

RESOLUTION NO. 2019-188
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RESOLUTION RATIFYING THE TERMS OF PARTNERSHIP (TOP) ENTERED INTO BY AND BETWEEN THE CITY GOVERNMENT OF NAGA AND DEPARTMENT OF HEALTH, REGIONAL OFFICE NO. V, RELATIVE TO THE IMPLEMENTATION OF THE 2019 LOCAL INVESTMENT PLAN FOR HEALTH (LHIP) OF THE CITY OF NAGA:-

Sponsor: Hon. Jose C. Rañola

WHEREAS, received by the Sangguniang Panlungsod for appropriate action is the 1st Indorsement dated May 31, 2019 from his Honor, the City Mayor, endorsing for ratification the Terms of Partnership entered into by and between the City Government of Naga and Department of Health Regional Office No. V, with respect to the implementation of 2019 Local Investment Plan for Health (LHIP) of the City of Naga;

WHEREAS, through SP Resolution No. 2019-182 adopted on May 28, 2019, the Honorable City Mayor was authorized to enter into the said Terms of Partnership;

WHEREAS, copy of the said Terms of Partnership (TOP) is hereto attached as integral part of this resolution;

WHEREAS, finding this Terms of Partnership to be in order and necessary in the implementation of various 2019 Local Investment Plan for Health (LHIP) of the Naga City Government;

NOW, THEREFORE, on motion of Hon. Jose c. Rañola, seconded by Hon. Elmer S. Baldemoro and Hon. Julian C. Lavadia Jr.;

BE IT RESOLVED, as it is hereby resolved, to ratify the Terms of Partnership (TOP) entered into by and between the City Government of Naga and Department of Health Regional Office No. V, relative to the ~~implementation of~~ 2019 Local Investment Plan for Health (LHIP) the City of Naga.

LET COPIES of this resolution be furnished His Honor, the City Mayor, and Regional Director Ernie V. Vera, MD, MPH, VHA, CESO IV, Department of Health, Regional Office No. V, Legaspi City, for their information, and Dr. Vito C. Borja II, City Health Officer for his information and guidance.

APPROVED.

Adopted: June 4, 2019

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WE HEREBY CERTIFY to the correctness of the foregoing resolution.

NELSON S. LEGACION
City Vice Mayor
& Presiding Officer

GIL A. DE LA TORRE
Secretary to the
Sangguniang Panlungsod

2/F City Hall Building, Juan Miranda Avenue, Concepcion Pequeña, Naga City

 473-20-51 • 473-20-49

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TERMS OF PARTNERSHIP

(Annual Operational Plan CY 2019)

KNOW ALL MEN BY THIS PRESENTS:

This **Terms of Partnership (TOP)** is made and entered *by and between*:

The **Department of Health – Center for Health Development - Bicol**, a regional government agency created and existing under the laws of the Republic of the Philippines with principal office address at Legazpi CITY, herein represented by the **Director IV, ERNIE V. VERA, MD, MPH, CHA, CESO IV**, and hereinafter referred to as the **“DOH-CHD”**;

and

The **City Government of NAGA**, a Local Government Unit established and existing under the laws and regulations of the Republic of the Philippines, with principal office address at **Naga City**, represented by **HON. JOHN G. BONGAT**, in his capacity as the **City Mayor**, as duly authorized by the Sangguniang Panlungsod under Resolution No. _____ dated _____, hereinafter referred to as the **“CITY or CLGU”**;

WITNESSETH

WHEREAS, Section 11, Article XIII of the 1987 Philippine Constitution provides, among others, that the State shall adopt an integrated and comprehensive approach to health development, which shall endeavor to make essential goods, health and social services available to all people at affordable cost;

WHEREAS, Republic Act 7160 otherwise known as the 1991 Local Government Code mandated the devolution of the delivery of health services and facilities as one of the basic functions and responsibilities of all Local Government Units (LGUs) at all levels;

