

Republic of the Philippines  
House of Representatives  
Quezon City



**EIGHTEENTH CONGRESS**  
First Regular Session

HOUSE BILL NO. 1880

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INTRODUCED BY REPRESENTATIVE ALFRED VARGAS

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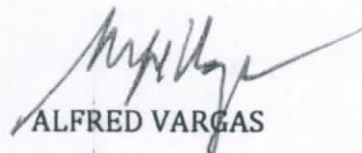
#### EXPLANATORY NOTE

According to the Department of Health, the leading causes of death of Filipinos are heart diseases, vascular ailments, pneumonias, malignant cancers, all forms of tuberculosis, accidents, chronic obstructive pulmonary disease and allied conditions, diabetes mellitus, nephritis, and other respiratory diseases.

Treating such diseases would need professional medical care. However, patients and their families oftentimes choose to not immediately avail of these services as they are unaware of the costs that healthcare entail.

This bill proposes to make available the costs of drugs, treatments, and services offered by hospitals and ambulatory surgical centers to enable patients and their families plan their health care and treatment and manage their financial expectations.

In the thrust of protecting and promoting the right to health of the Filipino people and instilling health consciousness, the immediate passage of this bill is earnestly sought.

  
ALFRED VARGAS

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**AN ACT**  
**PROVIDING FOR THE PUBLIC DISCLOSURE OF PRICES OF DRUGS AND**  
**PROCEDURES BY HOSPITALS AND AMBULATORY SURGICAL CENTERS**

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

**SECTION 1. Short Title.** This Act shall be known as the "Hospital Price Disclosure Act".

**SECTION 2. Declaration of Policy.** It is the policy of the State to protect and promote the right to health of the people and instill health consciousness among them.

**SECTION 3. Definition of Terms.** For purposes of this Act, the terms:

- A. "Ambulatory Surgical Center" shall refer to a public or private medical-surgery establishment with an on-site organized medical staff of physicians and a permanent facility with 16 operating room equipment which does not provide services or accommodations for patients to stay overnight;
- B. "DOH" shall refer to the Department of Health;
- C. "Hospital" shall refer to a facility licensed to provide care and treatment for sick or injured patients, primarily while they are acutely ill or chronically ill. It must have facilities for diagnostic treatment and major surgery and maintains permanent and full-time facilities for the care of overnight resident bed patients under the supervision of one or more licensed physicians; and
- D. "Secretary" shall refer to the Secretary of the Department of Health.

**SECTION 4. Data Reporting by Hospitals and Ambulatory Surgical Centers and Public Posting -**

- A. *Quarterly Reporting Requirement.* - Beginning one (1) year from the enactment of this law, hospitals shall report to the Secretary, not later than forty-five (45) days after the end of each calendar quarter, for each procedure or drug selected under Subsection (B) of this Section, and ambulatory surgical centers shall report to the Secretary, for each procedure selected under Section 5, the following data:
1. The frequency with which the hospital performed the procedure, or administered the drug in an inpatient setting, or the center performed the procedure during such quarter;
  2. If the procedure was performed or the drug was so administered during such quarter, the average and the median of the price charged by the hospital or center for such procedure or drug during such quarter;
- B. *Selection of Procedures and Drugs.* - Based on national data, the Secretary shall select the following:
1. The twenty-five (25) most frequently performed hospital inpatient procedures;
  2. The twenty-five (25) most frequently performed hospital outpatient procedures; and
  3. The fifty (50) most frequently administered drugs in a hospital inpatient setting.

The Secretary shall periodically update the procedures and drugs selected.

**SECTION 5. Administrative Provisions. -**

- A. *Classification of Procedures.* - For the purpose of Section 4, the Secretary shall establish rules for the classification of different medical procedures and for the assignment of items and services to these procedures;
- B. *Computation of Average and Median Prices.* - For purposes of Section 4, the computation of an average and median price for a procedure or drug shall be in accordance with a methodology prescribed by the Secretary. Such methodology may provide for reporting by the hospital or ambulatory surgical center of unit prices for specific items and service included in a procedure, including appropriate per diem prices, and a method of



converting such unit prices for a procedure to an average and median price for such procedure.

- C. *Form of Report and Notice.* – The Secretary shall specify the electronic form and manner by which a hospital or ambulatory surgical center shall report data under Section 4 and the form for posting of notices under Section 5 (B).

**SECTION 6. Public Availability of Data. –**

- A. *Public posting of data.* – The Secretary shall promptly post, on the official website of the Department of Health the data reported under Section 4. Such data shall be set forth in a manner that promotes price comparison among hospitals and ambulatory surgical centers.
- B. *Notice of availability.* – A hospital and ambulatory surgical center shall prominently post at each admission site of the hospital or center a notice of the availability of the data reported under Section 4 on the official public web site of the Department of Health.

**SECTION 7. Penalty.** – Any hospital or ambulatory surgical center who fails to comply with the provisions of this Act shall suffer a fine of not more than Ten Thousand Pesos (P10,000.00).

**SECTION 8. Appropriations.** – To carry out the provisions of this Act, such amount as may be necessary is hereby authorized to be appropriated from the National Treasury. Thereafter, the amount necessary for the continuous operation of the Public Disclosure Program shall be included in the annual appropriation of the DOH.

**SECTION 9. Separability Clause.** – If any provision of this Act is held invalid or unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof.

**SECTION 10. Repealing Clause.** - All laws, decrees, orders, and issuances, or portions thereof, which are inconsistent with the provisions of this Act, are hereby repealed, amended or modified accordingly.

**SECTION 11. Effectivity Clause.** – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,