



**Community Health Education, Services
and Training in the Cordillera Region
(CHESTCORE)**

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CHESTCORE decries Worsening State of Cordillera Health with the Aquino Health Agenda's aggressive privatization of the Baguio General Hospital and Medical Center (BGHMC)

CHESTCORE or the Community Health Education, Services and Training in the Cordillera Region strongly opposes the Aquino government's aggressive plan to corporatize the Baguio General Hospital and Medical Center (BGHMC), along with 25 other major public hospitals nationwide.

Through House Bill 6069 by Rep. Anthony Rolando T. Golez and Senate Bill 3130 by Sen. Franklin Drilon, 26 public hospitals will be transformed into corporations. These are the following: *Cagayan Valley Medical Center, Veterans Regional Hospital, **Baguio General Hospital and Medical Center**, Ilocos Training and Regional Medical Center, Region I Medical Center, Dr. Paulino J. Garcia Memorial Research and Medical Center, Jose B. Lingad Memorial Medical Center, Batangas Regional Hospital, Bicol Medical Center (Naga City), Bicol Research Training and Teaching Hospital (Legaspi City), Quirino Memorial Medical Center, Jose R. Reyes Memorial Medical Center, Rizal Medical Center, Amang Rodriguez Medical Center, San Lazaro Hospital, Vicente Sotto Memorial Medical Center, Eastern Visayas Regional Medical Center, Corazon Locsin Montelibano Memorial Regional Hospital, Western Visayas Medical Center, Northern Mindanao Medical Center, Southern Philippines Medical Center, Zamboanga City Medical Center, Cotabato Regional and Medical Center, CARAGA Regional Hospital, Davao Regional Hospital, at Mayor Hilarion A. Ramiro, Sr. Regional Training and Teaching Hospital.*

The corporatization of public hospitals will deprive people of much-needed health services and worsen the already ill state of health of the country. It is a privatization scheme that will allow entry into and control of health services by the private sector for super profits. Corporatization is part of the Aquino Health Agenda, the P-Noy government's centerpiece Public-Private Partnership (PPP) program on health services and facilities. It is a condition imposed by international funding institutions (IFIs) like the IMF-World Bank and the Asian Development Bank (ADB) on the Philippine government to lessen public spending so that it (government) can save for debt payments and apply for new loans. It is an abandonment of government's responsibility to provide health care to its people, leaving them to fend for themselves when they are sick.

Under the program, Department of Health (DOH) - supervised public health care facilities such as the BGHMC will be converted into government-owned-and-controlled corporations (GOCCs). Instead of having hospital directors (who are doctors) at the helm, these GOCCs shall have corporate boards that include private investors who will ensure investments and profits. The plan aims to eliminate the budget for maintenance and other operating expenses (MOOE) of public hospitals by 2014 and their allocation for personal services by 2020.

This privatization scheme will have very adverse effects.

1. It will further weaken public health care system, which has been perennially lacking in facilities and personnel, because it will be run like business.

The primary objective in GOCC hospitals like the Philippine Heart Center (PHC), the Lung Center of the Philippines (LCP), the National Kidney and Transplant Institute (NKTI) and the Philippine Children's Medical Center (PCMC) is profit over service. Aside from increasing rates of services, all kinds of businesses and spaces will be open to the private sector. This is what is now happening at the PHC, LCP and in NKTI. Food at the NKTI privately-run canteen is very expensive. Medical equipment and paraphernalia are meagerly used like masks at the Emergency Room of the LCP. Personnel are instructed to strictly collect fees from patients.

2. It will reduce overall access by the poor to health services, increase the number of seriously-ill people unable to get treatment, and result in more deaths from diseases.

At the NKTI, hemodialysis is more expensive than in private dialysis centers. While it is true that their facilities are new and modern, these are not affordable to poor patients. There are patients who die after being rejected in their Emergency Room because they (the patients) could not pay P10,000 (case of Celso Panisa, cited in former Bayan Muna Representative Satur Ocampo's privilege speech, 2009).

There is no 100% free health service at the PHC. Depending on the procedure or sickness, a Class C or D patient needs to source out several thousands up to hundreds of thousands of pesos for procedures or operations.

At the LCP, only the services of the doctors are free while all equipment, medicines, food and room have to be paid by Class D patients.

At the PCMC, poor patients are forced to seek treatment as pay patients because they will not be accepted as charity patients (there are always no extra beds in the charity wards).

3. Health workers' benefits, job security and rights will be under attack in GOCC hospitals because with profit as main objective, it will be run with as cheap labor as possible.

At the LCP, more than P100,000/employee in disallowed benefits are being deducted upon employees' resignation or retirement from service. Employees at the laundry and security are agency-hired. More and more are contractual workers. And the insufficiency of staff is not being filled in like in the dietary department.

At PHC, more than P800,000 agency fee is not being given by the hospital management to the employees. There has also been no Collective Negotiations Agreement (CNA) incentive of employees for the past 2-3 years while health workers at the National Children's Hospital, Philippine Orthopedic Center, Tondo Medical Center enjoy a yearly CNA Incentive.

At the NKTI, P17,000 worth of benefits are not being given to employees. In a span of 10 years, management rejected negotiations (CNA) with the union. There has been intense repression of rights of health workers in unionizing and organized action.

Universal Health Care through PhilHealth remains an out-of-pocket expense and a stop-gap measure. It cannot shoulder the expenses to be incurred by indigent patients.

First, many Filipinos are not covered by PhilHealth. Only less than 1/3 of the entire population (22 million of 90 million) are members.

Second, many poor do not qualify for the very limited no-balance billing (NBB) policy of PhilHealth. They have to pay their own premiums. Meanwhile, LGU/politicians' indigent PhilHealth funds are used in electioneering and are a source of graft and corruption.

Third, those covered by PhilHealth are provided only 20 – 30% of total hospital expenses. And while it claims expansion of coverage, private hospitals have yet to collect PhilHealth P2B debt to them.

With the corporatization of BGHMC, these adverse effects of privatization will be very much felt in the Cordillera Region especially by the majority who are poor indigenous peasants. A major hospital in the region, BGHMC has been providing significant accessible health services to around 2,500 mostly poor patients per month. This does not yet include the greater number of emergency and out patients.

The privatization of Benguet General Hospital (BeGH) into an "economic enterprise" since 2004 has, on the other hand, resulted in payment for wards and higher fees for basic laboratory procedures. Because of this, many patients from this hospital have been trooping to BGHMC to avail of its more affordable rates.

BGHMC struggled to play this big role even as some aspects of privatization – more private rooms, contracted out dialysis and CT scan, sale of medicines and collection of professional fees, etc. – have already been implemented and have reduced accessibility to services. If the BGHMC will be corporatized and move towards full privatization, where will our poor patients go?

Health is a basic right. Health is a government's responsibility to provide and fulfill. The solution to the ailing health situation of our people is increased budget for health care. It is not privatization!

**Expose and oppose the corporatization of BGHMC and other health services and institutions!
Demand a stop to the program of P-Noy's PPP and the policy of privatization!
Increase Health Budget! Allocate 5% of the GDP for Health!**

**Assert the Peoples' Right to Health!
Resolutely pursue free, progressive and comprehensive health care for the people!**

KALUSUGAN AY KARAPATAN NG MAMAMAYAN, HINDI NEGOSYO NG IILAN!

