

November 18, 2008

ADMINISTRATIVE ORDER

No. 2006-0004-B

SUBJECT: Amendment to Certain Provisions of Administrative Order No. 2006-0004-A on the Guidelines for the Issuance of Certificate of Need to Establish a New Hospital

Since the implementation of Administrative Order No. 2006-0004 *Guidelines for the Issuance of Certificate of Need (CON) to Establish a New Hospital* and Administrative Order No. 2006-0004-A in April, 2006 and January, 2007 respectively, feedback from stakeholders has been received by the Bureau of Health Facilities and Services regarding the coverage of the CON as well as the criteria used in its issuance to hospitals. After review of the issues and concerns raised by concerned sectors, it became evident that certain provisions in the CON guidelines need to be revised.

Therefore, pursuant to Administrative Order No. 2006-0004-A *Amendment to Administrative Order No. 2006-0004 Guidelines for the Issuance of Certificate of Need to Establish a New Hospital*, the following provisions are hereby amended:

Section V. POLICIES AND GUIDELINES

A. General Guidelines

1. Coverage and Exemptions

XXX

- 1.5. Under A.O. No. 147 s. 2004 Section 16.2, a PTC shall be considered lapsed when the work authorized by the permit does not commence within three hundred sixty-five (365) days from date of issuance, or is abandoned during the period specified. A CON shall be required if the applicant decides to apply for a new PTC.
- 1.6. Under A.O. No. 147 s. 2004 Section 16.4, a License to Operate (LTO) that is not renewed for a period of two (2) consecutive years shall be considered lapsed, and a new Application for Registration and Issuance of LTO are required before the hospital can be allowed to operate. A CON shall be required for the PTC application of such hospital.
- 1.7. Under A.O. No. 147 s. 2004 Section 16.6, in case of any change in hospital management, name or ownership with disruption in hospital operation, or in case of transfer of location, a new application for PTC, registration, and issuance of LTO shall be required. A CON shall be required for the PTC application of such hospitals.

The aforementioned provisions are hereby amended to read as follows:

“ A. General Guidelines

1. Coverage and Exemptions

X X X

- 1.5. Under A.O. 147 s. 2004 Section 16.2, a PTC shall be considered lapsed when the work authorized by the permit does not commence within three hundred sixty-five (365) days from date of issuance, or is abandoned during the period specified. A CON shall NOT be required if the applicant decides to renew the PTC.
- 1.6. Under Section V.A.2.f.ix of Administrative Order No. 2007-0021 *Harmonization and Streamlining of the Licensure System for Hospitals*, when a License to Operate (LTO) of a hospital is expired and not renewed for a period of one (1) year or more after expiration date, the LTO shall be considered lapsed and the registration of the hospital shall be cancelled. In such a case, a new application for PTC, registration, and issuance of LTO shall be required before the hospital can be allowed to operate. However, a CON shall NOT be required.
- 1.7. Under A.O. 147 s. 2004 Section 16.6, in case of any change in hospital management, name or ownership with disruption in hospital operation, or in case of transfer of location, a new application for PTC, registration, and issuance of LTO shall be required. However, a CON shall NOT be required. ”

SEPARABILITY CLAUSE


In the event that any provision or part of this Order be declared unauthorized or rendered invalid by any court of law or competent authority, those provisions not affected by such declaration shall remain valid and effective.

REPEALING CLAUSE

This Administrative Order shall repeal and supersede Section V Subsections A.1.5 to A.1.7 of Administrative Order No. 2006-0004-A, Section V.A.2.f.ix.c of Administrative Order No. 2007-0021 and all other administrative issuances inconsistent herewith.

EFFECTIVITY

This Order shall take effect upon approval and publication in the official gazette or newspaper of general circulation.


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Secretary of Health