WHEREAS, the **Fourmula One Plus For Health** with its tagline “Boosting Universal Health Care” is the new strategic framework for Health Sector Reform to attain the goals outlined by the Philippine Government in the Philippine Development Plan, the Sustainable Development Goals, and The Ambisyon Natin 2040, specifically for the health sector, goals of better health outcomes, more equitable health care financing, and more responsive health system;

WHEREAS, the **Fourmula One Plus For Health** shall organize critical initiatives in health into four strategic pillars, namely: Financing, Regulation, Service Delivery, Governance, plus a cross cutting initiative on Performance Accountability;

WHEREAS, the **Local Investment Plan for Health (LIPH)** is the key instrument in forging the Department of Health (DOH) and Local Government Unit (LGU) partnership to carry out the **Fourmula One Plus For Health**; the LIPH will serve as a vehicle in implementing and consolidating support for health reforms at the city level;

WHEREAS, the **CITY** has agreed to implement health sector reforms consistent with the **Fourmula One Plus For Health** and has proven its capacity to utilize investment and sustain the reform process, among others;

WHEREAS, the **CITY**, in partnership with their component LGUs, have agreed to fund and implement the programs, projects and activities under their respective LIPHs through their own financing source, and through available funds and resources from the DOH, and development partners, coordinated with the DOH;

WHEREAS, the **CITY** has prepared its 2019 Annual Operational Plan (AOP) which have been reviewed by the CITY and DOH's CHD Appraisal Committee, and modified as necessary following the recommendations of the above;

NOW THEREFORE, in consideration of the foregoing premises, and by way of formalizing and confirming the commitment of the CITY and the DOH-CHD, the parties hereby agree to enter into agreement in accordance with the terms and conditions hereunder set forth:

ARTICLE I PROGRAM IMPLEMENTATION ARRANGEMENT

1.1 Program Coverage

This agreement shall cover the management and implementation of the approved **2019 AOP (Annex)**, and shall focus on the achievement of improved local health system performance consistent with **Fourmula One Plus For Health**.

1.2 Program Funding

The implementation of the approved **2019 AOP** shall be funded by various sources which may include the following: 1) Cash transfers from the DOH-CHD, 2) Support in kind or commodities from the DOH regular budget of the Central Office coursed through its ROs, 3) PhilHealth reimbursements, 4) Local Government Unit Funds, and 5) Other funds identified by DOH-CHD and LGU, including funds from Development Partners, and other stakeholders.

1.3 Roles and Responsibilities

A. The CITY shall:

The CITY hereby adheres to an integrated implementation of the **Fourmula One Plus For Health** components as embodied in the approved 2019 AOP, and commits to the principles and conditions set forth and to this end, shall:

1. Issue executive instruments or local legislations, whenever necessary, for the effective implementation of approved 2019 AOP;
2. Secure the participation and cooperation of its component LGUs in carrying out local initiatives or activities pursuant to a city-wide implementation of the approved 2019 AOP, to include but not limited to:
 - 2.1 Secure increased, better and sustained financing for health
 - 2.2 Assure the quality and affordability of health goods and services
 - 2.3 Ensure access to and availability of essential and basic health packages
 - 2.4 Improve performance of the health system;
3. Allocate, release and use, together with its component LGUs, funds that are necessary for the city-wide implementation of the approved 2019 AOP;
 - 3.1. Be guided by the approved 2019 AOP in the disbursement of funds;
 - 3.2. Establish and maintain a **TRUST ACCOUNT** in a government depository bank to be known as **"DOH/PHIC Health Fund"** for the funds releases, provided that separate ledgers and/or sub-ledgers shall be maintained by the **CITY** for each and every type of resource transfer/PHIC reimbursement from the DOH and PHIC;
 - 3.3 Ensure all funds, including grants proceeds and counterpart, shall flow directly to the **CITY Trust Fund**, as appropriate, and/or shall be automatically appropriated for the implementation of the approved 2019 AOP;

3.3.1 Assure that adequate funds shall be made available to support/enable the Pillars of the **Fourmula One Plus For Health**:

4. Take all steps in meeting the technical requirements and operational conditions that are pre-requisites for the release of grant allocations for specific programs;
 - 4.1 Prepare and submit, in a timely manner/within the deadline set/agreed, to the DOH-CHD Quarterly Progress Monitoring Reports (PMR) and the LGU Scorecard data, including Urban HEART data for Highly Urbanized Cities (HUCs), if available, and use these as basis for prioritization in intervention planning and budget allocation;
 - 4.2 Upgrade/enhance the administrative and operational capabilities of its local health facilities to conform to the existing accreditation and licensing standards;
 - 4.3 Be responsible for the compliance with all applicable procedures, rules and regulations, environmental and zoning laws and regulations, and that all necessary licenses and permits are obtained prior to the commencement of civil works; and
5. Organize expanded Local Health Boards (LHB) at every level to implement the **Fourmula One Plus For Health**. The expanded LHB or Local Implementation Coordination Team (LICT) for Health may include PHIC, and representatives of relevant National Government Agencies, Civil Society Organizations (CSOs), and other relevant partners.

B. The Department of Health – Center for Health Development (DOH-CHD) shall:

1. Coordinate the support from National Government Agencies (NGAs) and their instrumentalities to the CITY for the implementation of approved 2019 AOP;
 - 1.1 Maintain stewardship function over DOH funds provided to City-wide Health System (CWHS) to support attainment of goals and objectives of the approved 2019 AOP;
2. Issue the necessary policies to mobilize its offices to assist in the city-wide implementation of the approved 2019 AOP;
 - 2.1 Ensure the timely release of CHD funds to the CITY or to component LGUs of CWHS, when necessary, based on the verified physical, financial, and technical accomplishment reports;
3. Advocate for the issuance of local executive policies or legislative enactments by the component LGUs in the City-wide Health System (CWHS) that are necessary for the implementation of the approved 2019 AOP;
4. Deliver the necessary technical assistance (TA) to the CITY;
 - 4.1 Provide logistical and technical support to the CITY for the overall planning, management, and coordination of priority activities and programs to ensure smooth and efficient implementation of the approved 2019 AOP;
5. Undertake the Monitoring and Evaluation (M & E) with respect to the performance of the CWHS in implementing the approved 2019 AOP;
 - 5.1 Ensure verification and validation of submitted LGU Scorecard data and other accomplishment reports;
6. Facilitate and arrange the provision and release of financing grants within the CHD Director's authority and control;
 - 6.1 Release the funds and commodities to the CITY based on the technical guidelines issued by DOH;
 - 6.2 Authorize the CITY to manage the DOH cash transfers and support in kind (commodities) as it implements the approved 2019 AOP to produce the deliverables and outputs indicated in this Agreement;
 - 6.3 Ensure compliance with existing COA rules and regulations; and

7. Assist in building the capacity of the CWHS related with the implementation of the approved 2019 AOP.

ARTICLE II RESOURCES AND FINANCIAL OBLIGATIONS

2.1 Resources from National Government and Local Government Unit

- 2.1.1 The CITY shall receive an *estimated* allocation of **PhP 83,381,887.52** support (cash and equivalent commodities) from the National Government-DOH for the implementation of the approved 2019 AOP, details of which is shown in Table 1.A below:

