



Republic of the Philippines
QUEZON CITY COUNCIL
Quezon City
22nd City Council

PR22CC-273

18th Regular Session

RESOLUTION NO. SP- 9132, S-2022

A RESOLUTION RATIFYING THE MEMORANDUM OF AGREEMENT ENTERED INTO BY AND BETWEEN THE QUEZON CITY GOVERNMENT, REPRESENTED BY THE CITY MAYOR, HONORABLE MA. JOSEFINA G. BELMONTE, AND ST. LUKES MEDICAL CENTER, INC., REPRESENTED BY ITS PRESIDENT AND CHIEF EXECUTIVE OFFICER, DR. ARTURO S. DELA PEÑA FOR THE CONTINUATION OF THE QUEZON CITY FREE MEDICAL SERVICE PROGRAM FOR THE PERIOD OF CALENDAR YEAR 2020 TO 2024.

Introduced by Councilors DOROTHY A. DELARMENTE, M.D. and SHAIRA "Shay" L. LIBAN.

Co-Introduced by Councilors Bernard R. Herrera, Tony Joe "TJ" L. Calalay, Joseph P. Juico, Nikki V. Crisologo, Charm M. Ferrer, Fernando Miguel "Mikey" F. Belmonte, Candy A. Medina, Aly Medalla, Dave C. Valmocina, Tatay Rannie Z. Ludovica, Godofredo T. Liban II, Kate Galang-Coseteng, Geleen "Dok G" G. Lumbad, Albert Alvin "Chuckie" L. Antonio III, Don S. De Leon, Wencerom Benedict C. Lagumbay, Atty. Anton L. Reyes, Edgar "Egay" G. Yap, Imee A. Rillo, Raquel S. Malañgen, Irene R. Belmonte, Nanette Castelo-Daza, Marra C. Suntay, Joseph Joe Visaya, Alfred Vargas, MPA, Ram V. Medalla, Aiko S. Melendez, Mutya Castelo, Maria Eleanor "Doc Ellie" R. Juan, O.D., Kristine Alexia R. Matias, Enc Z. Medina, Emmanuel Banjo A. Pilor, Vito Sotto Generoso, Victor "Vic" Bernardo, Alfredo "Freddy" Roxas and Noe Dela Fuente.

WHEREAS, the Quezon City Government envisions to be a model of effective governance and responsible leadership, working in partnership with the citizenry in building a quality community and has a mission to provide quality service which will make Quezon City an ideal community where people live, work and do business in a hospitable, progressive and peaceful environment;

WHEREAS, the Quezon City Government desires to expand its services to its residents by improving their health and well-being, to this end, St. Lukes Medical Center, Inc. has signified its desire to help or assist QC LGU in this endeavor by making available its medical services and facilities to bona fide QC residents;

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WHEREAS, both parties entered into a Memorandum of Agreement (MOA) for the QC Free Medical Services Program on March 26, 1998 under Resolution No. SP-894, S-1998; on September 20, 2005 covering the years 2005-2010 under Resolution No. SP-3095, S-2005 and was further renewed on July 27, 2010 and August 3, 2015 covering the last ten (10) years from 2010-2020 (collectively, "Past MOAs"). SLMC has signified its intention to renew the said MOA for the years 2020 until December 31, 2023, which was approved and confirmed last August 3, 2020 under City Council Resolution No. SP-8244, S-2020.


NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF QUEZON CITY IN REGULAR SESSION ASSEMBLED, to ratify, as it does hereby ratify, the Memorandum of Agreement entered into by and between the Quezon City Government, represented by the City Mayor, Honorable Ma. Josefina G. Belmonte, and St. Lukes Medical Center, Inc., represented by its President and Chief Executive Officer, Dr. Arturo S. Dela Peña for the continuation of the Quezon City Free Medical Service Program for the period of Calendar Year 2020 to 2024.

ADOPTED: December 12, 2022.

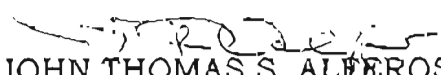


GIANG. SOTTO
City Vice Mayor
Presiding Officer

ATTESTED:


Atty. JOHN THOMAS S. ALFEROS III
City Government Dept. Head III

CERTIFICATION

This is to certify that this Resolution was APPROVED by the City Council on Second Reading on December 12, 2022 and was CONFIRMED under Suspended Rules on the same date.


