

# **[ LETTER OF INSTRUCTIONS No. 1401, May 01, 1984 ]**

## **AUTHORIZING THE APPROPRIATION AND RELEASE OF ONE HUNDRED MILLION PESOS FROM THE RESERVES OF THE STATE INSURANCE FUND TO ASSIST IN UPGRADING FACILITIES AND SERVICES OF THE PHILIPPINE HOSPITAL SYSTEM**

TO: The Chairman, Employees' Compensation Commission  
The Administrator, Social Security System  
The President and General Manager, Government Service Insurance System

WHEREAS, Article 177 of the Labor Code of the Philippines (PD 442, as Amended) empowers the Employees' Compensation Commission (ECC) to enter into agreements or contracts for such service and aid as may be needed in the proper, efficient and stable administration of the Employees' Compensation Program, and to perform such other acts as it may deem appropriate for the attainment of the purposes of the Commission and proper enforcement of the provisions of aforesaid Decree;

WHEREAS, Article 179 of the Labor Code, among others, authorizes the Social Security System (SSS) and the Government Service Insurance System (GSIS) to deposit all amounts accruing to the State Insurance Fund with any duly authorized depository Bank approved by the ECC, or invested with due and prudent regard for the liquidity needs of the System;

WHEREAS, the SSS and the GSIS, through judicious management, of the State Insurance Fund, has accumulated enough reserves which could be invested in programs and projects that will redound to the effective implementation of the Employees' Compensation Program; and

WHEREAS, the Philippine Hospital Association (PHA), as one of the more effective implementors of the Employees' Compensation Program desires to seek assistance from the State Insurance Fund to upgrade facilities and services of the Philippine Hospital System as a whole;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, by virtue of the powers vested in me by law and the Constitution, do hereby direct the Employees' Compensation Commission, the Social Security System and the Government Service Insurance System to appropriate and release the amount of ONE HUNDRED MILLION PESOS ( P100,000,000.00) to be taken from the reserves of the State Insurance Fund that the SSS and GSIS administer for the private sector and the public service, respectively, under the Employees' Compensation Program, to assist distressed, qualified and deserving hospitals in the form of long-term soft loans at a concessional interest rate of not more than NINE PERCENT (9%) annually, subject to such Rules and Regulations as the ECC, in consultation with the SSS and the GSIS, may promulgate for the purpose.

Done in the City of Manila, Philippines, this 1st day of May, in the Year of Our Lord,