

MAY 25 1990

EXECUTIVE ORDER NO. 269

AMENDING PRESIDENTIAL DECREE NO. 1519, ENTITLED "REVISING
THE PHILIPPINE MEDICARE ACT OF NINETEEN HUNDRED
AND SIXTY NINE"

WHEREAS, to make the Philippine Medical Care Plan more responsive to its objectives, in view of the re-orientation and structuring of health policies, programs and organizations, and to have a more effective administration of the Medicare Program, there is a need to amend further the Revised Philippine Medical Care Act;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order:

Section 1. Section 4 (k) of Presidential Decree No. 1519 is hereby amended to read as follows:

"(k) Medical or Dental Practitioner - Any doctor of medicine or doctor of dental medicine duly licensed to practice in the Philippines and who is accredited by the Commission in accordance with its rules and regulations."

Section 2. Section 5 of Presidential Decree No. 1519 is hereby amended to read as follows:

"Section 5. Philippine Medical Care Commission. To carry out the purposes and objectives of this Act, the Philippine Medical Care Commission created by Republic Act No. 6111, hereinafter referred to as the Commission, shall be composed of the Secretary of Health as Chairman; an Undersecretary of Health designated by the former as Vice-Chairman; the Administrator of the Social Security System; the President and General Manager of Government Service Insurance System; the Secretary of Finance; the Secretary of Local Government; the Secretary of Labor and Employment; and four other members, one each representing the beneficiaries, the private employers, the physicians and the hospitals. The four other members shall be appointed by the President of the Philippines for a term of six (6) years.

The ex-officio members may designate their representatives who shall exercise the plenary powers of their principals as well as enjoy the same benefits available to the latter."

Section 3. Section 6 of Presidential Decree No. 1519, as amended, is hereby further amended to read as follows:

"Section 6. Functions of the Commission. The Commission shall have the following functions and powers:

To formulate policies, administer and implement the Philippine Medical Care Plan, consistent with the National Health Plan.

- (b) To ensure that medical care is provided to members covered by the Philippine Medical Care Plan.

To organize its offices, fix the compensation of and appoint its Secretary and such other personnel as may be deemed necessary, subject to pertinent budget and compensation laws, rules and regulations.

To accredit medical and dental practitioners, government and private hospitals and other facilities for participation in the Medical Care Plan under such terms and conditions as the Commission may set.

To promulgate or prescribe rules and regulations as may be necessary to carry out the provisions and purposes of this Act.

To recommend to the President from time to time according to sound actuarial procedures the contributions and benefits under the Philippine Medical Care Plan as well as alternative systems in order to insure adequate financing and effective delivery of Medical Care to all beneficiaries of the plan.

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(g) To ensure a homogenous distribution of adequate hospital accommodations for inpatient care through a national network of government and private medical care facilities; and to coordinate with the Department of Health in the implementation of the Hospital Licensure Act.

- (h) To acquire in behalf of the Republic of the Philippines, real or personal property which may be necessary or expedient for the attainment of the purposes of the Commission.

- (i) To enter into agreements or contracts in the manner and under such terms and conditions as the Commission may deem proper for the efficient and effective administration of the Commission.

- (j) To adopt control measures to prevent abuses of the Philippine Medical Care Plan.

- (k) To render decisions, orders or resolutions on any investigation conducted upon its own initiative or upon complaint in writing for any violation of this law or its rules and regulations, and after notice and hearing, impose administrative fines of not less than P5,000 but not more than P30,000 against any person, natural or juridical, found guilty of such violation: Provided, That should the violation be committed by a hospital, drugstore, medical or dental practitioner, the accreditation so extended shall, in addition, be suspended or revoked: Provided, further, That should the violation be committed by a beneficiary, his right to the benefits under the Medicare Program shall, in addition be suspended for a period not exceeding six months: Provided, furthermore, That any decision, order or resolution rendered by the Commission shall be appealable to the Office of the President in accordance with the procedure established under Administrative Order No. 18, series of 1987: Provided, finally, That the administrative sanctions provided herein shall be without prejudice to the penal provisions under Section 28, hereof.

To issue as soon as the decision, order or resolution has become final and executory writs of execution enforceable in accordance with the Rules of Court of the Philippines.

To deputize any law enforcement agency or official in the execution of its final decision, orders or resolutions and to serve such other processes of the Commission.

- (n) To submit to the President of the Philippines annually within the first ten days of each year, a report covering its activities in the administration of this Act during the preceding fiscal years.

To coordinate with other appropriate government agencies in the development of medical and allied manpower based on the needs of the health care delivery system.

To approve rules and regulations to ensure uniform evaluation of claims as may be elevated by the beneficiary hospitals or practitioners.

- (q) Generally to exercise all powers necessary to attain the purposes and objectives of this Act."

Section 4. The last sentence of Section 7 of Presidential Decree No. 1519 is hereby amended to read as follows:

"Each member of the Commission shall receive a monthly commutable allowance subject to the aforementioned laws, rules and regulations, except those who are already receiving the same from the government offices they are appointed to."

Section 5. Section 8 of Presidential Decree No. 1519 is hereby amended to read as follows:

"Section 8. Chairman and Vice-Chairman of the Commission.

(a) The Chairman shall preside over the meetings of the Commission and shall implement its decisions. He shall exercise supervision and control over all operations of the Commission.

