



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

Twentieth Congress
First Regular Session



HOUSE BILL NO. 9504

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

AN ACT
STRENGTHENING LOCAL HEALTH SYSTEMS THROUGH NATIONAL STANDARDS, PERFORMANCE BENCHMARKING, CAPACITY-BUILDING, AND SUSTAINED SUPPORT FOR DEVOLVED HEALTH SERVICES, ESTABLISHING A HEALTH SYSTEMS STRENGTHENING FUND, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

The 1987 Constitution declares that the State shall protect and promote the right to health of the people and instill health consciousness among them. While devolution has enabled LGUs to directly manage and deliver healthcare services tailored to local needs, disparities in healthcare capacity, infrastructure, funding, workforce availability, and administrative capability continue to persist across provinces, cities, and municipalities. These inequalities are particularly pronounced in low-income LGUs and geographically isolated and disadvantaged areas (GIDAs), where access to quality healthcare remains limited.

Many LGU-managed hospitals, rural health units (RHUs), and barangay health stations (BHSSs) continue to face challenges such as inadequate medical equipment, insufficient health personnel, fragmented health information systems, uneven service quality, weak emergency preparedness, and limited fiscal capacity.

Thus, this bill seeks to address these challenges by establishing a comprehensive national framework to strengthen devolved healthcare systems while respecting local autonomy. The measure provides for national standards and performance benchmarks for healthcare delivery, sustained technical and financial assistance to LGUs, institutional and human resource development programs, digital health integration, and mechanisms for transparency, accountability, and evidence-based monitoring.

The bill likewise establishes the Health Systems Strengthening Fund (HSSF) to support infrastructure upgrading, procurement of medical equipment, healthcare workforce development, emergency preparedness, and other critical health system investments, with priority given to underserved communities and disadvantaged LGUs.

By strengthening local health systems, improving governance and accountability, and ensuring equitable support for all LGUs, this measure seeks to build a more resilient, responsive, and inclusive healthcare system capable of meeting the present and future health needs of the Filipino people.

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



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

Twentieth Congress
First Regular Session

HOUSE BILL NO. **9504**

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

AN ACT
STRENGTHENING LOCAL HEALTH SYSTEMS THROUGH NATIONAL STANDARDS, PERFORMANCE BENCHMARKING, CAPACITY-BUILDING, AND SUSTAINED SUPPORT FOR DEVOLVED HEALTH SERVICES, ESTABLISHING A HEALTH SYSTEMS STRENGTHENING FUND, AND FOR OTHER PURPOSES

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 “Local Health Systems Strengthening Act”.

SEC. 2. Declaration of Policy. – Consistent with Article II, Section 15 of the Constitution, the Universal Health Care Act, and the Local Government Code of

1991, it is hereby declared the policy of the State to protect and promote the right to health of the people and instill health consciousness among them.

The State recognizes the crucial role of local government units (LGUs) in the delivery of devolved health services and shall strengthen local health systems through appropriate standards, technical guidance, fiscal support, institutional development, and performance monitoring mechanisms to ensure equitable, efficient, accessible, resilient, and quality healthcare services for all Filipinos.

SEC. 3. Definition of Terms. – As used in this Act:

- a. “Devolved health services” refer to healthcare functions, facilities, programs, and personnel transferred to LGUs pursuant to the Local Government Code of 1991 and other relevant laws;
- b. “LGU-managed health facilities” refer to provincial, district, city, and municipal hospitals, rural health units (RHUs), barangay health stations (BHSs), and other healthcare facilities operated by LGUs;
- c. “Health systems strengthening” refers to interventions aimed at improving governance, financing, service delivery, infrastructure, human resources, information systems, and health outcomes within local health systems;
- d. “Performance benchmarks” refer to measurable standards and indicators established by the Department of Health (DOH) to evaluate healthcare accessibility, quality, efficiency, responsiveness, and health outcomes;
- e. “Geographically Isolated and Disadvantaged Areas (GIDAs)” refer to communities identified by the DOH as having limited access to healthcare and

basic services due to geographic, socioeconomic, or security-related factors;
and

- f. “Centers of Excellence” refer to LGU-managed health facilities recognized by the DOH for exemplary healthcare service delivery, operational efficiency, innovation, and health outcomes.

SEC. 4. Objectives. – This Act aims to:

- a. Establish national standards for service delivery, operations, infrastructure, and patient care in devolved healthcare facilities;
- b. Provide sustained national government support to LGU-managed hospitals, RHUs, and local health systems through funding, technical assistance, and institutional support;
- c. Strengthen the institutional, managerial, and human resource capacities of local health systems;
- d. Develop a national performance benchmarking system to monitor, evaluate, and incentivize improved healthcare delivery and health outcomes;
- e. Promote equitable healthcare access, particularly in underserved areas and GIDAs; and
- f. Improve coordination among the DOH, PhilHealth, LGUs, and other stakeholders in the implementation of Universal Health Care.

SEC. 5. National Standards and Performance Benchmarks. – The DOH, in consultation with the Department of the Interior and Local Government (DILG), PhilHealth, LGUs, healthcare workers’ organizations, civil society organizations,

patient advocacy groups, academic institutions, and other relevant stakeholders, shall develop and regularly update national standards and performance benchmarks for devolved healthcare services, including but not limited to:

- a. Service availability and readiness;
- b. Health outcome indicators;
- c. Infrastructure and medical equipment adequacy;
- d. Human resource staffing, competencies, and retention;
- e. Financial and operational efficiency;
- f. Emergency preparedness and response capacity;
- g. Digital health integration and health information systems; and
- h. Patient safety, satisfaction, and continuity of care.