Table 1. Resources from DOH and LGU to support implementation of 2019 AOP

Fund Allocations	Total INDICATIVE Amount (PhP)	Notes
A. DOH (CO & CHD) Counterpart	(Amounts to be filled up by RO)	
1. <i>Fixed Tranche</i>	PhP 1,000,000.00	For DOH CHD Fund Management
2. <i>Human Resource for Health (HRH) Deployment</i>	PhP	Still for quantification.
3. <i>Commodities</i>	PhP 41,590.11	These are yearly commodity allocations from the DOH to the city thru the RO (i.e. vaccines, TB drugs, etc.)
A. Non Communicable Disease Prevention and Control	PhP 492,016.40	
B. Infectious Disease Prevention and Control	PhP 81,013,124	
C. Family Health Programs	PhP 13,157.89	
D. Health Promotion		
4. Cash transfers (from programs/projects).		
A. Local Health Systems Development - Variable	PhP 350,000.00	Ceiling of Performance-Based Grant
5. Others		With fund allocation but the activities, e.g., procurement, training, etc., will be undertaken by DOH CO or CHD based on existing guidelines
A. Non Communicable Disease Prevention and Control	PhP 32,947.37	
B. Infectious Disease Prevention and Control	PhP 326,139.47	
C. Health Promotion	PhP 55,333.33	
D. Local Health Systems Development	PhP 57,578.95	
Total	PhP 83,381,887.52	
B. LGU Counterpart		(Based on the approved AOP, please cite the details of the LGU counterpart and its equivalent cost, i.e., human resources/job orders (MD, RHM, PHN, others), trainings/workshops, meetings, advocacy, IEC materials, logistics/commodities, capital outlay others)
Total		
C. Development Partner Counterpart, if any		Based on the concurred amount by Development Partners (EU/AECID/USAID/UNICEF, others, as applicable) in the agreement

1.1.2 Use of Fixed Tranches: Health Systems Strengthening

- 1.1.2.1 LIPH/AOP Development, planning, monitoring, advocacy to/consultations with key stakeholders, program implementation review;
- 1.1.2.2 Geographically Isolated and Disadvantaged Areas (GIDA), Indigenous Cultural Communities/Indigenous Peoples (ICC/IP)/ Urban Poor activities/projects, such as but not limited to, community profiling/GIDA information system, culture sensitivity orientation, grants for project proposals, to improve availability and access to health care through SDN;

RESTY D. SAEY, CPA
Accountant III, CHD-III

VTGG BORJA II, MD
Provincial Health Officer

ARNULFO C. CARANDANG, MD, MPI
OIC-Director III, CHD-Bicol

ERNIE V. VERA, MD, MPH, CHA, CESO IV
Director IV, CHD-Bicol

HON. JOHN G. BONGAT
CITY Mayor

- 1.1.2.3 Service Delivery Network (SDN) activities such as, but not limited to, establishment/strengthening of referral systems, inventory/facility mapping, establishment of management/technical groups, profiling of families, monitoring of health care service provision;
- 1.1.2.4 Health Leadership and Governance Program (HLGP) activities;
- 1.1.2.5 Implementation and the use of LGU Scorecard, including advocacy and recognition of those with exemplary performance;
- 1.1.2.6 For HUCs/ICCs: Data collection for equity assessment/measurement;
- 1.1.2.7 Barangay Health Workers (BHW) activities;
- 1.1.2.8 Documentation of best practices;
- 1.1.2.9 Any unutilized incorporated/ transferred funds may be reprogrammed to other LHSD activities, as recommended by the CHD LIPH Coordinator, subject to existing budgeting, accounting and auditing rules.

1.1.3 The CLGU counterparts shall be based on the approved 2019 AOP which is included by the city & its component LGUs in their Annual Investment Plan as per DILG, NEDA, DBM and DOF Joint Memorandum Circular No. 1, Series of 2016: Updated Guidelines on the Harmonization of Local Planning, Investment Programming, Resource Mobilization, Budgeting, Expenditure Management, and Performance Monitoring and Coordination in Fiscal Oversight

1.1.4 Transfer of funds and commodities shall adhere to the DOH guidelines for the Work and Financial Plan and other technical guidelines on the release and transfer of resources from the DOH-CHD to CITY Local Government Units, and specify the sources and uses of the resources including the expected outputs/deliverables

1.1.5 In the event that the LGU fails to liquidate the previously transferred funds within the prescribed timelines, the DOH CHD may opt to manage the funds or return the same to the National Treasury in accordance with existing accounting and auditing rules and regulations.

1.1.6 All disbursements, utilization and accounting of resources transferred by DOH-CHD shall strictly adhere to all government budgeting, accounting and auditing rules and regulations.

1.1.7 The DOH-CHD shall secure the release of fund assistance through regular government funds flow procedures;

1.1.8 The DOH-CHD shall also coordinate/facilitate the release of other financial assistance from other Development Partners, when available.

