



Republic of the Philippines  
Department of Health

**OFFICE OF THE SECRETARY**

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June 6, 2007

**ADMINISTRATIVE ORDER**

**No. 2007 – 0023**

**SUBJECT: Schedule of Fees for the One-Stop Shop Licensure System for Hospitals**

**I. Background / Rationale**

The restructuring and rationalization of fees of regulatory offices is one of the strategies identified to support and sustain the needed reforms in health regulation under Fourmula One (F1) for Health. A rationalized fee schedule, coupled with an income retention policy and performance-based fund allocation, is expected to improve the efficiency, quality of services and client-responsiveness of regulatory offices.

The Department of Health (DOH) regulatory bureaus have taken measures to rationalize their schedules of fees for regulatory services. The Bureau of Health Facilities and Services (BHFS), for example, has issued A.O. 2007-0001, which prescribed a new schedule of fees that was based on the actual costs of services that are to be rendered.

The establishment of the One-Stop Shop Licensure System for Hospitals now requires the issuance of a single license to operate (LTO). The LTO shall now encompass the operation of the hospital as well as its ancillary and other facilities including, but not limited to, the following: clinical laboratory, HIV testing, drinking water analysis and drug testing; blood bank, blood collection unit and blood station; dialysis clinic; ambulatory surgical clinic; pharmacy; and medical x-ray facility. However, hospital-based medical facility for overseas workers and seafarers, hospital-based drug abuse treatment and rehabilitation center, facility using radioactive material that are currently regulated by the Philippine Nuclear Research Institute and performance of kidney transplantation are excluded in the One-Stop Shop Licensure System. Under this system, a single license application fee shall be imposed, which shall be a composite fee that shall cover the license application for the hospital as well as its ancillary and other services.

**II. Objective**

This Order prescribes the schedule of fees in relation to the licensure of hospitals, their ancillary and other facilities under the One-Stop Shop Licensure System.

### III. Scope

This Order shall apply to hospitals applying for an LTO under the One-Stop Shop Licensure System.

### IV. General Guidelines

#### A. Licensee

Hospitals shall be required only a single LTO that would cover for their basic, ancillary and other facilities. The fees for such LTO shall be imposed based on the schedule of fees, as provided for by this Order. Ancillary and other facilities include, but are not limited to, the clinical laboratory, HIV testing, drinking water analysis and drug testing; blood bank, blood collection unit and blood station; dialysis clinic; ambulatory surgical clinic; pharmacy; and medical x-ray facility; but exclude hospital-based medical facility for overseas workers and seafarers, hospital-based drug abuse treatment and rehabilitation center, facility using radioactive material that are currently regulated by the Philippine Nuclear Research Institute and performance of kidney transplantation.

#### B. Fee Exemptions

Pursuant to Republic Act 4226 *Hospital Licensure Act*, government hospitals are exempt from payment of registration fee and basic LTO fee for hospitals. But for ancillary and other facilities and services, non-DOH government hospitals are required to pay the corresponding fees, except for the pharmacy fee. DOH hospitals shall be exempt from payment of registration fee, basic LTO fee for hospitals, as well as the corresponding fees for ancillary and other facilities and services covered by the One-Stop Shop Licensure System.

### V. Fees, Surcharges, and Discounts

#### A. Schedule of Fees

The DOH shall charge fees for services rendered in relation to the licensure of hospitals, their ancillary and other facilities under the One-Stop Shop Licensure System. The fees shall be based on the schedule presented in the tables below.

**Table 1. Schedule of Fees - Registration  
for all New Private Hospitals**

Registration Fee	PHP 200.00
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**Table 2. Schedule of Fees - License to Operate  
for Private Hospitals**

