



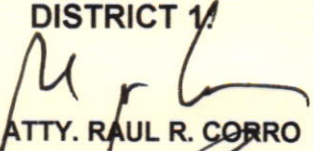
Republic of the Philippines  
**CITY GOVERNMENT OF MUNTINLUPA**  
**Sangguniang Panlungsod ng Muntinlupa**



**CONCURRED:**

**RESOLUTION NO. 2024-498**

**DISTRICT 1:**

  
 COUN. ATTY. RAUL R. CORRO

COUN. ALEXSON V. DIAZ

COUN. PATY KATY C. BONCAYAO

COUN. ATTY. RACHEL C. ARCIAGA

COUN. IVEE RHIA ARCIAGA-TADEFA

COUN. ALLAN REY A. CAMILON

COUN. JEDIDIAH R. PRESNEDE, LPT

COUN. TING D. NIEFES

**DISTRICT 2:**

COUN. MARK LESTER M. BAES

COUN. FRANCIS IAN T. BAGATSING

COUN. ENGR. MAMERTO T. SEVILLA, JR.

COUN. ENGR. MARISSA C. RONGAVILLA

COUN. ENGR. ARLENE D. HILAPO

COUN. CORNELIO M. MARTINEZ

COUN. RODOLFO W. MOLDEZ, JR.

COUN. ALLEN F. AMPAYA

COUN. JONAS ANGELO L. ABADILLA

**A RESOLUTION APPROVING THE LOCAL FINANCE COUNCIL RESOLUTION NO. 07 SERIES OF 2024 ENTITLED A RESOLUTION ENDORSING TO THE SANGGUNIANG PANLUNGSOD THE REVERSION TO THE CITY GOVERNMENT THE MANAGEMENT AND OPERATION OF OSPITAL NG MUNTINLUPA (OSMUN)**

\*\*\*\*\*  
**Sponsored by:** *Hon. Coun. Atty. Raul R. Corro*  
*Hon. Coun. Alexson V. Diaz*  
*Hon. Coun. Paty Katy C. Boncayao*  
*Hon. Coun. Atty. Rachel Katriel Ann C. Arciaga*  
*Hon. Coun. Ivey Rhia A. Tadeffa*  
*Hon. Coun. Allan Rey A. Camilon*  
*Hon. Coun. Jedidiah R. Presnede, LPT*  
*Hon. Coun. Ting D. Niefes*  
*Hon. Coun. Mark Lester M. Baes*  
*Hon. Coun. Francis Ian T. Bagatsing*  
*Hon. Coun. Engr. Mamerto T. Sevilla, Jr.*  
*Hon. Coun. Engr. Marissa C. Rongavilla*  
*Hon. Coun. Engr. Arlene D. Hilapo*  
*Hon. Coun. Cornelio M. Martinez*  
*Hon. Coun. Rodolfo W. Moldez, Jr.*  
*Hon. Coun. Allen F. Ampaya – LB President*  
**Hon. Coun. Jonas Angelo L. Abadilla – SK Federation President**  
 \*\*\*\*\*

**WHEREAS**, on November 12, 2019 the Sangguniang Panlungsod enacted Ordinance 19-028, also known as An Ordinance Creating The Ospital Ng Muntinlupa As A Local Economic Enterprise (LEE) To Be Called As The Ospital Ng Muntinlupa Medical Center, bestowing upon the institution the status as Local Economic Enterprise;

**WHEREAS**, the Department of Budget and Management on June 10, 2016 issued Local Budget Circular No 111 which provides for the **Manual On The Setting Up And Operation Of Local Economic Enterprises (LEEs)**, referred henceforth as the **Manual**, also laid down the guidelines for the discontinuation/cessation of an existing LEE;

**WHEREAS**, the **Manual** provides that the preparation of the Financial Self Sufficiency Evaluation (FSSE) Report by the local accounting office using data for the 5-year period, statement of income and expenses (with detailed income and expense items), is vital and shall be the deciding factor whether the LEE should continue its operation. The existing LEE should have achieved financial self-sufficiency or 100% cost recovery, otherwise its operation is deemed not viable;