The standards and benchmarks established under this section shall be reviewed at least once every three (3) years and shall be published through publicly accessible platforms.

SEC. 6. Health Systems Strengthening Fund (HSSF). – There is hereby established a Health Systems Strengthening Fund (HSSF), which shall provide supplemental financial support to LGU-managed health systems and facilities. The HSSF shall be used for the following purposes:

- a. Infrastructure development, rehabilitation, and upgrading of healthcare facilities;
- b. Procurement, leasing, and maintenance of medical equipment and health technologies;

- c. Digital health integration, including electronic medical records, telemedicine systems, and health information systems;
- d. Hiring, deployment, training, and retention of healthcare personnel;
- e. Preventive, promotive, maternal, emergency, and primary healthcare programs;
- f. Emergency preparedness, stockpiling, and disease outbreak response capacity; and
- g. Other health systems strengthening initiatives as may be determined by the DOH.

The HSSF shall be administered by the DOH in coordination with the DBM and DILG. Allocation of funds shall consider:

- 1) Population size;
- 2) Disease burden and health indicators;
- 3) Service coverage gaps;
- 4) Income classification of LGUs;
- 5) Presence of GIDAs and underserved populations;
- 6) Disaster and public health vulnerability; and
- 7) Performance ratings and measurable improvements in healthcare delivery.

Priority shall be given to low-income LGUs, underserved areas, and GIDAs.

All disbursements and utilization of the HSSF shall be subject to existing government accounting and auditing rules and regulations and oversight by the Commission on Audit (COA).

SEC. 7. Support Programs for LGUs. – The DOH shall implement support programs for LGUs to strengthen local healthcare delivery systems, including:

- a. Technical assistance in local health planning, budgeting, procurement, governance, and financial management;
- b. Deployment of regional support teams to assist LGUs in compliance, capacity-building, and performance improvement;
- c. Access to centralized procurement, shared services, or leasing arrangements for medical equipment and supplies;
- d. Digital health integration support for electronic medical records, data reporting systems, interoperability, and telemedicine services;
- e. Scholarship, return-service, and retention incentive programs for healthcare workers serving in underserved and geographically isolated areas; and
- f. Training and continuing professional development programs for healthcare workers and local health administrators.

SEC. 8. Integration with Universal Health Care and PhilHealth. – The DOH and PhilHealth shall coordinate to ensure that the implementation of this Act aligns with the Universal Health Care framework, including Konsulta programs, case rates, primary care provider networks, health financing reforms, and other national healthcare initiatives.

Performance benchmarks established under this Act shall, whenever practicable, be harmonized with PhilHealth accreditation standards and healthcare financing mechanisms.

SEC. 9. Participation of Local Health Boards. – Local Health Boards established under existing laws shall participate in the planning, prioritization, monitoring, and evaluation of programs and projects funded under this Act.

The DOH shall encourage participatory governance and community engagement mechanisms to strengthen accountability and responsiveness in local health systems.

SEC. 10. Performance-Based Incentives. – LGUs that meet or exceed established performance benchmarks, or demonstrate significant measurable improvements in healthcare delivery and health outcomes, shall be eligible for:

- a. Additional financial grants and technical assistance;
- b. Recognition and accreditation as Centers of Excellence;
- c. Priority inclusion in national healthcare programs and pilot initiatives;
and
- d. Eligibility for participation in international health partnerships and grants facilitated by the national government.

Incentive mechanisms shall consider both absolute performance and measurable improvements relative to baseline conditions to ensure fairness and equity among LGUs.

SEC. 11. Transparency and Public Accountability. – The DOH shall establish and maintain a publicly accessible digital information system containing:

- a. HSSF allocations, releases, and utilization reports;
- b. Performance benchmark results and LGU assessments;
- c. Compliance reports and audit findings; and
- d. Annual local health systems assessments and program evaluations.

The DOH shall ensure timely publication and public accessibility of reports under this section, subject to applicable laws on data privacy and confidentiality.

SEC. 12. Monitoring and Evaluation. – The DOH shall submit an Annual Report to Congress detailing:

- a. HSSF allocations and utilization;
- b. LGU performance assessments and benchmark results;
- c. Progress in strengthening local health systems;
- d. Identified implementation gaps and challenges; and
- e. Recommendations for policy and program improvements.

The DOH may coordinate with state universities and colleges, public health institutions, civil society organizations, and independent evaluators in conducting periodic assessments of the implementation and effectiveness of this Act.

SEC. 13. Non-Partisanship and Merit-Based Personnel Administration. – The hiring, appointment, deployment, promotion, and utilization of healthcare personnel

funded under this Act shall be merit-based and consistent with civil service laws, rules, and regulations.

Healthcare personnel and resources funded under this Act shall not be used for partisan political activities.

SEC. 14. Appropriations. – The amount necessary for the initial implementation of this Act shall be charged against the current appropriations of the DOH and other available sources of funding. Thereafter, such amounts as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

SEC. 15. Implementing Rules and Regulations. – Within ninety (90) days from the effectivity of this Act, the DOH, in coordination with the DBM, DILG, PhilHealth, DICT, COA, and other relevant agencies and stakeholders, shall promulgate the necessary rules and regulations for the effective implementation of this Act.

SEC. 16. Separability Clause. – If any provision of this Act is declared unconstitutional or invalid, the remaining provisions not affected thereby shall remain in full force and effect.

SEC. 17. Repealing Clause. – All laws, executive orders, administrative orders, rules, and regulations inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SEC. 18. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,