

(H.B. 1641)

(No. 112)

(Approved September 7, 2005)

AN ACT

To amend Section 15 and add a new Section 15-A to Act No. 66 of June 22, 1978, as amended, in order to provide the periodic process for the organizational reevaluation of the services the Medical Services Administration (ASEM, Spanish acronym) renders to the institutions that constitute the Puerto Rico Medical Center and direct the Secretary of Health and the Executive Director of ASEM to submit a Reorganization Plan within the term of one year through which the administrative and management functions of the Commonwealth hospitals that constitute the Medical Center are consolidated and unified, including administrative, procurement and personnel services, auditing, planning, economic studies and maintenance, advisory and legal services, and information systems and others: provide terms and conditions for said reorganization and those that may be conducted in the future; provide protection for the operating autonomy of the institutions and for vested rights of the workers; and to require progress reports about the reorganizations.

STATEMENT OF MOTIVES

The fiscal situation of the Commonwealth of Puerto Rico, as well as the growing complexity of the Government and the recent creation and reorganization of agencies and departments makes it necessary to reexamine the structure of the Executive Departments, and the agencies, public corporations, instrumentalities and organisms of the Commonwealth of Puerto Rico.

The Medical Services Administration (ASEM, Spanish acronym) is the entity which coordinates the operations of the various medical-hospital institutions that constitute the Puerto Rico Medical Center. As such it provides the patients with the following direct medical services: Hyperbaric Medicine, Outpatient Clinics, Emergency and Operating Rooms, Trauma and Support Services Hospital, Pharmacy, Laboratory, Medical Records, Escort, Pathology, Radiology, Respiratory Care, Pulmonary Functions, Biomedical and Transfusions. These medical services classified as tertiary and supratertiary are offered 24 hours a day, 365 days of the year. The Medical Center is also in charge of implementing the medical standards of the agency, and of planning, organizing and directing those activities related to the quality of the services, as well as of medical research and education.

The medical-hospital institutions that constitute the Medical Center discharge a number of functions of an administrative-managerial nature that may be consolidated to achieve greater efficiency and economy in the investment of public funds. Act No. 66 of June 22, 1978, as amended, gives ASEM the authority to propose consolidations or the decentralization of these and other services areas. However, as this law was approved it did not provide for the effective continuity of such a power so as to allow the administrative evaluations to be periodic according to the technological and social changes.

During the process of hearings about the operating Budget, the directors of the Department of Health and ASEM indicated that they believe it necessary to establish a new administrative structure that would integrate and consolidate the Hospital for Adults, the Pediatric University Hospital and the ASEM and at the same time allow for the coordination of operations with entities located within the grounds of the Medical Center that respond to

other government units. The consolidation of the administrative-managerial functions will permit the operational areas to concentrate on their fundamental mission: Provide specialized health services to patients, and consumer and educational institutions efficiently, promptly and respectfully, as well as to provide the tools needed to prepare health professionals by acting as a learning and scientific research workshop for the purpose of ensuring the wellbeing and health of the population in general.

This measure entrusts the Department of Health and ASEM with the task of taking said measures within the term of a year and conducting a periodic evaluation to maintain the structure according to the changes that may arise concerning the administration of the health facilities.

BE IT ENACTED BY THE LEGISLATURE OF PUERTO RICO:

Section 1.-Section 15 Act No. 66 of June 22, 1978, as amended, is hereby amended to read as follows:

“Section 15.-The Board shall carry out a periodic evaluation of the services required and needed by the institutions located on the grounds of the Medical Center for the purpose of determining the need to conduct the reorganization of the services as the need may arise due to technological, scientific, demographic and social changes, taking into consideration the need for maintaining the excellence and efficiency of the medical services rendered in the Administration and in the consumer institutions and maximizing the use of the resources. Said evaluation shall be conducted as frequently as not less than every five (5) years as of the reorganization provided by Section 15-A of this Act. The Board and the consumer institutions shall render a report and their recommendations to the Governor and to the Legislature regarding any other organizational restructuring that may be convenient not later than one hundred and eighty (180) days after the

close of the fiscal year in which the evaluation is initiated. Provided, that the Governor shall approve those services of the Administration that it may want to centralize, realign and reorganize in the future.