Atty. JOHN THOMAS S. ALFEROS III
City Government Dept. Head III


MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement (MOA) made and entered into this 19th day of October 2020 by and between:

ST. LUKE'S MEDICAL CENTER, INC., a non-stock, non-profit, charitable corporation duly organized and existing under Philippine laws located at 279 E. Rodriguez Sr. Avenue, Quezon City, represented herein by its President and Chief Executive Officer, Dr. Arturo S. Dela Peña; and herein referred to as "SLMC";
and

QUEZON CITY GOVERNMENT, a local government unit existing by virtue of the laws of the Republic of the Philippines, with office address at Quezon City Hall, Elliptical Road, Diliman, Quezon City, Philippines, represented herein by its Mayor, Ma. Josefina G. Belmonte, and hereinafter referred to as "QC LGU";

SLMC and QC LGU shall each be referred to as a "Party" and collectively as the "Parties".

WITNESSETH: That -

WHEREAS, SLMC is a non-stock, non-profit, charitable, scientific and educational institution that maintains a comprehensive social service program, which provides free or part-free medical services to indigents from all over the country;

WHEREAS, QC LGU desires to expand its services to its residents by improving their health and well-being;

WHEREAS, SLMC desires to help or assist QC LGU in this endeavor by making available its medical services and facilities to bona fide QC residents;

WHEREAS, SLMC and QC LGU entered into a Memorandum of Agreement ("MOA") for the QC Free Medical Services Program on March 26, 1998 under Resolution No. SP-894 S-1998; on September 20, 2005 covering the years 2005 to 2010 under SP-3095 S-2005 and was further renewed on July 27, 2010 and August 3, 2015 covering the last ten (10) years from 2010-2020 (collectively, "Past MOAs"). SLMC has signified its intention to renew the said MOA for the years 2020 until December 31, 2023, which was approved and confirmed last August 3, 2020 under SP-8244 S-2020;

WHEREAS, for the period March 26, 1998 to June 30, 2020, SLMC provided free medical services utilized by the City at One Hundred Thirty-Seven Million Seven Hundred Fifty-Two Thousand Nine Hundred Thirty-Eight Pesos and 57/100 Only (Php 137,752,938.57) ("Cost of Medical Services") and SLMC made tax payments of Thirteen Million Four Hundred Thirty-Three Thousand and Nine Hundred Eighty-Six Pesos and 45/100 Only (Php 13,433,986.45) ("RPT Payments");

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WHEREAS, it is QC LGU's position that the total real property taxes (RPT) for the period 1998 to 2020 due from SLMC is Two Hundred Eight Million Four Hundred Fifty-Two Thousand and Four Hundred Forty-Five Pesos Only (Php 208,452,445.00);

WHEREAS, QC LGU desires to collect the amount of Fifty-Seven Million Two Hundred Sixty-Five Thousand and Five Hundred Nineteen Pesos and 98/100 Only (Php 57,265,519.98) ("1998 - 2020 RPT Claim") representing the difference between the total RPT for the period 1998 to 2020 and the total of the Cost of Medical Services and RPT Payments;

WHEREAS, QC LGU desires to also collect from SLMC alleged real property tax deficiencies for the period 1985 to 1997 amounting to Twenty-Seven Million Two Hundred Sixty-Eight Thousand and Fifty-Two Pesos and 90/100 Only (Php 27,268,052.90) ("1985 - 1997 RPT Claim")

WHEREAS, it is SLMC's prayer to clear all its RPT liabilities with the QC LGU and to secure appropriate tax clearances under this MOA.

WHEREAS, on May 6, 2020, QC LGU and SLMC entered into a Memorandum of Agreement for the provision of COVID-19 Confirmatory Testing Services to the QC residents ("COVID-19 Test Agreement").

NOW, THEREFORE, for and in consideration of the foregoing premises and the mutual covenants contained herein, the Parties hereby agree as follows:

1. Definitions:

Unless the context otherwise requires, the following terms shall have the respective meanings ascribed to them:

"Agreement" shall mean this Agreement, together with its annexes and the other documents specifically considered its integral parts.

"Bona fide QC resident" shall mean an individual presently residing and has a residential address in QC.