	Initial (PHP)			Renewal (PHP)		
	2008	2009	2010	2008	2009	2010
Level 1 Hospital – basic	2,400	5,000	6,000	-	4,500	5,500
• Clinical laboratory <sup>1</sup>						
▪ Primary lab	1,200	1,600	2,000	-	1,200	1,500
▪ Secondary lab	1,500	2,000	2,500	-	1,600	2,000
• Pharmacy <sup>2</sup>	1,000	1,000	1,000	-	1,000	1,000
• Medical X-ray <sup>3</sup>	See Table 4					
• Drug Testing Laboratory <sup>6</sup>						
▪ Screening lab	5,000	5,000	5,000	-	5,000	5,000
• Dialysis Clinic <sup>7</sup>	3,000	3,000	3,000	-	3,000	3,000
Level 2 Hospital – basic	2,600	5,500	6,500	-	5,000	6,000
• Clinical laboratory <sup>1</sup>						
▪ Secondary lab	1,500	2,000	2,500	-	1,600	2,000
• Pharmacy <sup>2</sup>	1,000	1,000	1,000	-	1,000	1,000
• Medical X-ray <sup>3</sup>	See Table 4					
• Drug Testing Laboratory <sup>6</sup>						
▪ Screening lab	5,000	5,000	5,000	-	5,000	5,000
• Dialysis Clinic <sup>7</sup>	3,000	3,000	3,000	-	3,000	3,000
Level 3 Hospital – basic	6,000	7,500	8,500	-	7,000	7,500
• Clinical laboratory <sup>1</sup>						
▪ Tertiary lab	2,000	2,700	3,000	-	2,300	2,500
• Pharmacy <sup>2</sup>	1,000	1,000	1,000	-	1,000	1,000
• Medical X-ray <sup>3, 4, 5</sup>	See Table 4					
• Drug Testing Laboratory <sup>6</sup>						
▪ Screening lab	5,000	5,000	5,000	-	5,000	5,000
▪ Confirmatory lab	5,000	5,000	5,000	-	5,000	5,000
• Dialysis Clinic <sup>7</sup>	3,000	3,000	3,000	-	3,000	3,000
• Ambulatory Surgical Clinic <sup>8</sup>	4,000	4,000	4,000	-	4,000	4,000
Level 4 Hospital – basic	7,500	9,500	10,500	-	7,500	8,500
• Clinical laboratory <sup>1</sup>						
▪ Tertiary lab	2,000	2,700	3,000	-	2,300	2,500
• Pharmacy <sup>2</sup>	1,000	1,000	1,000	-	1,000	1,000
• Medical X-ray <sup>3, 4, 5</sup>	See Table 4					
• Drug Testing Laboratory <sup>6</sup>						
▪ Screening lab	5,000	5,000	5,000	-	5,000	5,000
▪ Confirmatory lab	5,000	5,000	5,000	-	5,000	5,000
• Dialysis Clinic <sup>7</sup>	3,000	3,000	3,000	-	3,000	3,000
• Ambulatory Surgical Clinic <sup>8</sup>	4,000	4,000	4,000	-	4,000	4,000

**Table 3. Schedule of Fees - License to Operate  
for Government Hospitals (excluding DOH Hospitals)**

	Initial (PHP)			Renewal (PHP)		
	2008	2009	2010	2008	2009	2010
Level 1 Hospital – basic	-	-	-	-	-	-
• Clinical laboratory <sup>1</sup>						
▪ Primary lab	1,200	1,600	2,000	-	1,200	1,500
▪ Secondary lab	1,500	2,000	2,500	-	1,600	2,000
• Pharmacy	-	-	-	-	-	-
• Medical X-ray <sup>3</sup>	See Table 4					
• Drug Testing Laboratory <sup>6</sup>						
▪ Screening lab	5,000	5,000	5,000	-	5,000	5,000
• Dialysis Clinic <sup>7</sup>	3,000	3,000	3,000	-	3,000	3,000
Level 2 Hospital – basic	-	-	-	-	-	-
• Clinical laboratory <sup>1</sup>						
▪ Secondary lab	1,500	2,000	2,500	-	1,600	2,000
▪ Tertiary lab	2,000	2,700	3,000	-	2,300	2,500
• Pharmacy	-	-	-	-	-	-
• Medical X-ray <sup>3</sup>	See Table 4					
• Drug Testing Laboratory <sup>6</sup>						
▪ Screening lab	5,000	5,000	5,000	-	5,000	5,000
• Dialysis Clinic <sup>7</sup>	3,000	3,000	3,000	-	3,000	3,000
Level 3 Hospital – basic	-	-	-	-	-	-
• Clinical laboratory <sup>1</sup>						
▪ Tertiary lab	2,000	2,700	3,000	-	2,300	2,500
• Pharmacy	-	-	-	-	-	-
• Medical X-ray <sup>3, 4, 5</sup>	See Table 4					
• Drug Testing Laboratory <sup>6</sup>						
▪ Screening lab	5,000	5,000	5,000	-	5,000	5,000
▪ Confirmatory lab	5,000	5,000	5,000	-	5,000	5,000
• Dialysis Clinic <sup>7</sup>	3,000	3,000	3,000	-	3,000	3,000
• Ambulatory Surgical Clinic <sup>8</sup>	4,000	4,000	4,000	-	4,000	4,000
Level 4 Hospital – basic	-	-	-	-	-	-
• Clinical laboratory <sup>1</sup>						
▪ Tertiary lab	2,000	2,700	3,000	-	2,300	2,500
• Pharmacy	-	-	-	-	-	-
• Medical X-ray <sup>3, 4, 5</sup>	See Table 4					
• Drug Testing Laboratory <sup>6</sup>						
▪ Screening lab	5,000	5,000	5,000	-	5,000	5,000
▪ Confirmatory lab	5,000	5,000	5,000	-	5,000	5,000
• Dialysis Clinic <sup>7</sup>	3,000	3,000	3,000	-	3,000	3,000
• Ambulatory Surgical Clinic <sup>8</sup>	4,000	4,000	4,000	-	4,000	4,000

