

A-11-3  
PROV. ORD.

Republic of the Philippines  
Province of Benguet  
La Trinidad  
**OFFICE OF THE SANGGUNIANG PANLALAWIGAN**

REGULAR MEETING: February 26, 2004

- PRESENT:** HON. EDNA C. TABANDA, Vice Governor, Presiding Officer  
 HON. CRESCENCIO C. PACALSO, Board Member  
 HON. MARVIN D. ATOS, Board Member  
 HON. MARCIANO T. INSO, SR., Board Member  
 HON. LISO L. AGPAS, Board Member  
 HON. JOSEPH A. COSENTE, Board Member  
 HON. WASING D. SACLA, Board Member  
 HON. BENJAMIN C. SAGUID, Board Member  
 HON. JOHNNY S. UY, Board Member  
 HON. SARIO M. COPAS, Board Member  
 HON. DANIO L. BOLISLIS, Board Member  
 HON. EDDIE P. AMUASEN, Liga ng mga Brgy. Pres., Member  
 HON. WILLIAM H. ESTEBAN, PCL President, Member  
 HON. KRISTINE GRACE D. YUBOS, SKF President, Member

**ABSENT:** NONE

**Provincial Ordinance No. 04 - 88**

**DECLARING THE NEW BENGUET GENERAL HOSPITAL AS AN ECONOMIC ENTERPRISE OF THE PROVINCE OF BENGUET PURSUANT TO PERTINENT PROVISIONS OF THE LOCAL GOVERNMENT CODE OF 1991, AS AMENDED, AND THE HEALTH SECTOR REFORM AGENDA OF THE NATIONAL GOVERNMENT**

**WHEREAS**, Section 17(a) and (b)(3)(iv) of the Local Government Code of 1991, as amended, devolved among others, the powers, duties, functions, responsibilities of national agencies and offices over health services which include hospitals and tertiary health services to local government units;

**WHEREAS**, because of its ardent desire to upgrade and strengthen its Health Delivery Systems, the Province was able to acquire grant assistance from the Japanese Government through the Japan International Cooperation Agency (JICA);

**WHEREAS**, pursuant to Memorandum of Agreement entered into by and between the Japanese Government and the Benguet Provincial Government it stipulates among others, that the new Benguet General Hospital shall be fully operationalized as a second level referral 200-bed hospital in the year 2003;

**WHEREAS**, to fully, effectively, and efficiently operationalize the 200-bed capacity, there is a dire need for additional personnel and income, to defray personal services, as well as maintenance and other operating expenditures;

**WHEREAS**, to attain the foregoing, the declaration of the Hospital as an **Economic Enterprise** pursuant to Section 22 of the Local Government of 1991, as amended, is but fitting and proper if only to address the very concern the said upgraded Hospital is conceived;

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**NOW THEREFORE**, on motion duly seconded, be it

**Enacted by the Sangguniang Panlalawigan of Benguet in session assembled:**

**Section 1. Declaration of the New Benguet General Hospital Complex as an Economic Enterprise.** The New Benguet General Hospital is hereby declared as an **Economic Enterprise** in accordance with pertinent provisions of the Local Government Code of 1991, as amended. It shall be **owned and managed** by the Provincial Government of Benguet.

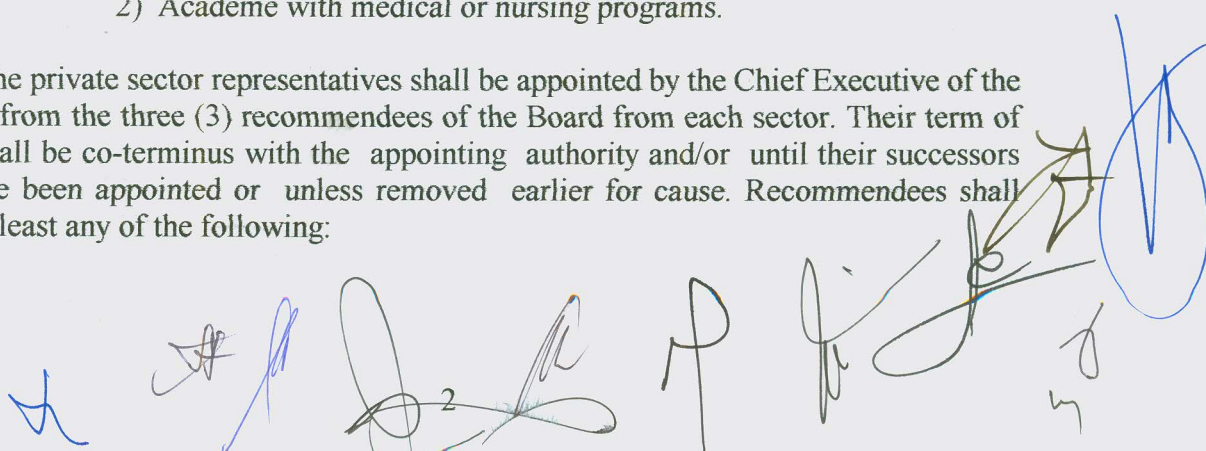
**Section 2. Terms of Reference on the Management of the New Benguet General Hospital Complex as an Economic Enterprise.** Terms of reference on the management of the new Benguet General Hospital Complex as an **Economic Enterprise** shall be as follows:

- a) The Hospital shall be structurally and operationally transformed as an **Economic Enterprise**; Provided, however, that a **60%-40% ratio of the 200-bed capacity shall be for charity and payward**, respectively;
- b) Hospital charges and fees shall remain at present level pursuant to the Benguet Revenue Code as amended by Ordinance No. 00-65 series 2000. Any increase thereof shall be approved by the Provincial Government upon recommendation by the Board of Directors; and
- c) An annual subsidy to the Hospital of not less than Forty Million Pesos (P40,000,000.00) shall be allocated by the Provincial Government without prejudice to additional allocation to start the operation of the upgraded Hospital; and **Provided, further**, that such subsidy may cease when the Hospital becomes financially viable.

**Section 3. Board of Directors.** There is hereby created a Board of Directors, herein referred to as the Board, which shall be composed of nine (9) members as follows:

- a) Chairman, Provincial Finance Committee;
- b) Hospital Administrator;
- c) Provincial Health Officer;
- d) Representative, Department of Health-CAR;
- e) Representative, Philippine Medical Association (Baguio-Benguet Chapter);
- f) Representative, Philippine Nurses Association;
- g) Representative, Benguet Provincial Government Employees Association
- h) Private Sector Representatives from:
  - 1) NGOs; and
  - 2) Academe with medical or nursing programs.

The private sector representatives shall be appointed by the Chief Executive of the Province from the three (3) recommendees of the Board from each sector. Their term of office shall be co-terminus with the appointing authority and/or until their successors shall have been appointed or unless removed earlier for cause. Recommendees shall possess at least any of the following:



- a) Experience in management;
- b) Expertise in financing;
- c) Known linkages with domestic and/or international organizations that can provide hospital or medical related resource assistance (medical expertise, equipment, technical assistance).

**Section 4. Powers, Duties, Functions and Responsibilities of the Board.** The Board shall exercise the following powers, duties, functions and responsibilities:

- a) Adopt and promulgate policies and guidelines governing the day to day management and operations of the New Benguet General Hospital as an **economic enterprise** in consonance with existing laws and of the provisions of this ordinance;
- b) Adopt the semi-annual, annual, medium term and long term hospital plans, programs, projects and activities;
- c) Exercise general supervision and control over the hospital operation, its facilities, personnel, properties and finances. In the exercise thereof, it shall cause the preparation of specific program/project plans and budgets with annual work and financial plans (AWFP) and monitor the implementation of the same;
- d) Ratify Memorandum of Agreements entered into by and between the Hospital, represented by the Hospital Administrator, and the Visiting Consultants;
- e) Submit semi-annual "Statement of Operations" to the Provincial Government or the Sangguniang Panlalawigan, detailing the status of operations and performance of the Hospital as an Economic Enterprise;
- f) Appoint by a majority vote, a Hospital Administrator, as soon as practicable and shall define its duties; and
- g) Fix the salary of the Hospital Administrator.

**Section 5. Meetings of the Board.** The Board shall hold quarterly regular meetings to act on all matters pertaining to the management and operations of the hospital; Provided, however, that special meetings, which shall not be more than once every quarter, may be held to act on matters needing urgent action.

**Section 6. Honoraria of the Board.** The members of the Board shall be entitled to honoraria as may be authorized by the same, except for government officials and employees. Any increase in honoraria shall be applicable to a new member.

**Section 7. Chairman. Powers, Duties, Functions and Responsibilities.** The Chairman who shall be elected from among the members of the Board shall have the following powers, duties, functions and responsibilities:

- a) He shall preside over the meetings of the Board;

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- f) To perform such other powers, duties and functions as maybe prescribed by the Board.

**Provided**, that the appointment of personnel in the supervisory level shall be subject to the approval by the Board; **Provided, further**, that the number and qualifications of the hospital staff shall be consistent with civil service rules and regulations and qualification standards and consistent with the rules established by the Department of Health.

**Section 12. Hospital Personnel Selection Board.** There is hereby created a Hospital Personnel Selection Board (HPSB) composed of the following members, whose powers, duties, functions and responsibilities is to act as Search Committee, assess and rank applicants for positions pursuant to civil service rules and regulations; and recommends three (3) top most ranking applicants for appointment.

- a) Hospital Human Resource Officer as Chairman;
- b) Head or Chief of the Division where the vacancy exists;
- c) Representative from the DOH-CAR;
- d) Representative from the Benguet Provincial Government Employees (BPGEA); and
- e) Representative from the Baguio- Benguet Medical Association.