"Hospital Services" shall mean medical or surgical treatment, nursing, dental service, optometrical service, complementary health services or any or all of the enumerated services of SLMC or any other necessary services of like character, whether or not contingent upon sickness or personal injury, as well as the furnishing to any person of any and all other services for the purpose of preventing, alleviating, curing or healing human illness, physical disability or injury, except the cases mentioned under Section 15 below. It shall also cover the COVID-19 confirmatory testing services.

"Referral Letter" shall mean the letter from the Office of the City Mayor endorsing the patient to be covered by the QC Free Medical Services Program.

2. SLMC shall render the remaining free hospital services amounting to Eighty-Four Million Five Hundred Thirty Three Thousand and Five Hundred Seventy-Two Pesos and 88/100 Only (Php 84,533,572.88) from 2020 until December 31, 2024 corresponding to all the RPT Claims. The summary of the RPT computed by QC LGU from 1985-2020 and the summary of free services utilized by the City as of June 30, 2020 and tax payments made by SLMC are presented in Annex A of this Agreement.



3. To support the City during this Covid-19 pandemic, the bulk of the free services shall be provided during 2020 to cover the COVID-19 Confirmatory Testing Services. The Free Medical Services Fund shall be utilized as follows:

Year	Free Medical Services Fund
2020	Php 24,533,572.88
2021	15,000,000.00
2022	15,000,000.00
2023	15,000,000.00
2024	15,000,000.00
Total	Php 84,533,572.88

4. During the duration of the MOA, SLMC shall settle the annual RPT liability computed by QC LGU in cash on or before the prescribed deadline of March 31 of each year, without prejudice to SLMC's rights to claim for real property exemption as a charitable institution. QC LGU and SLMC shall determine the manner of settlement of SLMC's RPT liability starting January 1, 2024 which will be covered by a new agreement.
5. The hospital services to be provided by SLMC under this Agreement shall be applied as full and final settlement of all SLMC's real property tax liabilities submitted by the City.
6. Upon signing of the MOA, QC LGU shall issue real property tax clearance for all SLMC's real properties from 1985-2014. These are the years fully covered by the Cost of Free Medical Services rendered and SLMC tax payments as of June 30, 2020. Please refer to Annex B for your reference.
7. QC LGU shall automatically apply as payment the total amount of the Free Medical Services rendered for SLMC's real property tax obligation for the years 2015 to 2020 upon submission of the utilization report. In this connection, the City shall issue real property tax clearance for SLMC's real properties upon completion of free medical services for each covered year.
8. SLMC shall continue to charge the cost of COVID-19 tests performed by SLMC to QC LGU from the QC Free Medical Services Fund pursuant to the COVID-19 Test Agreement.
9. In case the Annual Free Medical Services Fund is not fully utilized during the applicable year, unused amount may be carried over to the succeeding year/s for the QC Free Medical Services Program.
10. SLMC shall provide free hospital services to Free Medical Services Program beneficiaries under its Social Service Program. QC Free Medical Services Program beneficiaries who are referred to and admitted to SLMC, shall be treated as part of the Medical Training Program of SLMC and St. Luke's College of Medicine. SLMC shall ensure that the quality of medical care provided to beneficiaries shall not be substantively less than that provided to SLMC's regular patients.
11. All patients to be referred to SLMC under the Free Medical Services Program should present a Referral Letter (RL) from the Office of the Mayor signed by the City Mayor or her duly authorized representative. The Referral Letter (RL) shall

148



include the following details:

- a. QC Reference Number
- b. Name of Patient
- c. Age
- d. Address
- e. Medical Case/Finding
- f. Amount of free hospital services covered by the RL
- g. Date of Issue
- h. Date of Expiry

The RL shall be valid for sixty (60) days only from date of issue.

