



**HOUSE OF REPRESENTATIVES.**

**H. No. 6754**

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BY REPRESENTATIVES MACAPAGAL-ARROYO (G.), CALIMBAS-VILLAROSA,  
MANDANAS, GOLEZ (A.), MERCADO-REVILLA, BATAOIL AND MENDOZA  
(R.), PER COMMITTEE REPORT NO. 2519

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AN ACT TO GIVE JURIDICAL PERSONALITY TO THE PRESENT  
VETERANS MEMORIAL MEDICAL CENTER (VMMC) AND FOR  
OTHER PURPOSES

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

1           SECTION 1. *Short Title.* — This Act shall be known as “The Veterans  
2 Memorial Medical Center Charter of 2012”.

3           SEC. 2. *Declaration of Policy.* — It is hereby declared the policy of the  
4 State to help foster the socioeconomic security and general well-being of the  
5 country’s veterans and retired military personnel in recognition of their  
6 patriotic services in times of war and peace for the cause of freedom and  
7 democracy; for the attainment of national unity, independence and  
8 socioeconomic advancement; and for the maintenance of peace and order in  
9 keeping with the goals of the government and the aspirations of the people.

10           SEC. 3. *Veterans Memorial Medical Center (VMMC) as a Corporate*  
11 *Entity.* — There is hereby created a body corporate, for the benefit primarily of

1 the Filipino veterans, under the name of the Veterans Memorial Medical  
2 Center, hereinafter referred to as the VMMC.

3 To provide greater flexibility in its operations, the VMMC shall be  
4 treated in a manner consistent with its institutional mission to serve the  
5 veterans and shall be autonomous in the exercise of its jurisdiction.

6 SEC. 4. *Purposes and Objectives of the Hospital.* – The VMMC shall  
7 have the following objectives:

8 (a) Construct, establish, operate and maintain veterans' hospital  
9 primarily for the veterans' welfare;

10 (b) Stimulate and/or undertake scientific researches on the biological,  
11 demographic, social, economic, eugenic, physiological aspects of health  
12 disorders and abnormalities and their control; and gather, compile, present and  
13 publish the findings of such researches for public dissemination;

14 (c) Facilitate and encourage the dissemination and exchange of ideas  
15 and information on the prevention, treatment and control of diseases; to arouse,  
16 enhance and develop public interest and awareness on general health and  
17 physical fitness;

18 (d) Encourage and/or undertake the training of physicians, nurses,  
19 medical technologists, health officers and social workers on the practical and  
20 scientific conduct and implementation and delivery of health services, and  
21 related activities;

22 (e) Assist universities, hospitals and research institutions in their  
23 studies of health problems, to encourage advanced training on matters of, or  
24 affecting the physical and mental well-being of the people;

25 (f) Encourage the formation of other organizations on the national,  
26 provincial, city, municipal or barangay level and to coordinate their various  
27 efforts and activities for the purpose of achieving a more effective and

1 pragmatic approach on the common problems relative to the objectives herein  
2 enumerated; and

3 (g) Extend medical outreach programs to the general public to help  
4 prevent, relieve or alleviate the innumerable afflictions and maladies of the  
5 people especially the poor and the less fortunate in life, without regard to race,  
6 creed, color or political belief.

7 SEC. 5. *Social Responsibility.* – The VMMC is primarily committed  
8 to serve the Filipino veterans as defined in Republic Act No. 6948, as amended  
9 by Republic Act No. 7696 and Republic Act No. 9396.

10 SEC. 6. *Powers.* – For the attainment of the above purposes and  
11 objectives, the VMMC, as a body corporate, acting through its Board of  
12 Trustees, shall have all powers pertaining to a juridical person, and is therefore  
13 authorized to:

14 (a) Acquire and hold in any manner property of whatever nature or  
15 description;

16 (b) Enter into contracts;

17 (c) Solicit and receive donations, endowments and funds in the form of  
18 contributions, whether in cash or in kind, from both the public and private  
19 sectors;

20 (d) Open such accounts in banks and other financial institutions, and to  
21 disburse such funds or invest the same as the Board may direct to accomplish  
22 or advance the purpose or interest of the VMMC;

23 (e) Invite foreign health specialists and other similar experts in the  
24 various medical fields to train the personnel or trainees or residents of the  
25 VMMC;

26 (f) Send the VMMC personnel to research institutes, medical institutes  
27 or universities for advance training or observation and to attend international  
28 or regional conventions, conferences, congresses and seminars, as the Board

1 may deem necessary, to accomplish the purposes and objectives of the  
2 VMMC;

3 (g) Enter into such agreements and arrangements with other medical or  
4 other institutions, domestic or foreign, as may deemed desirable by the Board,  
5 for the purpose of promoting its purposes and objectives;

6 (h) Adopt a set of bylaws, rules and regulations not inconsistent with  
7 the law and the provision hereof to govern the administration and operation of  
8 the affairs of the VMMC;

9 (i) Establish branches of the VMMC in other provinces or cities of the  
10 Philippines as may be deemed necessary for greater service coverage to  
11 veterans and their dependents that are living in almost all parts of the country;  
12 and

13 (j) Perform all such other acts and things as are or may be necessary or  
14 incidental for the accomplishment of the purposes and objectives of the  
15 VMMC.

