

# [ PRESIDENTIAL DECREE NO. 1519, June 11, 1978 ]

## REVISING THE PHILIPPINE MEDICAL CARE ACT OF NINETEEN HUNDRED AND SIXTY NINE

**WHEREAS,** Republic Act Number Sixty-One Hundred Eleven entitled "An Act Establishing the Philippine Medical Care Plan and Creating the Philippine Medical Care Commission, Prescribing its Duties, Powers and Functions and Appropriating Funds Therefor" enacted on August 4, 1969 requires revision in order to be responsive to the situation;

**WHEREAS,** such revision is a condition to the more effective implementation of the law and the achievement of its goals;

**WHEREAS,** the Medical Care Program is one of the vital projects of the government in the New Society;

**NOW, THEREFORE, I, FERDINAND E. MARCOS,** President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order and decree:

**SECTION 1. *Short Title.*** This Decree shall be known as the Revised Philippine Medical Care Act.

**SEC. 2. *Declaration of Policy.*** It is hereby declared to be the policy of the government to gradually provide total medical service for our people by adopting and implementing a comprehensive and coordinated medical care plan based on the following concepts of health care:

- a. There shall be comprehensive medical care according to the needs of the patient.
- b. The use of government and private medical facilities shall be coordinated as public service instrumentalities for the people.
- c. Optimum health care shall be achieved by preserving and promoting a proper inter-relationship among physicians, patients and hospitals.

**SEC. 3. *Purpose and Objectives.*** The main purposes and objectives of this Decree are:

- a. To provide medical care to residents of the country in an evolutionary way within our economic means and capability as a nation.
- b. To provide our people with a viable means of helping themselves pay for adequate medical care.

**SEC. 4. *Definition of Terms.*** For the purpose of this Decree the following terms shall mean as follows:

- a. Commission—The Philippine Medical Care Commission created under R. A. No. 6111.
- b. Philippine Medical Care Plan—the total Plan consisting of Programs I and II.
- c. SSS—the Social Security System created under Republic Act Number Eleven Hundred Sixty One as amended.
- d. GSIS—The Government Service Insurance System created under Commonwealth Act Number One Hundred Eighty Six as amended.

- e. Employee—Any person compulsorily covered by either the GSIS or SSS.
- f. Beneficiary—Any person entitled to medical care benefits under this Decree.
- g. Employer—The employer of the employee.
- h. Legal Dependent—Persons other than members and contributors who are entitled to benefits under this Decree in accordance with such terms and conditions as the Commission may prescribe.
- i. Medical Care Benefits—Services relative to illness or injury including major dental surgery or operation which needs hospitalization, subject to reasonable limitations as will be imposed by the technical organization and finances of the Philippine Medical Care Plan.
- j. Hospital—Any medical facility, government or private, accredited in accordance with rules and regulations promulgated by the Commission.
- k. Medical or Dental Practitioner—Any doctor of medicine or doctor of dental medicine duly licenced to practice in the Philippines who is a member in good standing of the Philippine Medical Association or of the Philippine Dental Association and accredited in accordance with rules and regulations promulgated by the Commission.
- l. Service Beds—Private and government hospital beds set aside for beneficiaries of the Philippine Medical Care Plan as may be prescribed by the Commission.
- m. Single Period of Confinement—A single confinement or series of confinements for the same illness, with intervals of not more than ninety (90) days.
- n. Medical or Dental Attendance—Medical or dental care of a patient by a physician or medical staff or dentist or dental staff of the hospital.

**SEC. 5. *Philippine Medical Care Commission.*** To carry out the purposes and objective of this Decree, the Philippine Medical Care Commission created by Republic Act No. 6111, hereinafter referred to as the Commission, shall be composed of a Chairman, an Executive Director and the following members: the Administrator of the Social Security System, the General Manager of the Government Service Insurance System, the Secretary of Health, the Secretary of Finance, the Secretary of Local Governments and Community Development, the President of the Philippine Medical Association, the President of the Philippine Hospital Association, and two (2) members representing the private sector. The private sector representative 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.

When the Chairman is temporarily unable to perform his functions or in case of vacancy of the office, the Executive Director shall serve as the Acting Chairman.

**SEC. 6. *Functions of the Commission.*** The Commission shall have the following functions and powers:

- a. 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.
- c. 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.

- d. To establish when deemed necessary provincial, city and municipal medical care councils.
- e. 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.
- f. To promulgate or prescribe rules and regulations as may be necessary to carry out the provisions and purposes of this Decree.
- g. To recommend to the President from time to time according to sound actuarial procedures the contributions as well as benefits under the Philippine Medical Care Plan as resources allow in order to insure adequate financing and effective delivery of medical care to all beneficiaries of the Plan.
- h. To fix and provide from its funds the necessary amount for the operation of Provincial Medical Care Councils, City Medical Care Councils and the Municipal Medical Care Councils so that they could carry out their respective functions under the Medical Care Plan. Council members shall be entitled to per diems for every meeting actually attended by them as well as actual and necessary travel expenses as the Commission may provide, subject to pertinent laws, rules and regulations on compensation honoraria and allowances. Ex-officio council members shall be provided with an honorarium in such amount as the Commission may approve subject to pertinent rules and regulations on honoraria.
- i. To ensure a homogenous distribution of adequate hospital accommodations for in-patient 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.
- j. 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.
- k. To enter into agreement 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.
- l. To adopt control measures to prevent abuses of the Philippine Medical Care Plan.
- m. To investigate upon its own initiative or upon complaint in writing, any violation of this Decree or of the implementing rules and regulations and to suspend or revoke, after notice and hearing, the accreditation extended to any government or private hospital, drug store, medical and dental practitioner, who commits such violation: *Provided*, That any order or decision rendered by the Commission under this paragraph shall be appealable to the Office of the President in accordance with the procedure established under Executive Order No. 19, Series of 1966.
- 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 and enforcement of this Decree during the preceding fiscal year.
- o. 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.
- p. Generally to exercise all powers necessary to attain the purposes and objectives of this Decree.