12. QC LGU shall provide SLMC a list of authorized signatories for Referral Letter before the effectivity of this Agreement and commits to inform SLMC of changes in the authorized signatories.
13. For proper monitoring and control in the utilization of the Free Medical Services Fund, SLMC and QC LGU shall exert all efforts for the proper implementation of this Agreement.
14. SLMC shall submit monthly utilization report of the Free Medical Services Fund addressed to the Office of the Mayor with the following details:
 - a. Number of beneficiaries under the Program
 - b. Amount of free hospital services availed with breakdown of gross amount and discount granted
 - c. Remaining balance of the Fund
15. SLMC commits to admit patients referred by QC LGU under the latter's Free Medical Services Program. However, SLMC has the right to refuse to admit any patient referred to it by QC LGU due to the following reasons:
 - a. When admitting or continuing to admit such patient would danger or scandal to the hospital or its patients and employees.
 - b. When SLMC has no available facility for the proper treatment and care of the patient.
 - c. Upon the analogous or similar reason when deemed by the SLMC upon valid reason to be communicated to the Office of the Mayor or her authorized representatives.
16. Any QC patient not admitted to SLMC for any reason shall be transferred to another hospital or transported elsewhere by the QC LGU or his family, however a medical report or abstract shall be provided by SLMC to facilitate the transfer of the patient.
17. Medicines and supplies and other services not available in this hospital for clarity shall be at the expense of the patient.
18. QC LGU shall in no way determine or participate in the manner of treatment and care decided by SLMC's medical staff.
19. QC Free Medical Services Program beneficiaries with the following cases shall not be covered by this Agreement:

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- Communicable diseases like PTB
- Medico-legal cases
- Psychiatric cases
- Maternity cases except those that need extreme medical attention excluding caesarian cases
- Diagnostic executive check-up with confinement
- Hematological cases with blood transfusion
- Cosmetology and plastic surgery
- Chemotherapy and cardiac surgeries in general
- Professional fees of private physicians, if applicable
- Chronic renal failure, end stage renal disease patients requiring hemodialysis

To assist the QC LGU while it builds its own Hemodialysis Center, SLMC shall provide maximum of five (5) sessions of hemodialysis to each qualified beneficiary during the first year of the agreement until December 31, 2021. The cost of which shall be considered part of the utilization of the Free Medical Services Fund for the year.

20. This Agreement shall not be amended unless such amendment is in writing and signed by the Parties.

IN WITNESS WHEREOF, the Parties have signed these presents on this 19th day of October, 2020 in Quezon City.

QUEZON CITY GOVERNMENT

ST. LUKE'S MEDICAL CENTER

By:

By:

HON. MA. JOSEFINA G. BELMONTE
City Mayor

ARTURO S. DELA PEÑA, M.D., FPCS, FACS
President and CEO

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Witnessed by:


Mr. Michael Victor Alimurung
City Administrator
Quezon City


Dr. Benjamin S.A. Campomanes, Jr.
EVP and Chief Medical Officer
St. Luke's Medical Center, Inc.


Mr. Edgar T. Villanueva
City Treasurer
Quezon City


Ms. Aileen M. Malto
SVP and Chief Finance Officer
St. Luke's Medical Center, Inc.

(REPUBLIC OF THE PHILIPPINES)
QUEZON CITY, METRO MANILA) SS.

ACKNOWLEDGMENT

BEFORE ME, a notary public for and in the above jurisdiction, this 11 day of DEC 2020,
personally appeared the following persons:

Name	Government-Issued Photo ID /No.	Issued At	Issued On/Expiring On
MA. JOSEFINA G. BELMONTE	TIN 159-334-867-000		
DR. ARTURO S. DELA PEÑA	PRC No. 0052145		

known to me through the above competent proof of identity to be the same persons who executed the foregoing MEMORANDUM OF AGREEMENT, and who acknowledged and represented to me that: (a) their signature in said document was voluntarily affixed by them for the purpose stated therein; (b) they executed said document as their free and voluntary act and deed and that of the corporation or entities they represent; and (c) they have the authority to execute the said document on behalf of the corporations or entities they respectively represent.

This MEMORANDUM OF AGREEMENT consists of eight (8) pages, including this acknowledgment page and its Annexes.

WITNESS MY HAND AND SEAL on the date and place first written above.

Doc. No. 333
Page No. 69
Book No. I
Series of 2020.


JOYCE ANNE O. MADRID
Notary Public for Quezon City
Commission until 31 December 2021
Roll No. 89943 / Adm. Matter No. NP-160 (2020-2021)
PTR No. 8296542 / 01-02-2020 / Quezon City
IBP No. 103287 / 01-03-2020 / Quezon City
5 Mayflower St., Extension, Novaliches, Q.C.
MCLE Compliance No. VI-0015984