16 SEC. 7. *Board of Trustees.* – The VMMC shall be governed by a  
17 Board of Trustees, composed of the following:

18 (a) Secretary of the National Defense as Chairperson;

19 (b) Medical Director of the VMMC as Vice Chairperson;

20 (c) Chairperson of the Senate Committee on Defense and Security;

21 (d) Chairperson of the House Committee on Veterans Affairs and  
22 Welfare;

23 (e) Secretary of Health;

24 (f) Administrator, Philippine Veterans Affairs Office;

25 (g) Chairman of the Philippine Veterans Bank;

26 (h) President of the Veterans Federation of the Philippines; and

27 (i) Three (3) appointive members who are veterans and who have  
28 distinguished themselves in their professions or areas of specialization and

1 have exerted conspicuous efforts towards the promotion of veterans' welfare  
2 and well-being. They shall be appointed by the President of the Philippines  
3 and shall serve for a term of three (3) years. In case of vacancy, such vacancy  
4 shall be filled in the same manner as provided for the predecessor, and such  
5 appointee shall hold office for the unexpired term.

6 SEC. 8. *Meeting and Quorum.* -- The Board of Trustees shall convene  
7 at least once a month. The Chairman of the Board may call a special meeting  
8 whenever necessary: *Provided,* That the members are notified in writing at  
9 least three (3) days prior to the said meeting. A majority of all the members of  
10 the Board holding office at the time the meeting is called shall constitute a  
11 quorum for Board meetings. In no case shall any and all members of the  
12 Board appoint a representative to act on their behalf.

13 SEC. 9. *Medical Director.* -- The Medical Director shall be appointed  
14 by the President of the Philippines upon the recommendation of the Board and  
15 shall serve for a term of six (6) years. The Medical Director shall act as the  
16 Chief Executive Officer of the VMMC and shall perform the following  
17 functions:

18 (a) Organize the VMMC into a streamlined medical institution with  
19 admirable facilities and competent staffs to ensure quality service;

20 (b) Appoint members of the professional and administrative staffs and  
21 other employees or personnel of the VMMC through a screening process based  
22 strictly on *academic qualifications, experiences and other selection standards;*  
23 determine the terms and conditions of their employment, and remove them for  
24 cause in accordance with law and due process;

25 (c) Determine a position qualifications and compensation plan and  
26 adjust salaries and benefits for all personnel of the VMMC, subject to the  
27 Compensation and Position Classification System of Governance Commission  
28 for Government-Owned and -Controlled Corporations (GOCCs); and

1 (d) Carry out necessary managerial and administrative functions that  
2 may be deemed necessary or as directed by the Board of Trustees in  
3 furtherance of the objectives of the VMMC set in this Act.

4 SEC. 10. *Secretary.* – There shall be a Secretary of the VMMC as  
5 appointed by the Board of Trustees, who shall be the Secretary of the Board  
6 and who shall keep such records of the hospital as may be designated by the  
7 Board.

8 SEC. 11. *Hospital Executive Committee.* – There shall be an  
9 Executive Committee consisting of the Medical Director as the presiding  
10 officer and the Heads of the Administrative, Medical, Surgical, Rehabilitative,  
11 Dental, Psychiatric, Diagnostic and other critical medical departments.

12 The Committee shall exercise the following functions:

13 (a) Fix the requirement for admission to the hospital;

14 (b) Prescribe the rules and regulations as to the discharge of patients;

15 (c) Adopt internal rules of procedures consistent with the provision of  
16 the Charter in order to promote administrative efficiency in the treatment,  
17 rehabilitation and discharge of patients of the hospital; and

18 (d) Carry out administrative and managerial task to assist the Medical  
19 Director in the efficient operations and management of the hospital.

20 SEC. 12. *Personnel and Medical Staff.* – The VMMC shall have the  
21 autonomy to employ such employees and medical personnel, or otherwise enter  
22 such arrangements with medical specialists and other consultants as its Board  
23 of Trustees shall determine. The personnel and medical staff of the present  
24 VMMC shall automatically be transferred to and absorbed by the VMMC as  
25 herein created. The incumbent Medical Director shall continue to serve as  
26 such for a period of three (3) years or until his successor shall have been  
27 appointed by the President of the Philippines.