**SEC. 7. Meetings and Hearings of the Commission.** The meetings and hearings of the Commission shall be held as often as necessary at the discretion of the

Chairman or at the request of the majority of the members of the Commission. The presence of six (6) members of the Commission shall constitute a quorum. The members of the Commission shall receive a per diem for every meeting and hearing attended subject to pertinent budget laws, rules, and regulations on compensation, honoraria and allowances. Each member of the Commission, except the Chairman and the Executive-Director, shall receive a monthly commutable allowance subject to the aforementioned laws, rules and regulations on compensation.

**SEC. 8. *Chairman of the Commission.*** The Chairman of the Commission shall be appointed by the President of the Philippines for a term of six (6) years. He shall be a reputable member of the medical profession with at least twelve (12) years of experience in medical practice. 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 provisions of P.D. No. 985.

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.

**SEC. 9. *The Vice-Chairman and Executive Director of the Commission.*** The Executive Director who shall also be the Vice-Chairman shall be appointed by the President of the Philippines for a term of six (6) years and shall have at least ten (10) years of experience in business undertaking or medical practice. He shall hold office on a fulltime 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 the provisions of P.D. No. 985.

The Executive Director shall advise and assist the Chairman in the formulation and implementation of rules and regulations necessary to carry out the policies established by the Commission. He shall perform such functions as may be assigned to him by the Chairman.

**SEC. 10. *The Philippine Medical Care Plan.*** The Philippine Medical Care Plan shall consist of the following which shall provide medical care benefits:

- a. Program I—for members of the SSS and the GSIS including their legal dependents.
- b. Program II—for those not covered under Program I. This shall be in accordance with Section 33 hereof.

**SEC. 11. *Program I.*** All members of the SSS and GSIS and all their legal dependents as defined under Section 4 hereof shall be provided with medical care benefits.

In case an employee is both covered by the SSS and GSIS, only his employment with the latter shall be considered for purposes of his coverage.

**SEC. 12. *Medical Care Benefits.*** Under such rules, regulations and/or conditions as the SSS or the GSIS may prescribe subject to the approval of the Commission, a beneficiary under Program I who suffers from sickness or injury requiring hospitalization/surgical operation shall be entitled to the following benefits:

- a. Allowance for hospital room and board at twelve (P12.00) pesos per day for a period not exceeding 45 days per year for each member of Program I and another 45 days per year to be shared by all his legal dependents. The

Commission may, however, fix a higher rate not exceeding eighteen (P18.00) pesos per day in accordance with such standards that it may set.

- b. Allowance for necessary drugs and laboratory examination including X-ray not exceeding one hundred fifty (P150.00) pesos per single period of confinement. However, an amount not exceeding two hundred fifty (P250.00) pesos may be allowed for cases requiring intensive care as may be defined by the Commission.
- c. Surgeon's fee allowance not exceeding fifty (P50.00) pesos for minor surgery, two hundred fifty (P250.00) pesos for medium, surgery and five hundred (P500.00) pesos for major surgery, the exact amount of which shall be determined under a relative value scheme covering each kind of surgical procedure under rules and regulations to be promulgated by the Commission for this purpose, but not to exceed five hundred (P500.00) pesos for any listed operation. The fee shall cover two (8) days of pre-operative care and five (5) days of post-operative care.
- d. Operating room fee allowance not exceeding twenty (P20.00) pesos for minor surgery, fifty (P50.00) pesos for medium surgery and seventy-five (P75.00) pesos for major surgery.
- e. Anesthesiologist's fee allowance shall not exceed thirty per cent (30%) of the surgeon's fees.
- f. Allowance for medical and dental practitioner's fee of ten (P10.00) pesos per each daily visit not to exceed two hundred (P200.00) pesos for a single period of confinement or for any sickness or injury provided that in determining the compensable daily visit occasioned by any one sickness or injury not more than one visit for any one day shall be counted.
- g. Allowance for sterilization expenses of a contributing member or his spouse as may be determined by the Commission.

The beneficiary shall have the option to secure the drugs and medicines used for his treatment from either the hospital pharmacy wherein he is confined or from any retail drug store of his own choice subject to the rules and regulations promulgated by the Commission or as provided for in Sections 21 and 22 thereof.

Out-patient and domiciliary care shall be carried out by existing government hospitals, rural health units, other government clinics and all clinics under the supervision of various government entities.

As soon as feasible the Commission shall provide expense allowances for ambulatory and domiciliary care benefits rendered in/by government or private hospitals or clinics to beneficiaries of this Medical Care Act subject to rules and regulations promulgated by the Commission.

All government hospitals, sanitaria, clinics, dispensaries and rural health units shall provide back-up services to the medical care plan especially for patients occupying service beds.

**SEC. 13. *Participants in the Delivery of Medical Care Services.*** Only the following may participate in the delivery of medical care services in the Philippine Medical Care Plan under such rules and regulations as the Commission may set:

- a. Hospitals duly accredited by the Commission.
- b. Medical and Dental practitioners duly accredited by the Commission.
- c. Drugstores duly accredited by the Commission.