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Manila

EXECUTIVE ORDER NO. 105

AMENDING CERTAIN SECTIONS OF PRESIDENTIAL DECREE NO. 1519 TO STRENGTHEN THE PHILIPPINE MEDICAL CARE PLAN

WHEREAS, there is a need to strengthen the Philippine Medical Care Plan, otherwise known as the Medicare Program, to minimize and curtail abuses of the benefits provided for therein;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, do hereby order:

SECTION 1. Section 6 paragraph (m) of Presidential Decree No. 1519 is hereby amended to read as follows:

- "(m) To render decisions, orders or resolutions on any investigation conducted upon its own initiative or upon complaint in writing for any violation of this law or its rules and regulations, and after notice and hearing, impose administrative fines of not less than ₱5,000 but not more than ₱30,000 against any person, natural or juridical, found guilty of such violation: Provided, That should the violation be committed by a hospital, drugstore, medical or dental practitioner, the accreditation so extended shall, in addition, be suspended or revoked: Provided, further, That should the violation be committed by a beneficiary, his right to the benefits under the Medicare Program shall, in addition, be suspended for a period not exceeding six months: Provided, furthermore, That any decision, order or resolution rendered by

the Commission shall be appealable to the Office of the President in accordance with the procedure established under Executive Order No. 19, series of 1966: Provided, finally, That the administrative sanctions provided herein shall be without prejudice to the application of the penal provisions under Section 30 hereof."

SECTION 2. Sub-paragraphs (n), (o) and (p) of Section 6 of Presidential Decree No. 1519 are hereby re-lettered as sub-paragraphs (p), (q) and (r) thereof, respectively and new sub-paragraphs (n) and (o) are hereby added to read as follows:

To issue as soon as the decision, order or resolution has become final and executory writs of execution enforceable in accordance with the Rules of Court of the Philippines."

To deputize any law enforcement agency or official in the execution of its final decisions, orders or resolutions and to serve such other processes of the Commission.

SECTION 3. Section 15 of Presidential Decree No. 1519 is hereby amended to read as follows:

"A member who shall have paid at least three monthly contributions during the last twelve months prior to the first day of the single period of confinement, as well as his legal dependents, shall be entitled to medical care benefits: Provided, That when he commits any violation of this law or its rules and regulations, he and his legal dependents shall not be allowed to avail of these benefits by the Commission subject to Section 6(m) hereof. The member shall continue to pay his contribution during the period of suspension of availment of benefits."

SECTION 4. Section 29 of Presidential Decree No. 1519 is hereby amended to read as follows:

"There is hereby created a Hearing Committee composed of nine (9) members who shall be designated by the Commission for the purpose of conducting inquiries and investigations into reported violations of this law or its implementing rules and regulations. The Committee may sit in three (3) divisions, each division composed of three (3) members. The Committee shall not be bound by the technical rules of evidence. The Committee may administer oaths, certify to official acts and issue subpoena and subpoena duces tecum to compel the attendance of witnesses, and the production of books, papers and other records deemed necessary in connection with any question arising under this law. The Commission shall have the same powers to punish direct and indirect contempts granted to superior courts under Rule 71 of the Rules of Court."

SECTION 5. The second and fourth paragraphs of Section 30 of Presidential Decree No. 1519 are hereby amended to read as follows:

"Whoever fails or refuses to comply with the provisions of this law or with the rules and regulations promulgated by the Commission, including failure or refusal to deduct contributions from the employee's compensation and to remit the same to the Social Security System (SSS) or the Government Service Insurance System (GSIS) shall be punished by a fine of not less than ten thousand pesos (P10,000.00) but not more than forty thousand pesos (P40,000.00) or imprisonment for not less than six (6) months nor more than six (6) years or both at the discretion of the court."

"Any employer who shall deduct, directly or indirectly, from the compensation of the covered employees or otherwise recover from

them his own contribution on behalf of such employees shall be punished by a fine of not less than ten thousand pesos (P10,000.00) but not more than forty thousand pesos (P40,000.00) or imprisonment of not less than six (6) months nor more than six (6) years or both at the discretion of the court."


SECTION 6. All laws, orders, issuances, rules and regulations or parts thereof inconsistent with this Executive Order are hereby repealed or modified accordingly.

SECTION 7. This Executive Order shall take effect fifteen (15) days after publication in the Official Gazette

Done in the City of Manila, this 24th day of December in the year of Our Lord, nineteen hundred and eighty-six.

Corazon B. Aquino

By the President:


JOKER P. ARROYO
Acting Executive Secretary