Short Title.* – This Act shall be known as the “*Special Local Health Fund Act.*”

Section 2. *Declaration of Policy.* – It is hereby declared the policy of the State to guarantee that total quality health care is available to the people at affordable costs by providing additional resources to local government units for the health needs of their respective constituencies. It is also the policy of the State to see to it that all citizens be afforded optimum health care services and make the local governments accountable for the development and improvement of health services in their respective localities.

Section 3. *Special Local Health Fund.* – There is hereby established a Special Local Health Fund which shall be used exclusively for the following:

- a) Upgrading of facilities and equipment of local hospitals, rural health clinics, lying-in clinics, emergency hospitals, puericulture centers, nursing homes, hospices and such other health institutions found in cities and municipalities;
- b) Hiring, training and continuing education of health workers, caregivers, volunteer health workers and other ancillary personnel employed by the local governments in their health institutions;
- c) Building of new health institutions such as secondary hospitals, specialty clinics or care centers in cities and municipalities;
- d) Purchase of needed medicines and medical supplies at the lowest costs in accordance with law; and,
- e) Establishment of mobile emergency lifelines or quick-response medical and paramedical teams to respond to disasters, emergencies, and other life-threatening situations in the community.

Section 4. *Role of the Special Local Health Boards.* – In addition to the functions of the Local Health Board as provided for in Section 102 (b) of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, the Local Health Board shall manage the local special health fund, which shall be remitted to them by the agencies mentioned in Section 2 of this Act. The special health fund levy shall be automatically retained by the local health board as well as the proceeds from fines due to violations of health and safety laws collected by the local government units.

Section 5. *Funding.* – The Special Local Health Fund shall come from the following sources:

- a) Proceeds from a special levy of one percentum from all sales in all local public and private markets which shall be collected by the local governments and allocated by the health boards;
- b) Proceeds from fines collected for violations of health and safety regulations from all establishments in cities and municipalities;
- c) Five percentum of all revenues derived by the Philippine Charity Sweepstakes Office (PCSO) from lotto which shall be divided equally among all cities and municipalities;
- d) Five percentum of the net revenues of the Philippine Amusement and Gaming Corporation (PAGCOR) which shall be allotted equally among all cities and municipalities; and
- e) Grants or donations and endowments to cities and municipalities from private and foreign individuals, as well as local and international, private, and public associations or foundations.

Section 6. *Implementing Rules and Regulations.* – The Secretary of Health shall in coordination with the Secretary of the Interior and Local Government, issue the necessary rules and regulations for the effective implementation of this Act.

Section 7. *Separability Clause.* – If any part or provision of this Act is held unconstitutional or invalid, other parts for provisions hereof which are not affected shall continue to remain in full force and effect.

Section 8. *Repealing Clause.* – All laws, decrees, executive orders, rules and regulations or parts thereof inconsistent with or contrary to the provisions of this Act are deemed amended, repealed, or modified accordingly.

Section 9. *Effectivity.* – This Act shall take effect fifteen (15) days following completion of its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,