**Table 4. Schedule of Fees - License to Operate  
for a Clinic, Department or Facility with an X-ray Emitting Equipment**

<b>mA Range</b>	<b>Initial (PHP)</b>	<b>Renewal (PHP)</b>
100 mA and less	800	400
101 mA up to 300 mA	1,100	550
301 mA up to 500 mA	1,400	700
501 mA up to 700 mA	1,700	850
Greater than 700 mA	2,000	1,000

- <sup>1</sup> Add the corresponding laboratory fee to the basic hospital fee. This amount already includes HIV testing and water-testing services, as well as blood service facilities.
- <sup>2</sup> Add the Pharmacy fee to the basic hospital fee. This amount is good for 1 pharmacy only. Payment of PHP1,000.00 is required for each additional pharmacy, both for initial LTO and renewal of LTO.
- <sup>3</sup> Add the Medical X-ray fee to the basic hospital fee. This amount is good for 1 x-ray machine only. Payment of the corresponding amount is required for each additional machine, both for initial LTO and renewal of LTO. For 2008, renewal fee shall be waived.
- <sup>4</sup> Add the fee for Acceptance/Performance Testing of radiological equipment in the amount of PHP7,920.00 to the basic hospital fee. This amount is good for 1 machine and for one visit only. Payment of the same amount is required for each additional machine and for each additional visit.
- <sup>5</sup> Add the fee for calibration of radiotherapy facilities in the amount of PHP2,970.00 to the basic hospital fee. This amount is good for 1 machine and for one visit only. Payment of the same amount is required for each additional machine and for each additional visit.
- <sup>6</sup> Add the Drug Testing Laboratory fee to the basic hospital fee. Payment of bond of PHP20,000.00 is required for initial application.
- <sup>7</sup> Add the Dialysis Clinic (DC) fee to the basic hospital fee. If the DC is fully owned by the hospital, no DC fee shall be charged.
- <sup>8</sup> Add the Ambulatory Surgical Clinic (ASC) fee to the basic hospital fee. If the ASC is fully owned by the hospital, no ASC fee shall be charged.

**B. Payment of Fees**

The applicant, upon filing an application, shall pay the corresponding fee to the Center for Health Development (CHD) or DOH Cashier in person or through postal money order.

**C. Additional Fee to be Charged by the CHD**

The CHD may charge an additional fee of not more than twenty percent (20%) of the prescribed fee, depending on the actual costs incurred by the concerned CHD in the provision of the service.

#### **D. Re-Inspection Fee**

If additional site visits or inspections are needed before the initial LTO can be granted, a re-inspection fee that is equal to one hundred percent (100%) of the initial LTO fee shall be charged to the applicant for each re-inspection conducted, over and above the initial LTO fee.

#### **E. Discount on Renewal Fee**

A ten percent (10%) discount on the renewal fee shall be granted if a complete application for renewal is filed during the period beginning on the first day of October until the last day of November of the current year.

#### **F. Surcharge**

When an LTO is expired and not renewed for a period of less than one (1) year after expiration date, the hospital shall be required to pay a surcharge of 100% of the renewal fee, over and above the renewal fee.

#### **G. Review of Schedule of Fees**

The schedule of fees for the One-Stop Shop Licensure System shall be regularly reviewed by the BHFS, BHDT and BFAD, in consultation with the CHDs and stakeholders.

### **VI. Repealing Clause**

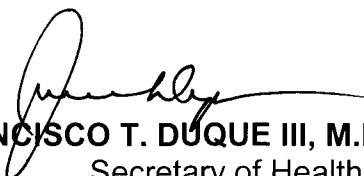
Provisions from previous issuances that are inconsistent or contrary to the provisions of this Order are hereby rescinded and modified accordingly.

### **VII. 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.

### **VIII. Effectivity**

This Order shall take effect fifteen (15) days after its approval and publication in the official gazette or newspaper of general circulation.

  
**FRANCISCO T. DUQUE III, M.D., M.Sc.**  
Secretary of Health