**WHEREAS**, the Local Finance Council adopted on 22<sup>nd</sup> April Resolution No. 07 series of 2024 entitled A resolution endorsing to the Sangguniang Panlungsod the reversion to the City Government the management and Operation of Ospital ng Muntinlupa (OsMUN) and the consequential Modification/Revocation of City Ordinance No. 19-028, basing its resolution on the following factors:

*By Atty. R. Corro*





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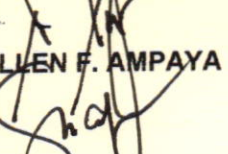
  
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- a. The Five years performance of the OsMun does not meet the Financial Self Sufficiency Evaluation, the City Accounting reports that the hospital is operating at a loss since its conversion in 2019:

<u>Year of Operation</u>	<u>FSSE Rate</u>
2019	49.58%
2020	38.44%
2021	51.13%
2022	31.79%
2023	<u>55.58%</u>
<b>Cumulative Total</b>	<b>43.9%</b>

- b. The City Government's subsidy of more or less 200M, which is supposedly given to exclusively support the maintenance and operating expense and capital outlays of OsMun, was also being utilized to fund its personnel salaries, wages and benefits;
- c. Income from other sources (Philhealth share, National government remittances and subsidies) failed to augment OsMun's operational cost;

**WHEREAS**, the Manual also provides that if not all of the conditions for continued LEE operations, the following may be resorted to by the LGU as exit strategies:

1. **Service shedding** (i.e., LGU stops the production/provision of selected LEE goods/ services to concentrate on a few LEE goods/services);
2. **Closure** (i.e., LGU shuts down LEE operations completely; however, provision of products/services may be continued through another mode other than LEE);
3. **Divestment** (i.e., the LGU relinquishes either operational control or ownership to another entity).

**WHEREAS**, given the nature of the services being dispensed by the OsMun, its discontinuance would aggravate and affect public health services, the LFC found that **Option 2**, which is **CLOSURE**, or the shutting down of its operations completely and the provision of products/services may be continued through letting the CGM handle the business of the hospital is the most viable of all the given exit strategies;

**NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, by the **10<sup>th</sup> Sangguniang Panlungsod of Muntinlupa**, to approving the Local Finance Council Resolution No. 07 Series of 2024 entitled, **"A resolution endorsing to the Sangguniang Panlungsod the reversion to the City Government the Management and Operation of Ospital ng Muntinlupa (OSMUN)."**

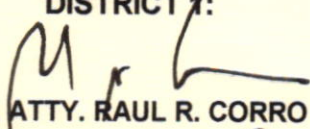




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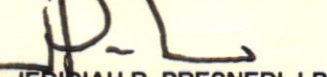
  
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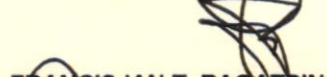
  
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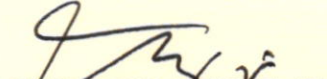
  
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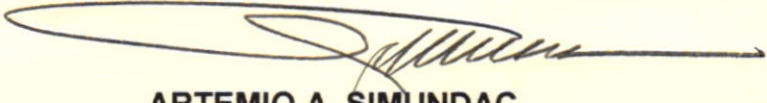
**RESOLVED FURTHER**, that the **Executive Department**, in the implementation of the **Closure of Osmun**, would prepare its guidelines and policies that would minimize the impact of the said **exit strategy** on the status of the **public hospital** and its **reintegration** in the **City Government's** operation;

**ADOPTED**, by the **10<sup>th</sup> Sangguniang Panlungsod of Muntinlupa**, this **27<sup>th</sup> day of May 2024**, on its **27<sup>th</sup> Regular Session**.

I **HEREBY CERTIFY**, as to the correctness of the foregoing Resolution.

  
**CECILIA C. LAZARTE**  
 Secretary to the Sanggunian

**ATTESTED:**

  
**ARTEMIO A. SIMUNDAC**  
 City Vice-Mayor/Presiding Officer

**APPROVED:**

  
**ROZZANO RUFINO B. BIAZON**  
 City Mayor

Date: 03 JUN 2024

Norie/10<sup>th</sup> SP