(b) When the Chairman is temporarily unable to perform his functions or in case of vacancy in the Office of the Chairman, the Vice-Chairman shall serve as the Acting Chairman. He shall perform such other functions as may be assigned to him by the Chairman."

Section 6. Section 9 of Presidential Decree No. 1519 is hereby amended to read as follows:

"Section 9. Executive Director of the Commission. The Commission shall have an Executive Director who shall be appointed by the President of the Philippines for a term of six (6) years. The Executive Director shall have at least ten (10) years experience in technical and administrative fields related to the purposes and objectives of the Act. He shall hold office on a full-time basis and shall not be removed except for cause. He shall receive such salary and remuneration as may be determined by the Commission, subject to pertinent laws, rules, and regulations on compensation, honoraria and allowances.

The Executive Director shall be responsible for the general conduct of the operations and administration of the Commission."

Section 7. The second paragraph of Section 11 of Presidential Decree No. 1519 is hereby amended to read as follows:

"In case a person is covered both by the SSS and GSIS, he may choose under which system he shall be covered for Medicare purposes, under such rules as the Commission may prescribe."

Section 8. Section 17 of Presidential Decree No. 1519 is hereby amended to read as follows:

"Section 17. Health Insurance Fund. - Payments for medical care benefits under Program I shall be borne by the Health Insurance Fund which shall consist of all contributions of Medicare members and all accruals thereto collected by the SSS and GSIS from the members under the Act. It shall be kept distinct and separate from all other funds administered by the said agencies.

The Health Insurance Fund shall be deposited, invested, administered, and disbursed in the same manner and under the same conditions, requirements, and safeguards as provided by Republic Act Numbered Eleven Hundred Sixty-One as amended, and Presidential Decree Numbered Eleven Hundred Forty-Six, as amended, with regard to such other funds as are administered by the SSS and GSIS, respectively: Provided, That the deposit, investment, administration, and disbursement of the funds conform with the policies established by the Commission: Provided, further, That the SSS and GSIS may disburse each for operational expenses not more than twelve per cent (12%) of the total contributions and investment earnings collected during the year."

Section 9. Section 18 of Presidential Decree No. 1519 is hereby amended to read as follows:

"Section 18. Contributions to the Health Insurance Fund. - The compulsory contributions of members to the Health Insurance Fund shall be in accordance with the schedule of rates established by the Commission and approved by the President."

Section 10. Section 19 of Presidential Decree No. 1519 is hereby amended to read as follows:

"Section 19. Collection of Contributions to the Health Insurance Fund. - The employer shall deduct from his employee's monthly compensation the employee's contribution. The employee's contribution and the employer's counterpart thereof shall be remitted by the employer directly to the GSIS and the SSS, as the case may be, in the same manner as other SSS and GSIS contributions and shall be subject to the same penalties for late payment. The employer's counterpart contribution shall not in any manner be recovered from the employee. Failure of the employer to remit to the GSIS or the SSS the corresponding employee's and employer's contributions shall not be a reason for depriving the employee of the benefits of this Decree."

Section 11. Sections 24, 25 and 26 of Presidential Decree No. 1519 are hereby revoked, and Sections 27, 28 and 29 thereof are hereby re-numbered as Sections 24, 25 and 26. Sections 24 and 25 of Presidential Decree No. 1519, as renumbered herein, are hereby amended to read as follows:

"Section 24. Records and Reports. - The Commission, the SSS and GSIS shall keep records of all operations relative to the Program."

"Section 25. Program Monitoring, Study and Research. - The Commission shall undertake a continuing monitoring study and research to improve the Program."

Section 12. A new Section 27 is hereby added to Presidential Decree No. 1519, to read as follows :

"Section 27. Preventive Suspension. - The Hearing Committee may preventively suspend any beneficiary, duly accredited practitioner, hospital, or other facility from participation in the Program if any of the following circumstances is present:

When the respondent has been found guilty of a violation of this Act or of its rules and regulations at least twice and there is reasonable ground to believe that the respondent is guilty of the present charge.

2. When the respondent, at the time of the inspection has committed or is committing a violation.

The preventive suspension order shall be for a period of not exceeding three (3) months from the date of its issuance. The order: (a) shall specify the violation charged, supported by the evidence of the violation, (b) shall require the respondent to answer the charges within a period of ten (10) days from receipt thereof, and (c) shall require the respondent to appear on the date set for hearing the case."

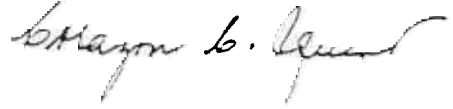
Section 13. Sections 30, 31, 32, 33, 34, 35 and 36 of Presidential Decree No. 1519 are hereby renumbered as Sections 28, 29, 30, 31, 32, 33 and 34. Section 29 of Presidential Decree No. 1519, as renumbered herein, is hereby amended to read as follows:

"Section 29. Appropriation. Funds as may be necessary to finance the operation, programs, and projects of the Commission in carrying out this Decree are hereby authorized to be included in the Annual Appropriations Law."


Section 14. All laws, orders, issuances, rules and regulations or parts thereof inconsistent with this Executive Orders are hereby repealed or modified accordingly.

Section 15. This Executive Order shall take effect immediately.

Done in the City of Manila, this 25th day of July in the year of Our Lord, nineteen hundred and eighty-seven.



By the President:



J. P. ARROYO
Executive Secretary