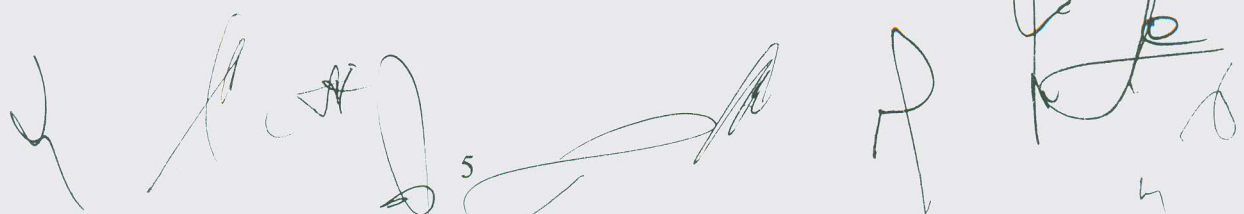
**Section 13. Receipt, Deposit and Payment of Hospital Funds.** The treasurer and/or his authorized representative, shall receive, to the credit of the hospital and in trust for its use and benefit, all monies belonging to the hospital. All monies belonging to the hospital shall, where practicable, be deposited by the treasurer in any government accredited bank in La Trinidad.

**Section 14. Bonds or Other Evidence of Indebtedness.**

**a) Loans, Credits and Other Forms of Indebtedness of the Hospital.**

Upon authority of the Board, the Hospital, thru the Hospital Administrator, may contract loans, credits and other forms of indebtedness with any government or domestic private bank and other lending institutions to finance the construction, installation, improvement, expansion, operation or maintenance of hospital facilities. **Provided, however**, that indebtedness in excess of One Million Pesos ( P1,000,000.00) shall be subject to the approval of the Sangguniang Panlalawigan. Indebtedness incurred under this section may be secured upon any of the hospital owned or after-acquired real properties or other acceptable assets; and

- b) Bonds and Other Long- Term Securities.** Subject to the approval of the Sangguniang Panlalawigan and to the rules and regulations of the Central Bank and the Securities and Exchange Commission, the Hospital may issue bonds, debentures, securities, collaterals, notes and



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other obligations to finance self-liquidating or income-producing development projects pursuant to the priorities established by the Board. The Sangguniang Panlalawigan shall, through an ordinance approved by a majority of all its members, declare and state the terms and conditions of the bonds and the purpose for which incurred. Interest on such bonds or notes are exempt from all taxes, duties, fees imposts, or other charges of the national or local government.

**Section 15. Oversight Committee.** An Oversight Committee composed of the members enumerated hereunder is hereby created to oversee the smooth implementation of the Ordinance for a period of six months subject to extension by the Sangguniang Panlalawigan, if necessary.

Chairman: Provincial Governor

Members:

1. Chairman, SP Committee on Health
2. Chairman, SP Committee on Public Administration
3. Chairman, SP Committee on Finance
4. Representative, Civil Service Commission
5. The Provincial Administrator
6. The Provincial Health Officer
7. Representative, Department of Health-CAR
8. The Provincial Legal Officer
9. The Provincial Budget Officer
10. The Provincial Treasurer
11. The Provincial Accountant

**Section 16. Separability Clause.** If any part or provision of this Ordinance shall be declared to be unconstitutional or invalid, other parts or provisions hereof shall continue to be in full force and effect.


**Section 17. Effectivity.** This Ordinance shall take effect upon approval.

**CARRIED.**

  
**CRESCENCIO C. PACALSO**  
Board Member

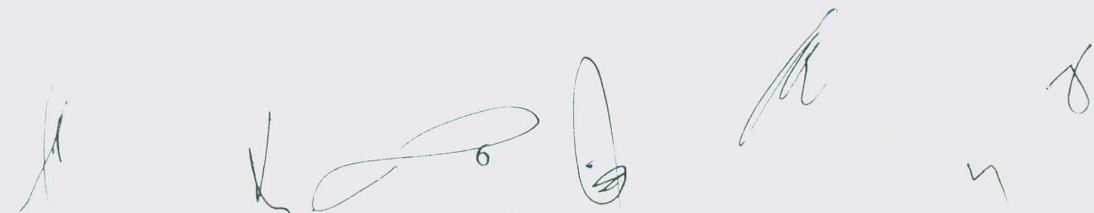
  
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Board Member



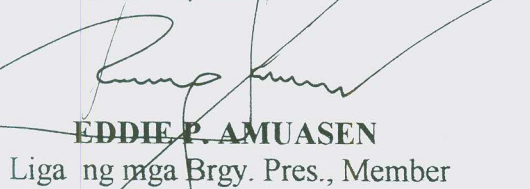
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Liga ng mga Brgy. Pres., Member



**WILLIAM H. ESTEBAN**  
PCL Pres., Member




**KRISTINE GRACE D. YUBOS**  
SKF President, Member

CERTIFIED CORRECT



**NOEL S. SABOG**  
Provincial (SP) Secretary

ATTESTED



**EDNA C. TABANDA**  
Provincial Vice Governor  
Presiding Officer



APPROVED

**RAUL M. MOLINTAS**  
Provincial Governor  
Date \_\_\_\_\_