2.2 The CITY shall:

2.21 Manage the program resources and ensure the delivery of inputs (e.g. rehabilitation works equipment, capacity building, etc.) to the lower levels of local government to produce required outputs;

2.22 Automatically authorize the DOH-CHD to manage the funds in the event that the CITY fails to liquidate the funds previously transferred;

2.23 Contribute to and facilitate monitoring, evaluation, and audit activities that shall be conducted in the course of the program;

2.24 Submit a copy of "Certification by the Accountant that funds previously transferred to the Implementing Agency (IA) has been liquidated and accounted for in the books" (per COA

Circular 2016-002 dated 31 May 2016) to the DOH-CHD before the end of Q2 of the succeeding year and to refund expenditures disallowed by audit;

- 2.25 Comply with the existing and subsequent issuances of the DOH on funds and commodity transfer containing technical guidelines for the release and transfer of resources from the DOH through the CHD to CITY Local Government Units; and
- 2.26 Comply with the accounting and auditing rules and regulations.

ARTICLE III Miscellaneous

3.1 Mutual Obligations

The DOH-CHD and the CITY agree to perform, fulfill, abide by, and submit to any and all of the provisions and requirements and all matters related, contained or expressed or reasonably inferred from this Agreement. All unobligated amounts from DOH support funds shall be applied according to modalities determined by the DOH-CHD and CITY subject to existing budgeting, accounting, and auditing rules. The CITY shall abide by the decisions of the DOH-CHD in this regard.

3.2 Duration and Effectivity

The DOH-CHD and the CITY agree that the provisions herein described shall cover activities from **March 1, 2019 to March 31, 2020**.

This Agreement shall be terminated upon satisfactory fulfillment of all the terms and conditions embodied herein but not later than **March 31, 2020**. Any modification or amendments to this Agreement as proposed by either party shall mutually be agreed upon in writing by all the parties hereto.

3.3 Notices

All notices called for by the terms of this Agreement shall become effective only at the time of receipt thereof and only when received by the parties to whom they are addressed:

For the DOH-CHD:

Director IV

For the CITY:

The CITY Mayor

3.4 Integration

The **DOH-CHD** and the **CITY** agree that this Agreement expresses and integrates all agreements, promises, and covenants of the parties and supersedes all prior negotiations understanding and agreements, whether written or oral and that no modification or alteration of this Agreement shall be valid or binding on either party unless expressed in writing and in agreement of both parties.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be signed in their respective names in _____, Republic of the Philippines:

	<u>For the Department of Health – Center for Health Development</u>	<u>For the CITY</u>
Signature		
Printed Name	ERNIE V. VERA, MD, MPH, CHA, CESO IV	HON. JOHN G. BONGAT
Position	Director IV, DOH-CHD Bicol	CITY Mayor
Date		

Signed in the Presence of:

ARNULFO C. CARANDANG, MD, MPH
OIC-Director III, DOH-CHD Bicol

VITO C. BORJA II, MD
CITY Health Officer

RESTY D. BAEP, CPA
CHD Accountant, DOH-CHD Bicol

ACKNOWLEDGEMENT

Republic of the Philippines
CITY of **NAGA CITY**

Before me, this _____ day of _____, 20__ in the **CITY of NAGA CITY**, Philippines, personally appeared:

ERNIE V. VERA, MD, MPH, CHA, CESO IV
Director IV, DOH-CHD Bicol

ID Number _____

HON. JOHN G. BONGAT
CITY Mayor

ID Number LGU Naga City ID#1608

known to me to be the same persons who executed the foregoing instrument, and they acknowledge that the same is their free and voluntary act and deed.

This instrument consisting of seven (7) pages including this page on which the acknowledgement is written has been signed on each and every page thereof by the parties and their instrumental witness.

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

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Series of 2019

ATTY. ARMED ALAIN B. GOMEZ
NOTARY PUBLIC UNTIL DEC 31, 2019
ROLL NO. 065664
PTR NO. 614631 JAN. 14, 2019
IBP NO. 062893 JAN. 04, 2019