1           SEC. 13. *Assistance from Government Offices.* – The VMMC may  
2 call upon any department, bureau, office, agency or instrumentality of the  
3 government, including GOCCs, for such assistance as it may need in the  
4 pursuit of its purposes and objectives.

5           All individuals, entities and institutions are hereby enjoined to render  
6 full assistance and cooperation to VMMC in the accomplishment of its  
7 objectives and activities.

8           SEC. 14. *Property of the Medical Center.* – All existing assets of the  
9 VMMC including, but not limited to, the parcel of land belonging to the  
10 private domain of the government situated in the District, Quezon City and  
11 more particularly described in the Bureau of Lands as Lot R.P.-3-B-4-A,  
12 BSD-10352, all its buildings and other properties shall remain with the VMMC  
13 as a corporate entity, including those that may hereafter be given, donated,  
14 acquired, transferred or conveyed to the Medical Center or its branches and  
15 instrumentalities by any foreign government, as well as those given by trust,  
16 foundations, corporations or persons (alien or citizen). The absolute ownership  
17 of the Medical Center over these landholdings including those covered by  
18 original and transfer certificates of title in the name of the VMMC is hereby  
19 confirmed. Where the issuance of proper certificates of title is still pending for  
20 these landholdings the proper government office shall expedite issuance  
21 thereof within six (6) months from the date of effectivity of this Act: *Provided,*  
22 *That all registration requirements necessary for the issuance of the said titles*  
23 *have been submitted and complied with.*

24           SEC. 15. *Land Grants and Other Real Properties.* – The use of  
25 properties and proceeds of such properties shall be governed by the following:

26           (a) The State shall support the VMMC in the sum or lump sum amount,  
27 through general appropriations and other financial benefits, and in kind,  
28 through land grants and donations and use of other real properties. To carry

1 out the intent of these grants, income derived from the development of all land  
2 grants and real properties shall be used to further the ends of the hospital, as  
3 may be decided by the Board of Trustees in furtherance of the declared  
4 hospital objectives under this Act;

5 (b) Such parcels of land ceded by law, decree or presidential issuance  
6 to the hospital are hereby declared to be reserved for the purposes intended;

7 (c) The Board of Trustees shall plan, design and approve and/or cause  
8 the implementation of contracts, mechanisms and financial instruments, such as  
9 joint ventures, long-term leases, fully-owned subsidiaries and securitization to  
10 give the hospital the flexibility to generate revenues and other resources from  
11 land grants and other properties: *Provided*, That such mechanism and  
12 arrangements shall sustain and protect the environment in accordance with law,  
13 and be exclusive of the medical core zone of the hospital: *Provided, finally*,  
14 That such mechanism and arrangements shall not conflict with the medical or  
15 health services and academic mission of the hospital; and

16 (d) Any plan to generate revenues and other sources from land grants  
17 and other real properties entrusted to the hospital shall be consistent with the  
18 hospital mission and orientation as a vehicle to extend health services to  
19 veterans and their dependents.

20 SEC. 16. *Safeguards on Asset Disposition.* – The preservation of the  
21 value of the assets of the hospital shall be of primordial consideration. The  
22 exclusive core zone of the VMMC as defined in Section 14 shall not be sold,  
23 transferred, ceded, conveyed, assigned and encumbered.

24 SEC. 17. *Annual Report.* – The VMMC shall render to the President  
25 of the Philippines an annual report of its activities and recommendations.

26 SEC. 18. *Effect of the Dissolution.* – If, for any reason, the VMMC is  
27 dissolved, its property remaining at the time of such dissolution shall revert to  
28 the Republic for disposition in accordance with law.



1           SEC. 19. *Implementing Rules.* – The implementing rules and  
2 regulations shall be formulated within ninety (90) days from the approval of  
3 this Act.

4           SEC. 20. *Separability Clause.* – If any provision of this Act is  
5 declared unconstitutional, all the other provisions not affected shall remain in  
6 force and effect.

7           SEC. 21. *Repealing Clause.* – All laws, decrees, executive orders,  
8 rules and regulations or other issuances or parts thereof contrary to or  
9 inconsistent with the provisions of this Act are hereby repealed, amended or  
10 modified accordingly.

11           SEC. 22. *Effectivity.* – This Act shall take effect fifteen (15) days after  
12 its publication in the *Official Gazette* or in at least two (2) newspapers of  
13 general circulation.

Approved,

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