Furthermore provided, that such determinations shall be based in feasibility studies that give due consideration to the objectives of the Medical Center.”

Section 2.-A new Section 15-A is hereby added to Act No. 66 of June 22, 1978, as amended, to read:

“Section 15-A.-Integration of Administrative Functions

The integration of the technical and management services common to the Commonwealth institutions that constitute the Medical Center shall be public policy of the Administration. To such ends:

(A) Administrative Consolidation

1. Within the year following the effective date of this Section, the Secretary of Health and the Executive Director of the Administration, after consulting the Board, shall submit to the Governor and to the Legislature of Puerto Rico a Reorganization Plan for the integration, as far as feasible and functionally effective, of technical and management services common to the Commonwealth hospitals that constitute the Puerto Rico Medical Center.
2. The services to be consolidated shall include, but without it being understood as a limitation:
 - a. Auditing
 - b. Planning
 - c. Economic studies

- d. Administrative services
 - e. Procurement
 - f. Maintenance
 - g. Legal counsel and services
 - h. Personnel
 - i. Information processing computer systems
 - j. Other whose consolidation is feasible
3. The Internal Reorganization Plan shall furthermore include the proper recommendations for the possible transfer, relocation, fusion or elimination of programs and operating functions within ASEM and the component institutions.
 4. Pursuant to the determinations made through this process, the Secretary of Health shall include with the Reorganization Plan the proposals for those bills of law and budgetary petitions that would give continuity to the Plan.
 5. The Reorganization Plan shall become effective 45 days after being submitted should no action to amend or reject the same be taken by the Legislature.

(B) Consolidation of the Personnel area

The Secretary of Health and the Executive Director of ASEM, should they understand it to be feasible and functionally effective, may integrate the functions of the various personnel offices of every component. If it is understood that this is necessary, within the one hundred and eighty (180) days following the approval of the Reorganization Plan, the Secretary shall approve a classification and

compensation master plan and personnel regulations to apply to the components integrated. For the final approval of the master plan and the regulations, or amendments to these, the Secretary must have the approval of the Office of Management and Budget so as to ensure their fiscal feasibility.

(C) Conditions

1. The Reorganization proposed shall set forth the functional economies and the operating efficiency of the units that make up the Medical Center.
2. No integration of functions shall be made in detriment to the operating autonomy or the juridical personality of any of the component institutions.
3. No provisions of this Act shall be understood to modify, alter or invalidate any agreement, claim or contract that the officials or employees responsible for the entities subject to the Reorganization Plan have executed and are in force when the same is made effective. Any claim presented by or against said officials or employees and whose resolution is pending when the Plan becomes effective.
4. All regulations that govern the operation of the entities subject to the Reorganization Plan and that are in force when the latter becomes effective, shall continue in effect until they are altered, modified, amended, repealed or substituted.
5. All career employees of the agencies affected by this Plan are guaranteed their employment, rights, privileges

and their respective status in relation to any pension or retirement system or savings and loan fund to which they were subscribed when the Plan becomes effective.

(D) Progress report

Within the term of twelve (12) months as of the effective date of the Reorganization Plan, the Secretary shall submit to both Legislative Bodies a report on its implementation. The report shall include a breakdown of the measures established to increase the efficiency and effectiveness of the organisms that constitute the entity and specifically detail the mechanisms adopted or to be adopted.”

Section 3.-This Act shall take effect immediately after its approval.

CERTIFICATION

I hereby certify to the Secretary of State that the following Act No. 112 (H.B. 1641) of the 1st Session of the 15th Legislature of Puerto Rico:

AN ACT to amend Section 15 and add a new Section 15-A to Act No. 66 of June 22, 1978, as amended, in order to provide the periodic process for the organizational reevaluation of the services the Medical Services Administration (ASEM, Spanish acronym) renders to the institutions that constitute the Puerto Rico Medical Center and direct the Secretary of Health and the Executive Director of ASEM to submit a Reorganization Plan within the term of one year through which the administrative and management functions of the Commonwealth hospitals that constitute the Medical Center are consolidated and unified, including administrative, etc.,

has been translated from Spanish to English and that the English version is correct.

In San Juan, Puerto Rico, today 6th of February of 2006.

Francisco J. Domenech
Director